

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020  
FOR  
BARNSELEY FOOTBALL CLUB LIMITED**



**Gibson Booth Limited  
Statutory Auditor  
12 Victoria Road  
Barnsley  
South Yorkshire  
S70 2BB**

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FOR THE YEAR ENDED 31 MAY 2020**

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**BARNSELY FOOTBALL CLUB LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MAY 2020**

**DIRECTORS:**

Mr R Zuk  
Mr P M Conway  
Mr J P Cryne  
Ms W K G Hung  
Mr C Lee  
Mr D K Lee  
Mr N A Parekh  
Mr D J Murphy

**SECRETARY:**

Mr R Zuk

**REGISTERED OFFICE:**

Oakwell Stadium  
Barnsley  
South Yorkshire  
S71 1ET

**REGISTERED NUMBER:**

04573250 (England and Wales)

**AUDITORS:**

Gibson Booth Limited  
Statutory Auditor  
12 Victoria Road  
Barnsley  
South Yorkshire  
S70 2BB

**BANKERS:**

Barclays Bank Plc  
10 - 18 Queen Street  
Barnsley  
South Yorkshire  
S70 2AJ

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MAY 2020**

The directors present their strategic report for the year ended 31 May 2020.

**REVIEW OF BUSINESS AND FUTURE OUTLOOK**

The 2019/2020 season was the Club's first season back in the Sky Bet Championship after a single season hiatus into Sky Bet League One in the previous year.

The financial benefit of competing in the Sky Bet Championship was an increase in total revenue from £7.8m to £14.2. The majority of this increase was derived from EFL basic award distributions and Premier League solidarity award, which increased from £2.4m to £8.1m.

Achievement related increments and additional player recruitment increased total employment costs to £11.1m from £8.1m in 2018/2019. Wage related costs therefore represent 78% of turnover, which the Board believe is a sustainable level and well below the divisional average.

During the year under review the following players were sold:

- Liam Lindsay to Stoke City
- Ethan Pinnock to Brentford
- Kieffer Moore to Wigan Athletic

During the year under review the following players were acquired:

- Luke Thomas from Derby County
- Mike Bähre from Hannover 96
- Bambo Diaby from Lokeren
- Aapo Halme from Leeds United
- Malik Wilks from Leeds United
- Mads Andersen from AC Horsens
- Toby Sibbick from AFC Wimbledon
- Conor Chaplin from Coventry City
- Patrick Schmidt from Admira Wacker
- Clark Oduor from Leeds United
- Michael Sollbauer from Wolfsberger AC
- Marcel Ritzmaier from Wolfsberger AC

The profit on players sold less the amortisation of the acquired players contracts resulted in a profit on player trading of £2.8m (2018/2019: £1.4m).

The acquisition of the above mentioned players also increased the net book value of intangible assets to £4.8m (2018/2019: £2.0m).

On 7th March 2020, the team lost 2-0 at home to Cardiff City, a result which left the Reds at the bottom of the Sky Bet Championship table. This was also the final match before the COVID-19 pandemic caused a three-month suspension to the footballing calendar. When the season resumed in June, an excellent run of form saw the team collect 15 points from the final nine fixtures and ensure survival with a 91st minute winner from Clark Oduor against promotion-chasing Brentford.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MAY 2020**

The resumption of the 2019/2020 season behind-closed-doors had an obvious impact on matchday revenue for the conclusion of the season. Despite this, the total loss for the year was a modest £280k. The Board believe that without the impact of the lost matchday revenue, the annual results would have achieved breakeven and satisfied the strategic objective of operating a balanced, self-sustainable budget.

Like many other clubs and businesses within the leisure and hospitality industries, liquidity became the immediate challenge for the Club as it prepared to start the delayed 2020/2021 season. The club utilised the CJRS furlough scheme and agreed time to pay deferrals with HMRC, however it was the support of over 7,500 Reds fans who purchased season tickets who truly kept the club alive and allowed it to prosper in the 2020/2021 season.

The Board would like to place on record its thanks to each and every fan who supported the Club through this period, which was undoubtedly the most challenging time for the Club in generations.

The Board would also like to extend its thanks to the Club's commercial partners and sponsors for continuing to support the Club despite the economic uncertainty and challenges within their own businesses.

Finally, the Board would also like to acknowledge the fantastic effort of all staff who have worked tirelessly throughout this period. The collective effort from every department has ensured that safety protocols have been implemented and followed to ensure that the Club can continue to operate, and hopefully welcome fans back to Oakwell in the near future.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties facing the Club are:

- The ongoing coronavirus pandemic and the resulting absence of fans from Oakwell having a significant impact on matchday and non-matchday revenue streams.
- The period of economic uncertainty and recession resulting from the coronavirus pandemic.
- The UK's withdrawal from the European Union and the uncertain impact that that will have on the domestic and international transfer market.
- Cash management within the constraints of available working capital.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MAY 2020**

**KEY PERFORMANCE INDICATORS**

The Board of Directors use a variety of financial and non-financial measures to monitor performance. Actual revenues, costs and cash-flows are regularly monitored against detailed budgets and forecasts.

**ON BEHALF OF THE BOARD:**



Mr R Zuk - Finance Director

6 May 2021

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MAY 2020**

The directors present their report with the financial statements of the company for the year ended 31 May 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of a professional football club.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 May 2020.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 June 2019 to the date of this report.

Mr R Zuk  
Mr P M Conway  
Mr J P Cryne  
Ms W K G Hung  
Mr C Lee  
Mr D K Lee  
Mr N A Parekh

Other changes in directors holding office are as follows:

Mr G Ganaye - resigned 28 June 2019  
Mr D J Murphy - appointed 8 January 2020

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MAY 2020**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Gibson Booth Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



Mr R Zuk - Finance Director

6 May 2021



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNSELY FOOTBALL CLUB LIMITED**

### **Opinion**

We have audited the financial statements of Barnsley Football Club Limited (the 'company') for the year ended 31 May 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNSELEY FOOTBALL CLUB LIMITED**

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNSELY FOOTBALL CLUB LIMITED**

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on pages six and seven, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Scott Mell FCA (Senior Statutory Auditor)  
for and on behalf of Gibson Booth Limited  
Statutory Auditor  
12 Victoria Road  
Barnsley  
South Yorkshire  
S70 2BB

6 May 2021

**BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)****INCOME STATEMENT  
FOR THE YEAR ENDED 31 MAY 2020**

	Notes	31.5.20 £	31.5.19 £
<b>TURNOVER</b>	3	<b>14,219,174</b>	<b>7,781,768</b>
Cost of sales		<u><b>(13,525,730)</b></u>	<u><b>(10,308,636)</b></u>
<b>GROSS PROFIT/(LOSS)</b>		<b>693,444</b>	<b>(2,526,868)</b>
Administrative expenses		<u><b>(3,992,989)</b></u>	<u><b>(2,266,240)</b></u>
		<b>(3,299,545)</b>	<b>(4,793,108)</b>
Other operating income		<u><b>239,127</b></u>	<u><b>-</b></u>
<b>OPERATING LOSS</b>	5	<b>(3,060,418)</b>	<b>(4,793,108)</b>
Player trading	7	<u><b>2,780,105</b></u>	<u><b>1,356,812</b></u>
<b>LOSS BEFORE TAXATION</b>		<b>(280,313)</b>	<b>(3,436,296)</b>
Tax on loss	8	<u><b>-</b></u>	<u><b>-</b></u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u><b>(280,313)</b></u></u>	<u><u><b>(3,436,296)</b></u></u>

The notes form part of these financial statements

**BARNSELEY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)**

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2020**

	Notes	31.5.20 £	31.5.19 £
<b>LOSS FOR THE YEAR</b>		<b>(280,313)</b>	<b>(3,436,296)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>(280,313)</b></u>	<u><b>(3,436,296)</b></u>

The notes form part of these financial statements

**BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)****BALANCE SHEET  
31 MAY 2020**

	Notes	31.5.20 £	31.5.19 £
<b>FIXED ASSETS</b>			
Intangible assets	10	4,792,435	2,033,776
Tangible assets	11	<u>418,113</u>	<u>486,227</u>
		5,210,548	2,520,003
<b>CURRENT ASSETS</b>			
Stocks	12	99,093	205,029
Debtors	13	5,776,233	5,477,043
Cash at bank and in hand		<u>770,104</u>	<u>2,648,573</u>
		6,645,430	8,330,645
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>5,538,353</u>	<u>4,739,410</u>
<b>NET CURRENT ASSETS</b>		<u>1,107,077</u>	<u>3,591,235</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,317,625	6,111,238
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(486,700)	-
<b>PROVISIONS FOR LIABILITIES</b>	18	<u>(173,892)</u>	<u>(173,892)</u>
<b>NET ASSETS</b>		<u>5,657,033</u>	<u>5,937,346</u>

The notes form part of these financial statements

**BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)**

**BALANCE SHEET - continued**  
**31 MAY 2020**

	Notes	31.5.20		31.5.19	
		£	£	£	£
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		2		2
Share premium	20		<b>6,288,071</b>		<b>6,288,071</b>
Retained earnings	20		<b><u>(631,040)</u></b>		<b><u>(350,727)</u></b>
<b>SHAREHOLDERS' FUNDS</b>			<b><u>5,657,033</u></b>		<b><u>5,937,346</u></b>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 6 May 2021 and were signed on its behalf by:



Mr R Zuk - Finance Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Total equity £</b>
<b>Balance at 1 June 2018</b>	2	3,085,569	6,288,071	9,373,642
<b>Changes in equity</b>				
Total comprehensive income	<u>-</u>	<u>(3,436,296)</u>	<u>-</u>	<u>(3,436,296)</u>
<b>Balance at 31 May 2019</b>	<u>2</u>	<u>(350,727)</u>	<u>6,288,071</u>	<u>5,937,346</u>
<b>Changes in equity</b>				
Total comprehensive income	<u>-</u>	<u>(280,313)</u>	<u>-</u>	<u>(280,313)</u>
<b>Balance at 31 May 2020</b>	<u>2</u>	<u>(631,040)</u>	<u>6,288,071</u>	<u>5,657,033</u>

The notes form part of these financial statements



**BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MAY 2020**

	Notes	<b>31.5.20</b> £	<b>31.5.19</b> £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(2,887,721)</u>	<u>(3,115,513)</u>
Net cash from operating activities		<u>(2,887,721)</u>	<u>(3,115,513)</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(5,051,301)	(2,229,409)
Purchase of tangible fixed assets		(41,926)	(273,709)
Sale of intangible fixed assets		<u>6,105,999</u>	<u>2,662,420</u>
Net cash from investing activities		<u>1,012,772</u>	<u>159,302</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		<u>(3,520)</u>	<u>(3,520)</u>
Net cash from financing activities		<u>(3,520)</u>	<u>(3,520)</u>
Decrease in cash and cash equivalents		(1,878,469)	(2,959,731)
Cash and cash equivalents at beginning of year	2	<u>2,648,573</u>	<u>5,608,304</u>
Cash and cash equivalents at end of year	2	<u><u>770,104</u></u>	<u><u>2,648,573</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MAY 2020**

**1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Loss before taxation	<b>(280,313)</b>	<b>(3,436,296)</b>
Depreciation charges	<b>109,514</b>	<b>119,845</b>
Amortisation	<b>2,521,213</b>	<b>2,379,326</b>
Impairment of player registrations	<b>481,224</b>	<b>-</b>
Increase in pension provision	<b>-</b>	<b>50,197</b>
	<b>2,831,638</b>	<b>(886,928)</b>
Decrease/(increase) in stocks	<b>105,936</b>	<b>(132,128)</b>
Increase in trade and other debtors	<b>(5,853,026)</b>	<b>(3,090,686)</b>
Increase in trade and other creditors	<b>27,731</b>	<b>994,229</b>
<b>Cash generated from operations</b>	<b><u>(2,887,721)</u></b>	<b><u>(3,115,513)</u></b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 May 2020**

	<b>31.5.20</b>	<b>1.6.19</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b><u>770,104</u></b>	<b><u>2,648,573</u></b>

**Year ended 31 May 2019**

	<b>31.5.19</b>	<b>1.6.18</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b><u>2,648,573</u></b>	<b><u>5,608,304</u></b>

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MAY 2020**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1.6.19 £</b>	<b>Cash flow £</b>	<b>At 31.5.20 £</b>
<b>Net cash</b>			
Cash at bank and in hand	<u>2,648,573</u>	<u>(1,878,469)</u>	<u>770,104</u>
	<u>2,648,573</u>	<u>(1,878,469)</u>	<u>770,104</u>
<b>Debt</b>			
Finance leases	<u>(7,627)</u>	<u>3,520</u>	<u>(4,107)</u>
	<u>(7,627)</u>	<u>3,520</u>	<u>(4,107)</u>
<b>Total</b>	<u>2,640,946</u>	<u>(1,874,949)</u>	<u>765,997</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2020**

**1. GENERAL INFORMATION**

Barnsley Football Club Limited is a private company, limited by shares, registered in England and Wales.

The company's registered number and registered office address can be found on the company information page.

The financial statements are prepared in sterling which is the functional currency of the entity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements have been set out below.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

The company made a financial loss for the year of £280,313 (2019 - Loss of £3,436,296) but has net assets of £5,657,033 (2019 - £5,937,346). At the time of approval, the UK economy was subject to the impact of the coronavirus pandemic outbreak. The directors have prepared forecasts for the period of twelve months from the date of approval of the accounts. Although these forecasts are subject to some uncertainty at this time, the directors consider that the company has sufficient resources to cover this period and therefore the accounts have been prepared on a going concern basis.

**Significant judgements and estimates**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision only affects that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors do not believe there are any material judgements or sources of estimation uncertainty that require disclosure.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**2. ACCOUNTING POLICIES - continued**

**Turnover**

Turnover comprises income receivable from football and related commercial activities, exclusive of VAT.

Gate receipts and other match day revenue are recognised as the games are played.

Central distributions and solidarity payments from the Football League and the Premier League are recognised evenly over the course of the financial year.

Revenue derived from season tickets is credited to income in the period to which it related. Amounts received in advance are credited to accruals and deferred income in the Balance Sheet.

Sponsorship, advertising and similar commercial income is recognised over the duration of the respective contracts. Amounts received in advance are credited to accruals and deferred income in the Balance Sheet.

**Players' registrations**

The costs associated with the acquisition of players' registrations are capitalised as an intangible fixed asset. These costs are amortised in equal annual instalments over the period of the respective players' contract. Players' registrations are written down for impairment when the carry amount exceeds the amount recoverable through use or sale. Any transfer fees payable as a result of the occurrence of one or more uncertain future events are capitalised when it is probable such event will occur.

**Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimates useful life or if held under finance lease, over the lease term, whichever is the shorter.

Freehold property	- Straight line over 3 to 10 years
Plant and machinery	- Straight line over 3 to 10 years
Fixture and fittings	- Straight line over 3 to 10 years
Motor vehicles	- Straight line over 3 to 4 years

**Government grants**

Asset related grants are credited to the profit and loss account over the expected useful life of the assets to which they relate. Revenue related grants are credited to the profit and loss account in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**Financial instruments**

The company has elected to apply the provisions of Sections 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**2. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs**

The company contributes to the Football League Limited Pension and Life Assurance Scheme, a multi-employer defined benefit pension scheme operated on behalf of all league clubs. The pension costs charged in the financial statements represent the contributions paid by the company and adjustments for actuarial revaluations.

The company also paid into employees' personal pension schemes. The annual contributions payable are charged to the profit and loss account.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

**3. TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Football League distributions	<b>8,119,978</b>	2,433,764
Match day	<b>3,372,784</b>	3,104,409
TV and broadcasting	<b>394,766</b>	216,668
Merchandise	<b>726,817</b>	715,405
Sponsorship & advertising	<b>714,681</b>	615,691
Other receipts	<b>890,148</b>	695,831
	<b><u>14,219,174</u></b>	<b><u>7,781,768</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**3. TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b><u>14,219,174</u></b>	<b><u>7,781,768</u></b>
	<b><u>14,219,174</u></b>	<b><u>7,781,768</u></b>

**4. EMPLOYEES AND DIRECTORS**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>9,921,875</b>	<b>7,249,019</b>
Social security costs	<b>1,116,760</b>	<b>778,528</b>
Other pension costs	<b><u>81,500</u></b>	<b><u>112,300</u></b>
	<b><u>11,120,135</u></b>	<b><u>8,139,847</u></b>

The average number of employees during the year was as follows:

	<b>31.5.20</b>	<b>31.5.19</b>
Footballing activities	<b>143</b>	<b>157</b>
Administration and commercial	<b>25</b>	<b>25</b>
Matchday staff	<b><u>72</u></b>	<b><u>52</u></b>
	<b><u>240</u></b>	<b><u>234</u></b>

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<b>314,500</b>	<b>336,927</b>
Directors' pension contributions to money purchase schemes	<b><u>12,792</u></b>	<b><u>10,704</u></b>

The number of directors to whom retirement benefits were accruing was as follows:

	<b><u>3</u></b>	<b><u>3</u></b>
Money purchase schemes		



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**4. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Emoluments etc	<b>146,667</b>	156,178
Pension contributions to money purchase schemes	<b><u>4,400</u></b>	<b><u>2,850</u></b>

**5. OPERATING LOSS**

The operating loss is stated after charging:

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	<b>107,327</b>	116,929
Depreciation - assets on hire purchase contracts	<b>2,187</b>	2,916
Players' registrations amortisation	<b>2,521,213</b>	2,379,326
Foreign exchange differences	<b>3,161</b>	-
Lease charges recorded as an expense	<b>195,426</b>	109,831
Provision for uncollectible balance	<b>756,599</b>	-
Players' registrations impairment	<b><u>481,224</u></b>	<b><u>-</u></b>

**6. AUDITORS' REMUNERATION**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditors for the audit of the company's financial statements	<b><u>10,000</u></b>	<b><u>8,500</u></b>

**7. PLAYER TRADING**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Player trading	<b><u>2,780,105</u></b>	<b><u>1,356,812</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Profit on player sales	6,035,249	3,801,551
Player registrations amortisation	(2,521,213)	(2,379,326)
Player impairment	(481,224)	-
Add on fees, sell on fees and unrecoverable transfer levies	<u>(252,707)</u>	<u>(65,413)</u>
	<u><b>2,780,105</b></u>	<u><b>1,356,812</b></u>

**8. TAXATION**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2020 nor for the year ended 31 May 2019.

Estimated tax losses available for set-off against future trading profits amounts to approximately £4,649,695 (2019: £4,432,395). This estimate is subject to the agreement of the current year corporation tax computation with HM Revenue & Customs.

**9. DEFERRED TAX**

A deferred tax asset of £883,442 (2019 - £765,303) has not been recognised in respect of tax losses, as recoverability of these losses is not considered certain given the historic performance and budgets for the coming years. A deferred tax liability of £78,543 (2019 - £68,635) in respect of accelerated capital allowances has also not been recognised due to the significant tax losses available.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**10. INTANGIBLE FIXED ASSETS**

	<b>Players' registrations £</b>
<b>COST</b>	
At 1 June 2019	<b>5,223,000</b>
Additions	<b>6,319,858</b>
Disposals	<b>(2,150,000)</b>
Impairments	<b><u>(481,224)</u></b>
At 31 May 2020	<b><u>8,911,634</u></b>
<b>AMORTISATION</b>	
At 1 June 2019	<b>3,189,224</b>
Amortisation for year	<b>2,521,213</b>
Eliminated on disposal	<b><u>(1,591,238)</u></b>
At 31 May 2020	<b><u>4,119,199</u></b>
<b>NET BOOK VALUE</b>	
At 31 May 2020	<b><u>4,792,435</u></b>
At 31 May 2019	<b><u>2,033,776</u></b>

Amortisation is included within Player Trading in the profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2020**

**11. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 June 2019	78,730	727,335	294,930	25,241	1,126,236
Additions	6,748	35,178	-	-	41,926
Disposals	-	(2,842)	-	-	(2,842)
At 31 May 2020	<u>85,478</u>	<u>759,671</u>	<u>294,930</u>	<u>25,241</u>	<u>1,165,320</u>
<b>DEPRECIATION</b>					
At 1 June 2019	2,006	406,266	221,132	10,605	640,009
Charge for year	9,630	84,426	11,363	4,095	109,514
Eliminated on disposal	-	(2,316)	-	-	(2,316)
At 31 May 2020	<u>11,636</u>	<u>488,376</u>	<u>232,495</u>	<u>14,700</u>	<u>747,207</u>
<b>NET BOOK VALUE</b>					
At 31 May 2020	<u>73,842</u>	<u>271,295</u>	<u>62,435</u>	<u>10,541</u>	<u>418,113</u>
At 31 May 2019	<u>76,724</u>	<u>321,069</u>	<u>73,798</u>	<u>14,636</u>	<u>486,227</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST</b>	
At 1 June 2019 and 31 May 2020	<u>19,648</u>
<b>DEPRECIATION</b>	
At 1 June 2019	10,898
Charge for year	<u>2,187</u>
At 31 May 2020	<u>13,085</u>
<b>NET BOOK VALUE</b>	
At 31 May 2020	<u>6,563</u>
At 31 May 2019	<u>8,750</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**12. STOCKS**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Goods for resale	<u><b>99,093</b></u>	<u><b>205,029</b></u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>322,029</b>	167,168
Transfer fees debtors	<b>5,306,134</b>	5,069,975
Amounts owed by group undertakings	-	6,599
Other debtors	<b>28,345</b>	4,991
Prepayments and accrued income	<u><b>119,725</b></u>	<u><b>228,310</b></u>
	<u><b>5,776,233</b></u>	<u><b>5,477,043</b></u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Hire purchase contracts (see note 16)	<b>4,107</b>	7,627
Trade creditors	<b>310,795</b>	214,360
Transfer fees creditors	<b>1,700,256</b>	1,426,485
PAYE and NIC	<b>1,213,631</b>	220,925
VAT	<b>48,968</b>	304,794
Other creditors	<b>324,482</b>	66,644
Accruals and deferred income	<u><b>1,936,114</b></u>	<u><b>2,498,575</b></u>
	<u><b>5,538,353</b></u>	<u><b>4,739,410</b></u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Other creditors	<u><b>486,700</b></u>	<u><b>-</b></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<u><b>4,107</b></u>	<u><b>7,627</b></u>
	<b>Non-cancellable operating leases</b>	
	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Within one year	<b>192,920</b>	162,279
Between one and five years	<b>624,922</b>	610,695
In more than five years	<u><b>650,000</b></u>	<u><b>812,695</b></u>
	<u><b>1,467,842</b></u>	<u><b>1,585,669</b></u>

The operating leases disclosed above include a lease for the land and buildings based on the current rental charge. This is subject to rent review dependant on the club's league position.

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Hire purchase contracts	<u><b>4,107</b></u>	<u><b>7,627</b></u>

**18. PROVISIONS FOR LIABILITIES**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Other provisions		
Pension provision (Football League Scheme)	<u><b>173,892</b></u>	<u><b>173,892</b></u>
	<u><b>173,892</b></u>	<u><b>173,892</b></u>

This provision relates to the Football League Limited Pension and Life Assurance Scheme. See note 21 for further details.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2020**

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.20 £	31.5.19 £
2,000	Ordinary 1	0.01	<u>2</u>	<u>2</u>

**20. RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 June 2019	(350,727)	6,288,071	5,937,344
Deficit for the year	<u>(280,313)</u>		<u>(280,313)</u>
At 31 May 2020	<u>(631,040)</u>	<u>6,288,071</u>	<u>5,657,031</u>

**21. EMPLOYEE BENEFIT OBLIGATIONS**

The company contributes to the Football League Limited Pension and Life Assurance Scheme, a defined benefit pension scheme operated on behalf of all league clubs. Under section 28 of FRS 102 the scheme would be treated as defined multi-employer benefit scheme. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Sufficient information is not available for full disclosure.

Following a review of the Minimum Funding Requirement of the scheme, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the Minimum Funding Requirement position and a substantial deficit was identified. Under the pensions act 1985, participating employers will be required to contribute to the deficit.

The latest actuarial valuation of the scheme was carried out as at 31 August 2017, as such there is no charge to the profit and loss in the year (2019: £50,197). The deficit is repayable in monthly instalments of £1,891 from 1 September 2018 increasing by 5% per annum from 1 September 2019.

**22. ULTIMATE PARENT COMPANY**

The parent company of the entity is BFC Investment Company Ltd, a company registered in Hong Kong. Company registration number 2542075.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020****23. CONTINGENT LIABILITIES**

Under the terms of certain contracts for the purchase of players' registrations future payments may be due if certain conditions arise after 31 May 2020. The directors have taken the view that these amounts are not certain enough to be recorded as provisions, but note that the maximum amount that could be payable in relation to these items is £1,501,664 (2019 - £350,000).

A legal claim in relation to a transaction that took place in the year to 31 May 2019 was decided against Barnsley Football Club Limited after 31 May 2020. The damages payable that can be measured reliably have been recorded as a provision in the financial statements. There are additional legal fees that will be payable, however these cannot yet be measured reliably.

**24. RELATED PARTY DISCLOSURES****Reds in the Community**

Reds in the Community is a registered charity of which Mr R Zuk was a trustee during the year. The charity occupies part of the premises rented by the club but paid no rent during the year (2019 - nil).

**BFC Investment Company Ltd**

During the year, payments amounting to £750,000 were made to Oakwell Holdings Limited on behalf of BFC Investment Company Ltd, the company's parent company. These payments were made in accordance with incentive consideration clauses within the purchase agreement made between these parties. Barnsley Football Club Limited shall not seek to recover the sums paid and has therefore recognised these costs as an expense in the profit and loss account.

**Entities with control, joint control or significant influence over the entity**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Purchases	<b>46,500</b>	65,000
Advances to related party	<b>750,000</b>	-
Amount due from related party	-	6,599
Provision for uncollectible balance	<b><u>756,599</u></b>	<u>-</u>

**Other related parties**

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Purchases	<b><u>16,250</u></b>	<u>20,000</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2020**

**25. POST BALANCE SHEET EVENTS**

The directors have considered the global pandemic in producing these financial statements. Any impacts of the pandemic on this company are considered by the directors to be a non-adjusting event for these financial statements. At the time of review, the impact on the business and results is limited.

For more information, please refer to the Strategic Report on page 2

**26. FINANCIAL INSTRUMENTS**

The carrying amounts of the company's financial instruments measured at amortised cost are:

	<b>31.5.20</b>	<b>31.5.19</b>
	<b>£</b>	<b>£</b>
Financial assets	5,656,508	5,248,733
Financial liabilities	<u>2,826,340</u>	<u>1,715,116</u>