

Company Registration No. 00183917 (England and Wales)

**THE NORTHAMPTON TOWN FC LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2023**

**tc** accounts · tax · legal · financial planning

Celixir House  
Stratford Business & Technology Park  
Innovation Way, Banbury Road  
Stratford-upon-Avon  
Warwickshire  
United Kingdom  
CV37 7GZ

# THE NORTHAMPTON TOWN FC LIMITED

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# THE NORTHAMPTON TOWN FC LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	D J G Bower K B Thomas (Chairman) M D Wailing T J Cliffe J Whiting (CEO)
<b>Secretary</b>	J Whiting (CEO)
<b>Company number</b>	00183917
<b>Registered office</b>	Sixfields Stadium Upton Way Northampton Northamptonshire England NN 5 5QA
<b>Auditor</b>	TC Group Celixir House Stratford Business & Technology Park Innovation Way, Banbury Road Stratford-upon-Avon Warwickshire United Kingdom CV37 7GZ

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## THE NORTHAMPTON TOWN FC LIMITED

### DIRECTORS' REPORT

#### FOR THE YEAR ENDED 30 JUNE 2023

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The directors present their annual report and financial statements for the year ended 30 June 2023.

#### Principal activities

The principal activity of the company continued to be that of operating a professional football club.

#### REVIEW OF BUSINESS

At a glance:

	2022/23	2021/22
League	League Two	League Two
Final league position	3rd (Promotion)	4th
Average attendance (League)	5,920	5,366
Turnover	£5,147,380	£5,287,750
Profits from player trading	£1,212,885	£779,870
Staff costs (playing & non-playing staff)	£4,625,921 *	£3,804,018
Loss for the year	(£1,031,113)	(£150,708)

The 2022/23 season saw a return to more normal times following the disruptions caused by the Covid epidemic which had affected the previous two seasons.

\* After the final day disappointment of 2021/22, it was decided that a further push was required to try and achieve promotion in 2022/23. As can be seen above player and staff costs were increased by a significant number to coincide with this investment decision. The increase in cost was attributed to an increase in player related costs, mainly playing and promotion payments. Promotion payments are considered a one-off payment due to promotion but are also considered a very useful tool to incentivise the squad.

The achievement of automatic promotion in 2022/23 was particularly pleasing and reflects well on all associated with the Club.

#### RESULT FOR THE YEAR

The club reported a loss of £1,031,113 for the year after profits from player trading of £1,212,885.

It should be noted that the financial statements include the full amount of the player trading 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.

The directors do not recommend the payment of a dividend.

#### Income

The turnover reduced by 2.6% from 2021/22. The main impact was a reduction in receipts from the EFL. Income from sources other than from the EFL increased in 2022/23 by 3.5%.

## **THE NORTHAMPTON TOWN FC LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2023**

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#### **Expenditure**

Cost of sales increased 11% when compared to the previous season. By far the most significant increase was staff costs, particularly additional investment in the playing squad and the resulting bonuses that were payable on achieving promotion.

Staff costs cover 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.

#### **SUPPORTERS**

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 2022/23 season.

In 2022/23 the average home attendance was 5,920, the highest average since the 2016/17 League One season and the club's best average attendance in League Two since 2005/2006. The attendance figure is a 10% rise on the previous season and a 17% rise on the 2019/20 campaign. Overall, the club's average attendance has risen 25% in a decade.

#### **ON THE PITCH**

The senior football management team of Jon Brady as Manager, Colin Calderwood as Assistant Manager and Marc Richards as First Team Coach remained in place for the whole of the 2022/23 season supported by the playing department staff.

This consistency, together with the benefit of the strategic changes implemented in the previous season including additional financial resources, provided the basis for a successful campaign resulting in automatic promotion to League One for the current season.

The club operated at the top end of the table for much of the 2022/23 season and achieved a total of 83 points.

Investment has continued in the club's training facilities at Moulton with the opening of a dedicated training centre building. A long-term lease has been signed for the building which provides office space for coaches and analysts, catering facilities, medical, pre-activation space as well as room for team meetings.

The board consider the foundations that have been put in place to provide excellent opportunities for the club in the medium and longer term.

#### **ACADEMY**

The academy continues to progress and the EFL Trophy structure allows for good experience for academy players in a senior environment. The company continues to invest resources and finances into the academy whilst always looking at areas for improvement.

#### **EAST STAND & CDNL**

The company are very pleased to confirm that all claims made in the High Court Judicial Review process regarding the disposal of land at Sixfields, in which the club were an interested party, were formally dismissed by The Hon. Mrs. Justice Steyn DBE which allowed for the land purchase agreed in March 2022 to move forward. Whilst the Judicial Review and the ACV application delay has cost the company time and money, the directors are pleased that The Hon. Mrs. Justice Steyn DBE agreed with the view that both the company and the Council had acted appropriately and in good faith.

## **THE NORTHAMPTON TOWN FC LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2023**

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At the time of publication, the directors confirm that both the company and County Developments (Northampton) Limited (CDNL) which is a wholly owned subsidiary of the company and West Northamptonshire Council have signed the relevant paperwork to complete the land purchase as agreed with West Northamptonshire Council in Match 2022 and final completion will take place once confirmed by Homes England and the Land Registry.

The company has made significant progress on the preliminary works for the completion of the East Stand working with GRS Roadstone Group Limited and are expecting to announce plans and timelines in the near future.

#### **FOOTBALL GOVERNANCE BILL AND EFL/PL FUNDING**

The company are disappointed that the English Football League and Premier League were unable to reach agreement on a 'new deal' for financial redistribution, however were encouraged by the recent introduction of the Football Governance Bill including an Independent Football Regulator (IFR) into parliament and will be closely monitoring the progress and potential impacts.

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

#### **FINANCIAL 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 £7,346,025. 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.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D J G Bower  
K B Thomas (Chairman)  
M D Wailing  
T J Cliffe  
J Whiting (CEO)

#### **Auditor**

The auditor, TC Group, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**THE NORTHAMPTON TOWN FC LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2023***

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On behalf of the board

.....  
M D Wailing  
**Director**

Date: .....

**THE NORTHAMPTON TOWN FC LIMITED**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 JUNE 2023***

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The directors are responsible for preparing the annual report 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.



## THE NORTHAMPTON TOWN FC LIMITED

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF THE NORTHAMPTON TOWN FC LIMITED

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#### Opinion

We have audited the financial statements of The Northampton Town FC Limited (the 'company') for the year ended 30 June 2023 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 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 *Auditor's 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

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.

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

We draw attention to note 1.2 of the financial statements, which discusses the company's use of the going concern basis.

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 £1,031,113 and as at 30 June 2023, the company had net current liabilities of £8,285,190 and net liabilities of £5,714,440, 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. The ultimate owners will provide sufficient funds as necessary for the company to continue as a going concern.

Our opinion is not modified in respect of this matter.

## THE NORTHAMPTON TOWN FC LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE MEMBERS OF THE NORTHAMPTON TOWN FC LIMITED

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#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

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 in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 is 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.

## THE NORTHAMPTON TOWN FC LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE MEMBERS OF THE NORTHAMPTON TOWN FC LIMITED

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##### **Auditor's 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 auditor's 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.

##### **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.

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

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:

- 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.

**THE NORTHAMPTON TOWN FC LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF THE NORTHAMPTON TOWN FC LIMITED**

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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.

**Audit response to risks identified**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's 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.

**Mark Bullock FCA (Senior Statutory Auditor)**

**For and on behalf of TC Group**

Date: .....

**Statutory Auditor**

Celixir House  
Stratford Business & Technology Park  
Innovation Way, Banbury Road  
Stratford-upon-Avon  
Warwickshire  
United Kingdom  
CV37 7GZ

THE NORTHAMPTON TOWN FC LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 30 JUNE 2023

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	2023	2022
	£	£
<b>Turnover</b>	5,147,380	5,287,750
Cost of sales	(6,162,622)	(5,133,336)
	<hr/>	<hr/>
<b>Gross (loss)/profit</b>	(1,015,242)	154,414
Administrative expenses	(1,228,562)	(1,104,227)
Other operating income	-	21,350
Profit on disposal of player registrations	1,212,885	779,870
	<hr/>	<hr/>
<b>Operating loss</b>	(1,030,919)	(148,593)
Interest payable and similar expenses	(194)	(2,115)
	<hr/>	<hr/>
<b>Loss before taxation</b>	(1,031,113)	(150,708)
Tax on loss	-	-
	<hr/>	<hr/>
<b>Loss for the financial year</b>	(1,031,113)	(150,708)
Retained earnings brought forward	(8,181,040)	(8,030,332)
	<hr/>	<hr/>
Retained earnings carried forward	(9,212,153)	(8,181,040)
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THE NORTHAMPTON TOWN FC LIMITED

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	4		71,500		-
Tangible assets	5		2,531,640		2,484,044
Investments	6		1,000		1,000
			<u>2,604,140</u>		<u>2,485,044</u>
<b>Current assets</b>					
Stocks			36,066		9,854
Debtors	7		995,687		445,343
Cash at bank and in hand			34,245		210,682
			<u>1,065,998</u>		<u>665,879</u>
<b>Creditors: amounts falling due within one year</b>	8		<u>(9,351,188)</u>		<u>(7,745,446)</u>
<b>Net current liabilities</b>			<u>(8,285,190)</u>		<u>(7,079,567)</u>
<b>Total assets less current liabilities</b>			<u>(5,681,050)</u>		<u>(4,594,523)</u>
<b>Creditors: amounts falling due after more than one year</b>	9		<u>(33,390)</u>		<u>(88,804)</u>
<b>Net liabilities</b>			<u><u>(5,714,440)</u></u>		<u><u>(4,683,327)</u></u>
<b>Capital and reserves</b>					
Called up share capital			2,792,251		2,792,251
Share premium account			190,900		190,900
Capital reserve			500,490		500,490
Other reserves			14,072		14,072
Profit and loss reserves			<u>(9,212,153)</u>		<u>(8,181,040)</u>
<b>Total equity</b>			<u><u>(5,714,440)</u></u>		<u><u>(4,683,327)</u></u>

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

**THE NORTHAMPTON TOWN FC LIMITED**

**BALANCE SHEET (CONTINUED)**

***AS AT 30 JUNE 2023***

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The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

.....

M D Wailing

**Director**

**Company Registration No. 00183917**

## THE NORTHAMPTON TOWN FC LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

##### Company information

The Northampton Town FC Limited is a private company limited by shares incorporated in England and Wales. The registered office is Sixfields Stadium, Upton Way, Northampton, Northamptonshire, England, NN 5 5QA.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

##### 1.2 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 £1,031,113 and as at 30 June 2023, the company had net current liabilities of £8,285,190 and net liabilities of £5,714,440, 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. The ultimate owners will provide sufficient funds as necessary for the company to continue as a going concern.

Additionally, the company has liabilities due to Northampton Town Ventures Limited and Belle De Jour Limited, which the owners have stated they will not look to call upon for 12 months from signing the accounts as the ultimate owners of both of these entities.



**1 Accounting policies**

(Continued)

**1.3 Turnover**

Turnover represents the total amount receivable from football and related commercial activities excluding income from transfer fees and other operating income such as government grants. Income received in relation to football matches are recognised when the related matches are played. This being applicable for season tickets whereby the amount of revenue deferred is released on a straight line basis in relation to home matches during the football league season.

All income is stated net of VAT and takes into account any discounts or credits provided in the period.

**1.4 Intangible fixed assets other than goodwill**

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.

Player registrations

**1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold ground improvements	In accordance with the term of the lease
Plant and equipment	20% straight line basis
Leasehold ground improvements	25% straight line basis
Plant and equipment	25% straight line basis

Assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.6 Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1 Accounting policies**

**(Continued)**

**1.7 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.8 Stocks**

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

**1.9 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

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

Financial instruments are recognised in the company's balance sheet 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.

**1 Accounting policies**

**(Continued)**

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**1 Accounting policies**

**(Continued)**

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**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.

**1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

## THE NORTHAMPTON TOWN FC LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

(Continued)

##### 1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Total	230	250
	<u>          </u>	<u>          </u>

The above numbers relate to company employees including part time and matchday staff but do not include any outside agency staff or loan players. At the start of the season there was increased usage of agency staff which was brought in line with normal levels during the second half of the season.

#### 3 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 £48,604 (2022 - £63,092), including interest. This is shown in the accounts under other creditors, and the payments made during the year relating to this deficit were £14,488 (2022 - £13,743). The exact assets and liabilities of the scheme are not known.

THE NORTHAMPTON TOWN FC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

4 Intangible fixed assets

	Player registrations £
<b>Cost</b>	
At 1 July 2022	26,250
Additions	71,500
	<hr/>
At 30 June 2023	97,750
	<hr/>
<b>Amortisation and impairment</b>	
At 1 July 2022 and 30 June 2023	26,250
	<hr/>
<b>Carrying amount</b>	
At 30 June 2023	71,500
	<hr/> <hr/>
At 30 June 2022	-
	<hr/> <hr/>

5 Tangible fixed assets

	Leasehold ground improvements £	Assets under construction £	Plant and equipment £	Office equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 July 2022	20,895	2,421,797	126,119	112,954	17,293	2,699,058
Additions	-	-	72,313	19,639	-	91,952
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2023	20,895	2,421,797	198,432	132,593	17,293	2,791,010
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>						
At 1 July 2022	20,406	-	95,691	86,846	12,071	215,014
Depreciation charged in the year	489	-	25,125	16,131	2,611	44,356
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2023	20,895	-	120,816	102,977	14,682	259,370
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>						
At 30 June 2023	-	2,421,797	77,616	29,616	2,611	2,531,640
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2022	489	2,421,797	30,428	26,108	5,222	2,484,044
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE NORTHAMPTON TOWN FC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

5 Tangible fixed assets (Continued)

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).

6 Fixed asset investments

	2023	2022
	£	£
Shares in group undertakings and participating interests	1,000	1,000

7 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	489,229	239,998
Other debtors	23,719	3,377
Prepayments and accrued income	147,280	143,635
	<u>660,228</u>	<u>387,010</u>

	2023	2022
	£	£
<b>Amounts falling due after more than one year:</b>		
Trade debtors	333,334	58,333
Other debtors	2,125	-
	<u>335,459</u>	<u>58,333</u>

<b>Total debtors</b>	<u>995,687</u>	<u>445,343</u>
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THE NORTHAMPTON TOWN FC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

8 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other borrowings	6,194,997	5,114,997
Trade creditors	412,142	209,832
Amounts owed to group undertakings	1,151,028	1,191,028
Taxation and social security	374,621	285,216
Other creditors	78,485	104,792
Accruals and deferred income	1,139,915	839,581
	<u>9,351,188</u>	<u>7,745,446</u>

9 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Other creditors	33,390	88,804
	<u>33,390</u>	<u>88,804</u>

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023	2022
	£	£
	252,241	75,252
	<u>252,241</u>	<u>75,252</u>

11 Related party transactions

Northampton Town Ventures Limited owns a controlling interest in the company. At the year end the company owed £1,151,028 (2022 - £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 £6,194,997 (2022 - £5,114,997) to Belle De Jour Limited.



**THE NORTHAMPTON TOWN FC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2023***

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**12 Post balance sheet event**

Since the end of the reporting period (30<sup>th</sup> June 2023) Northampton Town Football Club Limited and its wholly owned subsidiary County Developments (Northampton) Limited have entered into an agreement to purchase 8.25Ha of land from West Northamptonshire Council.

The above parties have signed the relevant agreements and final completion will take place following confirmation from Homes England and the Land Registry.