

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED

REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
Celixir House
Stratford Business and Technology Park
Stratford-upon-Avon
Warwickshire
CV37 7GZ

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

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FOR THE YEAR ENDED 30 JUNE 2022

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THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS:

D J G Bower
K B Thomas
M D Wailing
J S Whiting
T J Cliffe

SECRETARY:

J S Whiting

REGISTERED OFFICE:

Sixfields Stadium
Upton Way
Northampton
Northamptonshire
NN5 5QA

REGISTERED NUMBER:

00183917 (England and Wales)

AUDITORS:

Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
Celixir House
Stratford Business and Technology Park
Stratford-upon-Avon
Warwickshire
CV37 7GZ

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2022

The directors present their report with the financial statements of the company for the year ended 30 June 2022.

REVIEW OF BUSINESS

At a glance:

	2021/22	2020/21
League	League Two	League One
Final league position	4th	22nd
Average attendance	5,366	n/a
Turnover	£5,287,750	£4,427,210
Profits from player trading	£779,870	£976,108
Staffing costs	£3,804,018	£3,959,554
Profit/(Loss) for the year	(£150,708)	£127,980

After a season where football was forced to be played behind closed doors due to the Covid pandemic, the 2021/22 season saw a return to more normal conditions. The season was not without in challenges with the impacts of the pandemic still being felt and everyone adapting to a new normal. A significant spike in Covid rates during the winter months, which impacted most clubs actually saw the majority of the festive fixtures being postponed.

Supporters

Despite the challenges, supporters returned in great numbers with an average attendance for regular league matches over the season of 5,366. This represented the club's highest League Two season average attendance for over fifteen years. This was achieved despite the loss of a traditionally well attended festive fixture and a higher than normal number of Tuesday night fixtures which attracted smaller attendances.

The directors would like to place on record their sincere appreciation to all supporters who backed the club and the players so fantastically over the season both at Sixfields and at away fixtures. Thanks also goes to the club's sponsors, partners and any other person who gave their support and assistance to the club during the 2021/22 season.

On the pitch

Following an extensive review of the football department and operations after a period as Interim Manager for the final part of the 2020/21 season, Jon Brady was appointed as permanent First Team Manager. Colin Calderwood returned to the club in summer 2021 as Assistant Manager, bringing a wealth of experience and Marc Richards was appointed as First Team Coach.

During the season strategic changes were implemented to the club's recruitment personnel, processes and procedures with investment in additional resources.

There was also significant investment into two training pitches for the first team, with the installation of new irrigation and drainage.

With a new management team, an improved structure, strategic recruitment processes and improved facilities the club started the season in a strong position to have a successful season with also good medium to longer term prospects following the strategic changes.

And so it proved. The club operated at the top end of the table for much of the season and amassed a season total of 80 points. This total is more often than not the requirement to gain automatic promotion, although the club were cruelly denied promotion missing out on the third automatic promotion place only on goals scored, having finished level on points and goal difference with the third placed team. The events on the final day of the season will have been well documented and saw investigations from both the EFL and the FA. We saw a valiant effort in the Play Off semi-final but the season unfortunately ended without the rewards the season's efforts deserved.

THE NORTHAMPTON TOWN FOOTBALL CLUB
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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2022

Academy

The academy also saw a return to more normal operating conditions following the pandemic. Although with Covid rates peaking at certain points during the season activities were halted at certain times.

It was a proud season for the academy with a number of first team debuts for academy graduates. The season also saw Caleb Chukwuemeka move on to category one academy and Premier League side Aston Villa after being developed at the club.

Income

In 2021/22 income increased by 19% compared to the previous year. This despite the reduction in EFL and Premier League distributions following relegation but was the result on supporters being able to return to matches and the club therefore able to generate income from match ticketing, secondary spend items, sponsorship and also non-matchday activities as things returned to close to business as usual.

Expenditure

Cost of sales naturally increased compared to the previous season due to the fact that matches were once again able to be played in front of supporters.

As is the case with all football clubs the most significant cost is in relation to staffing. This covers the playing budget and football management but also the club's other activities such as matchday operations, academy, commercial, media, catering, education and administrative staff.

Result for the year

The club reported a loss of £150,708 for the year after profits from player trading of £779,870.

The profits from player trading are the result of several transactions during the year. This includes the fee received in relation to the transfer of a player from the club during the year, a percentage of a transfer received under a future sell-on agreement and compensation received under youth development rules. It should be noted that the financial statements include the full amount of these transactions in the period that the transactions are completed and not the physical cash received in that period, and it is normal for transfer deals to be constructed in a way that sees money received over multiple years.

Fan Led Review of Football

Over the last eighteen months we have seen the publication of the Fan Led Review of Football and very recently the government released their white paper in response to this.

It is well documented that football clubs are reliant on the support of their owners. At the very heart of this is an attempt to make football clubs and the football pyramid more sustainable for the benefit of fans and the communities clubs serve.

The club originally backed the recommendations of the fan led review and continue to be very supportive of the process. We hope that the government will now press on with putting the recommendations into legislation at the earliest opportunity, but are also mindful that this is likely to be a lengthy process.

We continue to engage with our local MP's and stakeholders on this important matter.

Support from owners

As stated in the going concern note within these financial statements, the owners continue to support the club financially. This support takes the form of meeting the club's trading financial obligations and also investment into a competitive playing budget and capital projects such as the training ground improvements.

At the end of the financial year the debt to the owners was £6,306,025. Funds are introduced into the club by the owners as required for the club to meet its financial obligations and, at times when there is a cash surplus, funds are transferred out to reduce the debt to the owners. No interest is charged on these loans.

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2022

East Stand & CDNL

County Developments (Northampton) Limited (CDNL) which controls leases to land at Sixfields is owned by the club. Ownership of this company previously sat with the owners personally but they transferred ownership from themselves to the club to allow the club solely to benefit from any proceeds from the land.

In June 2021 the club held an open house event and released a detailed information pack showing the proposed East Stand and wider development plans along with the guiding principles and benefits. Further updates have been provided since this date and in September 2022 the Chairman held a fans forum event, he provided a detailed update on the development and provided an opportunity for all supporters to ask any questions that they had.

It has been well documented that the club reached an agreed deal subject to contract in March 2022 with West Northamptonshire Council to acquire the freehold for the land currently subject to the leases following a long, detailed, public and transparent process. Part of this deal included an obligation for the completion of the East Stand.

Unfortunately, the completion of this deal has been significantly delayed when the ACV (Asset of Community Value) process was invoked by the Supporters Trust and a rival land bidder also launched a Judicial Review of the Council process. The Supporters Trust then teamed up with the same rival bidder to enter another bid for the land further muddying the waters, however this bid was withdrawn on January 30th 2023 when the Trust confirmed that funding was not actually available after all leaving the Judicial Review as the final issue left delaying contract completion.

This is obviously a frustration of the club and has cost money and wasted valuable time on this matter, however it is now expected that the Judicial Review will be heard in late March 2023 with the decision to follow. The club will review matters once the outcome is known.

New director appointments

During the year two additional directors were appointed to the board:

James Whiting

James has been at the club for eleven years and Chief Executive Officer for seven years. In addition to the normal day to day responsibilities James has steered the club through a complex change of ownership in 2015 and more recently the difficult years affected by the Covid pandemic. Working closely with the Chairman and with the benefit of his vast experience, local community involvement and knowledge of the football world in general the board are confident that James will provide the necessary leadership for the club to continue its successful progress.

Tom Cliffe - Supporter Elected Director

Tom Cliffe was elected as the supporter elected representative on the board of directors. This followed a process with over 1,200 supporters voting. The appointment was confirmed on 11th November 2021 following completion of the EFL owners and directors test process.

This new role has provided a huge success and provided numerous benefits to both supporters and the club and other directors. It has helped to provide a closer link and effective communication across the entire supporter base for all manner of subjects from operational matters to development.

Tom attends most games home and away and is always happy to talk in person or be contacted via email should any supporter want to have a chat with him.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2021 to the date of this report.

D J G Bower
K B Thomas
M D Wailing

THE NORTHAMPTON TOWN FOOTBALL CLUB
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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS - continued

Other changes in directors holding office are as follows:

J S Whiting - appointed 24 September 2021

T J Cliffe - appointed 11 November 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

M D Wailing - Director

15 March 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED

Opinion

We have audited the financial statements of The Northampton Town Football Club Limited (the 'company') for the year ended 30 June 2022 which comprise the Statement of Income and Retained Earnings, Balance Sheet and 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 30 June 2022 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.

Material uncertainty relating to going concern

We draw attention to note 2 of the financial statements, which discusses the company's use of the going concern basis.

During the year the company made a loss of £150,708 and as at 30 June 2022, the company had net current liabilities of £7,079,567 and net liabilities of £4,683,327, which could indicate that the company has insufficient resources to continue trading for the foreseeable future. However, the directors believe that it is appropriate to prepare the financial statements on the going concern basis due to the ongoing financial support of its parent entity, Northampton Town Ventures Limited and its directors.

Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NORTHAMPTON TOWN FOOTBALL CLUB
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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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 a Report of the Auditors 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NORTHAMPTON TOWN FOOTBALL CLUB
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- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team and involving relevant internal specialists, including tax specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included compliance with GDPR regulation.

Audit response to risks identified

As a result of performing the above, we identified related party balances as a key audit matter related to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management regarding actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of tax provisions; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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 Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NORTHAMPTON TOWN FOOTBALL CLUB
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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 a Report of the Auditors 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.

Mark Bullock FCA (Senior Statutory Auditor)
for and on behalf of Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
Celixir House
Stratford Business and Technology Park
Stratford-upon-Avon
Warwickshire
CV37 7GZ

15 March 2023

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

STATEMENT OF INCOME AND
RETAINED EARNINGS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
TURNOVER		5,287,750	4,427,210
Cost of sales		5,133,336	4,781,219
GROSS PROFIT/(LOSS)		154,414	(354,009)
Administrative expenses		1,104,227	1,146,445
		(949,813)	(1,500,454)
Other operating income	3	801,220	1,636,180
OPERATING (LOSS)/PROFIT		(148,593)	135,726
Interest payable and similar expenses		2,115	7,746
(LOSS)/PROFIT BEFORE TAXATION		(150,708)	127,980
Tax on (loss)/profit		-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(150,708)	127,980
Retained earnings at beginning of year		(8,030,332)	(8,158,312)
RETAINED EARNINGS AT END OF YEAR		(8,181,040)	(8,030,332)

The notes form part of these financial statements

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

BALANCE SHEET
30 JUNE 2022

	Notes	2022	2021
		£	£
FIXED ASSETS			
Intangible assets	6	-	44,625
Tangible assets	7	2,484,044	2,461,486
Investments	8	1,000	1,000
		<u>2,485,044</u>	<u>2,507,111</u>
CURRENT ASSETS			
Stocks		9,854	4,849
Debtors	9	445,343	341,879
Cash at bank and in hand		210,682	57,265
		<u>665,879</u>	<u>403,993</u>
CREDITORS			
Amounts falling due within one year	10	7,745,446	7,274,980
NET CURRENT LIABILITIES		<u>(7,079,567)</u>	<u>(6,870,987)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(4,594,523)</u>	<u>(4,363,876)</u>
CREDITORS			
Amounts falling due after more than one year	11	88,804	168,743
NET LIABILITIES		<u><u>(4,683,327)</u></u>	<u><u>(4,532,619)</u></u>
CAPITAL AND RESERVES			
Called up share capital		2,792,251	2,792,251
Share premium		190,900	190,900
Capital reserve		500,490	500,490
Other reserves		14,072	14,072
Retained earnings		<u>(8,181,040)</u>	<u>(8,030,332)</u>
SHAREHOLDERS' FUNDS		<u><u>(4,683,327)</u></u>	<u><u>(4,532,619)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 15 March 2023 and were signed on its behalf by:

M D Wailing - Director

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. STATUTORY INFORMATION

The Northampton Town 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.

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional currency of the Company and the presentation currency of the financial statements is the Pound Sterling (£) which is the financial currency of the company and rounded to the nearest £1.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

During the year the company made a loss of £150,708 and as at 30 June 2022, the company had net current liabilities of £7,079,567 and net liabilities of £4,683,327, which could indicate that the company has insufficient resources to continue trading for the foreseeable future. However, the directors believe that it is appropriate to prepare the financial statements on the going concern basis due to the ongoing financial support of its parent entity, Northampton Town Ventures Limited and its directors.

Turnover

Turnover represents the total amount receivable by the company in the ordinary course of business from playing and associated activities, including gate receipts and receipts from the Football League.

Income from match receipts, and commercial activities which has been received prior to the year end relating to future football seasons is treated as deferred income.

Intangible fixed assets - transfer fees

The costs of players' registrations are capitalised and amortised over the period of the respective players' contracts. Transfers are recognised in the year in which the transfer is registered with the relevant football governing body except where the contract becomes conditional upon registration in which case the transfer is recognised when the contract becomes unconditional (usually when payment is made or received). Payments or receipts which are contingent on the performance of team or player are not recognised until the events crystallising such payments or receipts have taken place.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold ground improvements	- In accordance with the term of the lease
Plant and equipment	- 20% straight line basis
Motor vehicles	- 25% straight line basis
Office equipment	- 25% straight line basis
Asset under construction	- Not depreciated

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

THE NORTHAMPTON TOWN FOOTBALL CLUB
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Grants receivable

Grants received from the Football Trust in respect of capital expenditure are credited to the profit and loss account over the estimated useful lives of the assets for which the grants are received. Grants received to reimburse expenditure incurred are credited against the cost of the expenditure in the year in which it is incurred.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit or loss in the period to which they relate.

The company makes contributions in relation to its share of a deficit in the Football League Pension and Life Assurance Scheme. As one of a number of participating employers of this scheme, the company is only advised of its share of the schemes deficit every three years and recognises a liability in respect of this. Contributions payable to scheme reduce the liability. Any movement in deficit is charged to the profit and loss account and liability adjusted accordingly.

3. OTHER OPERATING INCOME

	2022	2021
	£	£
Government grants	21,350	660,072
Profits from player trading	779,870	976,108
	<u>801,220</u>	<u>1,636,180</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 250 (2021 - 238).

5. PENSION COMMITMENTS

The company has a liability regarding staff who are members of the Football League Limited Pension and Life Assurance Scheme, a defined benefit scheme. The scheme is funded with the assets being held separately from those of the company. The last formal actuarial valuation was carried out on 1 September 2020.

The actuarial review identified a deficit on the Football League Limited Pension and Life Assurance Scheme. The company is one of a number of participating employers in the scheme. At the year end, the company's share of this deficit was £63,092 (2021 - £76,835), including interest. This is shown in the accounts under other creditors, and the payments made during the year relating to this deficit were £13,743 (2021 - £11,040). The exact assets and liabilities of the scheme are not known.

6. INTANGIBLE FIXED ASSETS

	Players registrations £
COST	
At 1 July 2021	170,500
Disposals	(144,250)
	<hr/>
At 30 June 2022	26,250
	<hr/>
AMORTISATION	
At 1 July 2021	125,875
Amortisation for year	44,625
Eliminated on disposal	(144,250)
	<hr/>
At 30 June 2022	26,250
	<hr/>
NET BOOK VALUE	
At 30 June 2022	-
	<hr/> <hr/>
At 30 June 2021	44,625
	<hr/> <hr/>

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

7. **TANGIBLE FIXED ASSETS**

	Assets under construction £	Leasehold ground improvements £	Plant and equipment £
COST			
At 1 July 2021	2,421,797	20,895	93,845
Additions	-	-	32,274
At 30 June 2022	2,421,797	20,895	126,119
DEPRECIATION			
At 1 July 2021	-	19,915	75,784
Charge for year	-	491	19,907
At 30 June 2022	-	20,406	95,691
NET BOOK VALUE			
At 30 June 2022	2,421,797	489	30,428
At 30 June 2021	2,421,797	980	18,061
	Motor vehicles £	Office equipment £	Totals £
COST			
At 1 July 2021	17,293	87,809	2,641,639
Additions	-	25,145	57,419
At 30 June 2022	17,293	112,954	2,699,058
DEPRECIATION			
At 1 July 2021	9,461	74,993	180,153
Charge for year	2,610	11,853	34,861
At 30 June 2022	12,071	86,846	215,014
NET BOOK VALUE			
At 30 June 2022	5,222	26,108	2,484,044
At 30 June 2021	7,832	12,816	2,461,486

The company signed a 150 year lease with Northampton Borough Council on 13th April 2004 regarding land at Sixfields, Northampton. The rent is one peppercorn per year (if demanded).

THE NORTHAMPTON TOWN FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 00183917)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2021	
and 30 June 2022	1,000
NET BOOK VALUE	
At 30 June 2022	1,000
At 30 June 2021	1,000

9. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	239,998	252,706
Other debtors	3,377	4,669
Prepayments and accrued income	143,635	84,504
	<u>387,010</u>	<u>341,879</u>
Amounts falling due after more than one year:		
Trade debtors	58,333	-
Aggregate amounts	<u>445,343</u>	<u>341,879</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other loans	5,114,997	4,249,997
Trade creditors	209,832	399,188
Amounts owed to group undertakings	1,191,028	1,191,028
Social security and other taxes	139,948	528,658
VAT	145,268	29,419
Other creditors	104,792	126,232
Accruals and deferred income	839,581	750,458
	<u>7,745,446</u>	<u>7,274,980</u>

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

	2022 £	2021 £
Other creditors	88,804	168,743

THE NORTHAMPTON TOWN FOOTBALL CLUB
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

12. LEASING AGREEMENTS

The total of future minimum lease payments under non-cancellable operating leases as at 30 June 2022 was £75,252 (2021 - £69,894).

13. RELATED PARTY DISCLOSURES

Northampton Town Ventures Limited owns a controlling interest in the company. At the year end the company owed £1,191,028 (2021 - £1,191,028) to Northampton Town Ventures Limited.

Belle De Jour Limited is a related company by virtue of common directors who control both companies. At the year end the company owed £5,114,997 (2021 - £4,249,997) to Belle De Jour Limited.