

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023
FOR
BARNSELY 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 2023**

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BARNSELY FOOTBALL CLUB LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2023**

DIRECTORS:

Mr R Zuk
Mr J P Cryne
Mr N A Parekh
Mrs J E Cryne
Ms J A K Quay

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 2023**

The directors present their strategic report for the year ended 31 May 2023.

REVIEW OF BUSINESS

Sporting Results

The Club competed in EFL League One for the 2022/2023 season, finishing in fourth place and securing a play-off position. Having progressed past Bolton in the play-off semi-finals, the Club faced local rivals Sheffield Wednesday in the play-off final at Wembley. After a closely contested match, the Reds eventually lost 1-0 to a 120th minute goal.

Despite the disappointment of the late play-off defeat, many positives can be taken from season in which 86 points were won, in a highly competitive division.

In the EFL Cup, the Club exited at the second-round stage to Leeds United, having defeated Middlesbrough in round one.

Similarly, the Club exited the FA Cup at the second-round stage to Derby County, having defeated Crewe in round one.

The Club exited the EFL Trophy a second-round defeat to Port Vale, having progressed through a group stage of Lincoln City, Doncaster Rovers and Newcastle United U21.

Academy

It was a productive 2022/23 campaign for our Academy, with no fewer than nine players going on to make their senior debuts.

In total, there were 15 graduates who featured 67 times over the course of the season, playing a total of 3,279 minutes of football between them.

PLAYER	APPEARANCES	MINUTES PLAYED
Joe Ackroyd	2	147
Daniel Benson*	2	106
Jack Butterfill*	2	120
Theo Chapman*	1	4
Josiah Dyer*	1	12
Keegan Hartley*	1	27
Jordan Helliwell	3	168
Fabio Jalo*	11	296
Will Lancaster*	2	134
Aiden Marsh	6	222
Jasper Moon	4	344
Harrison Nejman*	4	192
Hayden Pickard*	3	58
Jack Walton	9	810
Matty Wolfe	16	639

* Senior debut

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023**

We enjoyed great success at U18s level, with Nicky Eaden's side finishing top of the Professional Development League North, having reached the play-offs with a second place finish in the 2021/22 season, before being crowned National champions after beating Charlton Athletic on penalties at Oakwell.

This was a historic moment for our Academy, to secure a first league title, and five members of that squad have progressed to make their senior debuts in the 2023/24 campaign.

Our U21s were also competitive in their respective age group, finishing six points outside the play-off positions, with the highlight a 6-1 victory at Wigan Athletic where five of our goals were scored by players from the U18s.

Financial Results

Turnover reduced by £5.4m from the previous year (£9.5m from £15m) primarily due to the reduction in EFL distributions and Premier League solidarity income, derived from broadcasting rights.

Matchday income increased by £480k (17%) compared the previous season despite the relegation to EFL League One. This was due to the strong attendances and additional income generated from the play-offs.

During the year, the shareholders injected equity of £6m to ensure that the Club was able to meet its ongoing financial commitments.

The Club incurred an operating loss of £5.9m, which was mitigated by £1.9m of player trading, resulting in an overall loss for the year of £4m.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023**

FUTURE OUTLOOK

Post Year End

Following the year end the Head Coach, Michael Duff and his assistant, Martin Patterson left the Club to join Swansea City. The Club duly appointed Neill Collins as Head Coach, joined by his assistant, Jon Stead.

A number of players were sold by the Club, including captain, Mads Anderson to Luton Town, Liam Kitching and Brad Collins, both to Coventry City, plus a number of loanees returning their parent clubs.

A number of new permanent recruits and loanees were brought into the Club post year end including, Liam Roberts, Mael de Gevigney, Kyran Lofthouse, Kacper Lopata, Jamie McCart, Corey O'Keefe, Sam Cosgrove, John McAtee and Max Watters.

Following the departure of CEO, Khaled El-Ahmad in December 2023, the Club appointed Jon Flatman as Interim CEO and Mladen Sormaz to the newly created role of Sporting Director.

On 3 September 2023, Barnsley FC's Women's team made their debut appearance at Oakwell Stadium in their campaign opener against Alnwick Town. During a successful first season in tier five, the team are currently in second place and hopeful of back to back promotions to tier four.

On 22 January 2024, the Club and Barnsley MBC announced that a new 30-year less one day lease, had been agreed to secure Oakwell as the home of Barnsley Football Club for the next generation. The new lease will ensure investment in the stadium to support a variety of works to prolong the life of the stadium and improve the experience for supporters.

Post year end the Club has received further equity injections from shareholders of £3.6m, to ensure that the Club is able to meet its financial obligations.

The Board would like to thank all supporters, sponsors, staff and partners for their support throughout the 2022/2023 season.

At the time of writing the Club is occupying a play-off position with the hope of securing a return to the Championship.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Club are:

- The material impact on revenue dependent on divisional status.
- Cash management within the constraints of available working capital.
- A lack of influence on the principal revenue streams relating to central broadcasting contracts.
- Increasing costs of energy, food, fuel and labour costs, affecting both the Club's available resources and the economic position of supporters and partners locally and nationally.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023**

KEY PERFORMANCE INDICATORS

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

ON BEHALF OF THE BOARD:

Mr R Zuk - Director

22 February 2024

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2023**

The directors present their report with the financial statements of the company for the year ended 31 May 2023.

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 2023.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2022 to the date of this report.

Mr R Zuk
Mr J P Cryne
Mr N A Parekh
Mrs J E Cryne
Ms J A K Quay

Other changes in directors holding office are as follows:

Mr K El-Ahmad ceased to be a director after 31 May 2023 but prior to the date of this report.

EMPLOYMENT OF DISABLED PERSONS

Applications for employment by disabled persons are always fully considered. In the event that a member of staff becomes disabled, every opportunity is made to ensure that their employment continues. It is the policy of the company to ensure that the employment of disabled persons is, as far as possible, identical to the employment of other employees.

ENGAGEMENT WITH EMPLOYEES

The company policies are designed to attract, retain and motivate the best employees. The company involves all employees through regular communication to understand the current performance and future developments.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2023**

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.

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 - Director

22 February 2024

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

Opinion

We have audited the financial statements of Barnsley Football Club Limited (the 'company') for the year ended 31 May 2023 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 2023 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNSELY 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 this gives rise to a material misstatement in the financial statements themselves. 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 page 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.

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

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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We design audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to the Companies Act 2006. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

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

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

27 February 2024

BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2023**

	Notes	31.5.23 £	31.5.22 £
TURNOVER	3	9,538,666	14,965,533
Cost of sales		<u>(12,552,247)</u>	<u>(15,930,808)</u>
GROSS LOSS		(3,013,581)	(965,275)
Administrative expenses		<u>(2,844,737)</u>	<u>(5,890,193)</u>
		(5,858,318)	(6,855,468)
Other operating income		<u>-</u>	59,375
OPERATING LOSS	5	(5,858,318)	(6,796,093)
Trading of intangible assets	7	1,845,090	(238,101)
Profit/loss on sale of tangible fixed assets	7	<u>1,667</u>	<u>-</u>
		(4,011,561)	(7,034,194)
Interest receivable and similar income		<u>3,479</u>	-
LOSS BEFORE TAXATION		(4,008,082)	(7,034,194)
Tax on loss	8	<u>-</u>	197,095
LOSS FOR THE FINANCIAL YEAR		<u>(4,008,082)</u>	<u>(6,837,099)</u>

The notes form part of these financial statements

BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2023**

	Notes	31.5.23 £	31.5.22 £
LOSS FOR THE YEAR		(4,008,082)	(6,837,099)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(4,008,082)</u>	<u>(6,837,099)</u>

The notes form part of these financial statements

BARNSELY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)

**BALANCE SHEET
31 MAY 2023**

	Notes	31.5.23 £	£	31.5.22 £	£
FIXED ASSETS					
Intangible assets	10		1,016,302		2,583,744
Tangible assets	11		235,034		258,398
			1,251,336		2,842,142
CURRENT ASSETS					
Stocks	12	42,087		69,581	
Debtors	13	2,907,932		1,812,943	
Cash at bank and in hand		1,957,847		1,006,121	
		4,907,866		2,888,645	
CREDITORS					
Amounts falling due within one year	14	4,641,700		6,239,088	
NET CURRENT ASSETS/(LIABILITIES)			266,166		(3,350,443)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,517,502		(508,301)
CREDITORS					
Amounts falling due after more than one year	15		(4,197,118)		(4,150,732)
PROVISIONS FOR LIABILITIES	17		(169,025)		(169,025)
NET LIABILITIES			(2,848,641)		(4,828,058)

The notes form part of these financial statements

BARNSELEY FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 04573250)

BALANCE SHEET - continued
31 MAY 2023

	Notes	31.5.23 £	£	31.5.22 £	£
CAPITAL AND RESERVES					
Called up share capital	18		12		2
Share premium	19		12,888,060		6,900,571
Retained earnings	19		(15,736,713)		<u>(11,728,631)</u>
SHAREHOLDERS' FUNDS			<u>(2,848,641)</u>		<u>(4,828,058)</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 22 February 2024 and were signed on its behalf by:

Mr R Zuk - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 June 2021	2	(4,891,532)	6,288,071	1,396,541
Changes in equity				
Issue of share capital	-	-	612,500	612,500
Total comprehensive income	-	(6,837,099)	-	(6,837,099)
Balance at 31 May 2022	<u>2</u>	<u>(11,728,631)</u>	<u>6,900,571</u>	<u>(4,828,058)</u>
Changes in equity				
Issue of share capital	10	-	5,987,489	5,987,499
Total comprehensive income	-	(4,008,082)	-	(4,008,082)
Balance at 31 May 2023	<u>12</u>	<u>(15,736,713)</u>	<u>12,888,060</u>	<u>(2,848,641)</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 2023**

		31.5.23	31.5.22
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(5,974,238)	(4,835,419)
Tax received		-	197,095
Net cash from operating activities		<u>(5,974,238)</u>	<u>(4,638,324)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(692,886)	(2,008,262)
Purchase of tangible fixed assets		(78,957)	(84,535)
Sale of intangible fixed assets		2,515,744	4,148,986
Sale of tangible fixed assets		1,667	-
Interest received		3,479	-
Net cash from investing activities		<u>1,749,047</u>	<u>2,056,189</u>
Cash flows from financing activities			
New loans in year		-	904,448
Loan repayments		(810,572)	(1,400,532)
Capital repayments in year		-	(587)
Share issue		5,987,489	612,500
Net cash from financing activities		<u>5,176,917</u>	<u>115,829</u>
Increase/(decrease) in cash and cash equivalents		<u>951,726</u>	<u>(2,466,306)</u>
Cash and cash equivalents at beginning of year	2	1,006,121	3,472,427
Cash and cash equivalents at end of year	2	<u>1,957,847</u>	<u>1,006,121</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2023**

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

	31.5.23	31.5.22
	£	£
Loss before taxation	(4,008,082)	(7,034,194)
Depreciation charges	102,321	115,000
Profit on disposal of fixed assets	(1,667)	-
Amortisation	1,328,496	2,619,107
Impairment of player registrations	90,685	327,037
Profit on player sales and compensation	(3,264,272)	(2,708,045)
Finance income	(3,479)	-
	(5,755,998)	(6,681,095)
Decrease in stocks	27,494	50,014
Decrease in trade and other debtors	204,967	1,587,764
(Decrease)/increase in trade and other creditors	(450,701)	207,898
Cash generated from operations	<u>(5,974,238)</u>	<u>(4,835,419)</u>

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 2023

	31.5.23	1.6.22
	£	£
Cash and cash equivalents	<u>1,957,847</u>	<u>1,006,121</u>

Year ended 31 May 2022

	31.5.22	1.6.21
	£	£
Cash and cash equivalents	<u>1,006,121</u>	<u>3,472,427</u>

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2023

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.22 £	Cash flow £	At 31.5.23 £
Net cash			
Cash at bank and in hand	<u>1,006,121</u>	<u>951,726</u>	<u>1,957,847</u>
	<u>1,006,121</u>	<u>951,726</u>	<u>1,957,847</u>
Total	<u>1,006,121</u>	<u>951,726</u>	<u>1,957,847</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

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 £4,008,082 (2022 - £6,837,099) and has net current assets of £266,166 (2022 - net current liabilities of £3,350,443) at the year end.

The directors are required to consider whether the company can continue its operational existence for the foreseeable future, that is at least 12 months from the date of signing this report. In assessing the appropriateness of the going concern assumption, the Directors have reviewed detailed forecasts and projections, which consider all reasonably potential scenarios and uncertainties in relation to income and funding from all sources and associated expected future outgoings.

Based on these forecasts the Club can meet its liabilities as they fall due and the Directors have concluded that it is appropriate for the financial statements to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

2. ACCOUNTING POLICIES - continued

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.

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 intangible fixed assets. 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 carrying 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

2. ACCOUNTING POLICIES - continued

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

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

2. ACCOUNTING POLICIES - continued

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

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:

	31.5.23	31.5.22
	£	£
Football League distributions	2,892,897	8,621,588
Match day	3,424,352	2,881,031
TV and broadcasting	335,997	582,569
Merchandise	804,631	752,983
Sponsorship & advertising	555,226	700,143
Catering	636,876	405,703
Other receipts	888,687	1,021,516
	9,538,666	14,965,533

An analysis of turnover by geographical market is given below:

	31.5.23	31.5.22
	£	£
United Kingdom	9,538,666	14,965,533
	9,538,666	14,965,533

4. EMPLOYEES AND DIRECTORS

	31.5.23	31.5.22
	£	£
Wages and salaries	8,329,385	11,584,243
Social security costs	855,218	1,393,494
Other pension costs	93,152	86,184
	9,277,755	13,063,921

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

4. EMPLOYEES AND DIRECTORS - continued

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

	31.5.23	31.5.22
Footballing activities	139	148
Administration and commercial	23	16
Matchday staff	221	122
	<u>383</u>	<u>286</u>

	31.5.23	31.5.22
	£	£
Directors' remuneration	347,048	371,837
Directors' pension contributions to money purchase schemes	<u>16,250</u>	<u>20,783</u>

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

	<u>2</u>	<u>3</u>
Money purchase schemes		

Information regarding the highest paid director is as follows:

	31.5.23	31.5.22
	£	£
Emoluments etc	222,615	166,059
Pension contributions to money purchase schemes	<u>11,000</u>	<u>8,250</u>

5. OPERATING LOSS

The operating loss is stated after charging:

	31.5.23	31.5.22
	£	£
Depreciation - owned assets	102,321	115,000
Players' registrations amortisation	1,328,496	2,619,107
Foreign exchange differences	25,750	4,873
Lease charges recorded as an expense	131,039	181,414
Players' registrations impairment	90,685	327,037
Legal settlement	<u>-</u>	<u>3,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

6. AUDITORS' REMUNERATION

	31.5.23	31.5.22
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>11,000</u>	<u>10,000</u>

7. EXCEPTIONAL ITEMS

Trading of intangible assets

	31.5.23	31.5.22
	£	£
Profit on player sales and compensation	3,277,771	2,768,369
Player registrations amortisation	(1,328,496)	(2,619,108)
Player impairment	(90,685)	(327,037)
Add on fees, sell on fees and unrecoverable transfer levies	<u>(13,500)</u>	<u>(60,324)</u>
	<u>1,845,090</u>	<u>(238,101)</u>

8. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2023 nor for the year ended 31 May 2022.

Estimated tax losses available for set-off against future trading profits amounts to approximately £19,814,187 (2022 £15,965,974). 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 £3,764,886 (2022 - £3,033,535) 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 £44,161 (2022 - £48,492) 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 2023

10. INTANGIBLE FIXED ASSETS

	Players' registrations £
COST	
At 1 June 2022	7,302,349
Additions	389,667
Disposals	<u>(2,843,866)</u>
At 31 May 2023	<u>4,848,150</u>
AMORTISATION	
At 1 June 2022	4,718,605
Amortisation for year	1,328,496
Eliminated on disposal	<u>(2,305,938)</u>
Impairments	90,685
At 31 May 2023	<u>3,831,848</u>
NET BOOK VALUE	
At 31 May 2023	<u>1,016,302</u>
At 31 May 2022	<u>2,583,744</u>

Amortisation and impairment is included within Trading of Intangible Assets in the profit and loss account (note 7).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 June 2022	85,478	781,371	382,459	25,241	1,274,549
Additions	-	59,742	19,215	-	78,957
At 31 May 2023	<u>85,478</u>	<u>841,113</u>	<u>401,674</u>	<u>25,241</u>	<u>1,353,506</u>
DEPRECIATION					
At 1 June 2022	31,589	684,715	275,280	24,567	1,016,151
Charge for year	9,342	79,635	12,670	674	102,321
At 31 May 2023	<u>40,931</u>	<u>764,350</u>	<u>287,950</u>	<u>25,241</u>	<u>1,118,472</u>
NET BOOK VALUE					
At 31 May 2023	<u>44,547</u>	<u>76,763</u>	<u>113,724</u>	<u>-</u>	<u>235,034</u>
At 31 May 2022	<u>53,889</u>	<u>96,656</u>	<u>107,179</u>	<u>674</u>	<u>258,398</u>

12. STOCKS

	31.5.23	31.5.22
	£	£
Goods for resale	<u>42,087</u>	<u>69,581</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.23	31.5.22
	£	£
Trade debtors	110,618	385,283
Transfer fees debtors	2,045,000	745,044
Other debtors	33,034	33,379
Prepayments and accrued income	719,280	649,237
	<u>2,907,932</u>	<u>1,812,943</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.23	31.5.22
	£	£
Trade creditors	443,918	435,180
Transfer fees creditors	468,281	758,000
PAYE and NIC	252,855	493,410
VAT	346,607	216,943
Other creditors	846,872	1,735,969
Accruals and deferred income	2,283,167	2,599,586
	<u>4,641,700</u>	<u>6,239,088</u>

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

	31.5.23	31.5.22
	£	£
Other creditors	<u>4,197,118</u>	<u>4,150,732</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.5.23	31.5.22
	£	£
Within one year	121,580	131,039
Between one and five years	408,253	412,242
In more than five years	<u>40,274</u>	<u>140,274</u>
	<u>570,107</u>	<u>683,555</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 status.

17. PROVISIONS FOR LIABILITIES

	31.5.23	31.5.22
	£	£
Other provisions		
Pension provision (Football League Scheme)	169,025	169,025
	<u>169,025</u>	<u>169,025</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

17. PROVISIONS FOR LIABILITIES - continued

This provision relates to the Football League Limited Pension and Life Assurance Scheme. See note 20 for further details.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.23	31.5.22
			£	£
12,000	Ordinary	0.001	<u>12</u>	<u>2</u>

During the year 9,510 ordinary shares were issued with a nominal value of £0.001 for a total consideration of £5,987,499.

19. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 June 2022	(11,728,631)	6,900,571	(4,828,060)
Deficit for the year	(4,008,082)		(4,008,082)
Rights share issue	-	5,987,489	5,987,489
At 31 May 2023	<u>(15,736,713)</u>	<u>12,888,060</u>	<u>(2,848,653)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

20. 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 2020, as such the charge to the profit and loss in the year was £27,651 (2022: £20,651). The deficit is repayable in monthly instalments of £2,332 from 1 September 2022 increasing by 5% p.a from 1 September 2023.

21. ULTIMATE PARENT COMPANY

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

22. 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 2023. 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 and other contingent liabilities is £1,630,200 (2022 - £834,487).

23. RELATED PARTY DISCLOSURES

Included in other creditors are amounts totalling £3,000,000 (2022: £3,000,000) which are due to Oakwell Holdings Limited, a company with mutual directors. The balance is interest free and payable as reflected in creditors accordingly.

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