

REGISTERED NUMBER: 00034760 (England and Wales)

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

Weaver Wroot
Accountants
Statutory Auditors
28 Dudley Street
Grimsby
N E Lincolnshire
DN31 2AB

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

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FOR THE YEAR ENDED 31 MAY 2021**

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THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2021**

DIRECTORS: M C Chapman
K L Green
A J Pettit
D Roberts
J Stockwood

SECRETARY: I Fleming

REGISTERED OFFICE: Blundell Park
Cleethorpes
N E Lincolnshire
DN35 7PY

REGISTERED NUMBER: 00034760 (England and Wales)

AUDITORS: Weaver Wroot
Accountants
Statutory Auditors
28 Dudley Street
Grimsby
N E Lincolnshire
DN31 2AB

BANKERS: Lloyds Bank
50 - 52 Victoria Street West
Grimsby
N E Lincolnshire
DN31 1BL

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2021

The directors present their strategic report for the year ended 31 May 2021.

REVIEW OF BUSINESS

Turnover reduced by just over 20% due to the ongoing Covid-19 global pandemic and no attendance being allowed for live football within stadiums. This led to the loss of much of the matchday and other consequential income. This was partially offset by additional income from the live streaming of matches and the Club being able to access various Government support schemes that were set up in response to the pandemic.

The Club had a disappointing season on the pitch which, despite a change in management in January 2021, led to relegation to the National League in May 2021 for the 2021/22 season.

Given how the season ended, the profit generated is considered by the directors to be satisfactory. The directors would also like to express their gratitude to all supporters and commercial partners who have supported and continue to support the club during these unprecedented times.

The Club uses a variety of performance measures in order to monitor and manage the business effectively. These are both financial and non-financial measures and include the following key performance indicators. The information provided in respect of 2020 for league attendance is based on 18 home games with the final league position being determined by the 'points per game' basis agreed by EFL clubs:

	2021	2020
Turnover (£)	2,788,707	3,433,555
Average league attendance (number)*	-	4,699
Season tickets sold (number)	1,311	2,756
Final position in league	24th	15th

* Due to the Covid-19 global pandemic there were no matches played with spectators present.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's strategy is to continue to improve the quality of live football, engage with the local community and become a sustainable company through success on and off the pitch.

There are, therefore, a number of potential risks and uncertainties which could impact on the company. The Board meets regularly during the year and monitors these risks on a regular basis. The key business risks and uncertainties affecting the company are considered to relate to:

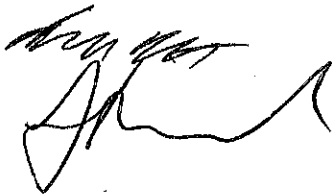
- first team performance and the direct impact on league status and position and ultimately revenue generation
- the recruitment and retention of key employees
- the rules and regulations of the applicable football governing bodies
- the renewal of key commercial agreements on similar or improved terms
- supporter attendance levels at first team matches
- potential reliance on the company's principal shareholder to fund operations.

The company's activities are exposed to financial risks associated with credit and liquidity. The company's policy is to eliminate, as far as possible, these risks and this is achieved by:

- monitoring compliance with the terms of credit provided
- regular reviews of outstanding debts
- regularly reviewing cashflow forecasts to identify any issues that may arise.

ON BEHALF OF THE BOARD:

A J Pettit - Director



J Stockwood - Director

Date: 31 December 2021

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2021

The directors present their report with the financial statements of the company for the year ended 31 May 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a professional football club together with related and ancillary activities.

DIVIDENDS

The directors do not recommend payment of a dividend.

FUTURE DEVELOPMENTS

The Club will continue working towards the improvement of facilities at both the stadium and the training ground for the benefit of players, employees and supporters.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 June 2020 to the date of this report unless otherwise stated.

Other changes in directors holding office are as follows:

P D Day - resigned 11.5.21
J S Fenty - resigned 5.5.21
I S Holloway - resigned 23.12.20
S Marley - resigned 26.2.21
J Wood - resigned 5.5.21

The beneficial interests of the directors holding office at 31 May 2021 in the shares of the company, according to the register of directors' interests, were as follows:

	31.5.21	1.6.20 or date of appointment if later
Ordinary shares of £100 each		
M C Chapman	5	5
K L Green - appointed 5.5.21	1	-
A J Pettit - appointed 5.5.21*	-	-
D Roberts	5	5
J Stockwood - appointed 5.5.21*	-	-

These directors did not directly hold any beneficial interests in the following:

Ordinary shares of £50 each

Ordinary shares of £25 each

Ordinary shares of £1 each

* 1878 Partners Limited, a limited company equally owned and jointly controlled by A J Pettit and J Stockwood owned 13,271 Ordinary shares of £100, 2,861 Ordinary shares of £50 each, 1,013 Ordinary shares of £25 each and 6,359 Ordinary shares of £1 each.

These directors did not hold any non-beneficial interests in any of the shares of the company.

CHARITABLE AND POLITICAL DONATIONS AND EXPENDITURE

There have been charitable contributions of £7,735 (2020 £5,583) made by the company during the year. No political contributions have been made during the year.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MAY 2021

EMPLOYMENT, HEALTH AND SAFETY AND ENVIRONMENTAL POLICIES

It is the company's policy that there should be no discrimination against any person on the grounds of race, sex, religion or otherwise.

In accordance with the company's equal opportunity policy, disabled people are given the same consideration as others when they apply for a job. Depending on their skills and abilities, they enjoy the same career prospects and scope for realising their potential as other employees. If an existing employee becomes disabled, reasonable steps are taken to retain them in employment.

Within the bounds of commercial confidentiality, staff are kept reasonably informed of matters that affect the progress of the company and are of interest to them as employees.

The company maintains its own health and safety and environmental policies covering its activities. Adherence to these policies is monitored on a regular basis.

SHARE CAPITAL

During the year 886 ordinary shares at the value of £100 have been issued.

CHANGE OF COMPANY REGISTRATION AND MEMORANDUM AND ARTICLES OF ASSOCIATION

On 17 May 2021, the company passed special resolutions to re-register the company from a public limited company to a private limited company and to adopt a new Memorandum and Articles of Association. These were duly filed with the Registrar of Companies.

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

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.


THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2021**

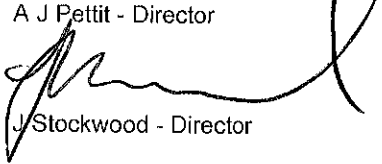
AUDITORS

The auditors, Weaver Wroot, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



A J Pettit - Director



J Stockwood - Director

Date: 31 December 2021

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

Opinion

We have audited the financial statements of The Grimsby Town Football Club Limited (the 'company') for the year ended 31 May 2021 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 2021 and of its profit 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.

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 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 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.

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

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the business through discussions with the management and from our knowledge and experience of the sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including relevant legislation such as the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued on 16 July 2014 and updated with the second edition in October 2019) and the Companies Act 2006.;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

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

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- Investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing any correspondence with HMRC, regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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.

Mr Scott Nixon (Senior Statutory Auditor)
for and on behalf of Weaver Wroot
Accountants
Statutory Auditors
28 Dudley Street
Grimsby
N E Lincolnshire
DN31 2AB

Date: 31 December 2021

Note:

The maintenance and integrity of the The Grimsby Town Football Club Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2021**

	Notes	2021 £	2020 £
TURNOVER	2	2,788,707	3,433,555
Administrative expenses	4	3,385,454	3,286,706
		<u>(596,747)</u>	<u>146,849</u>
Other operating income	4	593,216	-
		<u>(3,531)</u>	<u>146,849</u>
Player trading		207,438	(3,290)
OPERATING PROFIT	4	203,907	143,559
Interest receivable and similar income	5	-	120
Interest payable and similar charges	6	(645)	(645)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		203,262	143,034
Taxation	7	(7,757)	2,626
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		195,505	145,660
(Accumulated losses) brought forward		<u>(2,802,226)</u>	<u>(2,947,886)</u>
(ACCUMULATED LOSSES) CARRIED FORWARD		<u>(2,606,721)</u>	<u>(2,802,226)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

The notes form part of these financial statements

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2021

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		195,505	145,660
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>195,505</u>	<u>145,660</u>

The notes form part of these financial statements

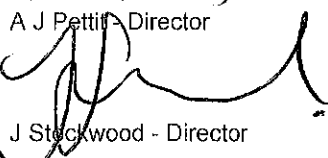
THE GRIMSBY TOWN FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 00034760)

BALANCE SHEET
31 MAY 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		785		20,194
Tangible assets	11		<u>917,385</u>		<u>886,971</u>
			918,170		907,165
CURRENT ASSETS					
Stocks	12	57,998		65,326	
Debtors	13	538,264		540,751	
Cash at bank and in hand		<u>586,627</u>		<u>749,790</u>	
		1,182,889		1,355,867	
CREDITORS					
Amounts falling due within one year	14	<u>1,243,577</u>		<u>2,338,993</u>	
NET CURRENT LIABILITIES			<u>(60,688)</u>		<u>(983,126)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			857,482		(75,961)
CREDITORS					
Amounts falling due after more than one year	15		<u>811,303</u>		<u>161,965</u>
NET ASSETS/(LIABILITIES)			<u>46,179</u>		<u>(237,926)</u>
CAPITAL AND RESERVES					
Called up share capital	18		2,379,900		2,291,300
Revaluation reserve	19		273,000		273,000
Retained earnings	19		<u>(2,606,721)</u>		<u>(2,802,226)</u>
SHAREHOLDERS' FUNDS			<u>46,179</u>		<u>(237,926)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 December 2021 and were signed on its behalf by:


A J Pettif - Director


J Stockwood - Director

The notes form part of these financial statements

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2021

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 June 2019	2,277,200	(2,947,886)	273,000	(397,686)
Changes in equity				
Issue of share capital	14,100	-	-	14,100
Total comprehensive income	-	145,660	-	145,660
Balance at 31 May 2020	<u>2,291,300</u>	<u>(2,802,226)</u>	<u>273,000</u>	<u>(237,926)</u>
Changes in equity				
Issue of share capital	88,600	-	-	88,600
Total comprehensive income	-	195,505	-	195,505
Balance at 31 May 2021	<u>2,379,900</u>	<u>(2,606,721)</u>	<u>273,000</u>	<u>46,179</u>

The notes form part of these financial statements

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(144,871)	297,687
Interest paid		(645)	(645)
Grants		28,749	25,000
Tax paid		-	(120)
Net cash from operating activities		<u>(116,767)</u>	<u>321,922</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(80,400)	(217,806)
Interest received		-	120
Net cash from investing activities		<u>(80,400)</u>	<u>(217,686)</u>
Cash flows from financing activities			
New loans in year		-	119,800
Capital repayments in year		(4,596)	(4,597)
Movements in directors loans		(50,000)	-
Share issue		88,600	14,100
Deferred grants		-	108,372
Net cash from financing activities		<u>34,004</u>	<u>237,675</u>
(Decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	749,790	407,879
Cash and cash equivalents at end of year	2	<u>586,627</u>	<u>749,790</u>

The notes form part of these financial statements

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2021**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS		
	2021	2020
	£	£
Profit before taxation	203,262	143,034
Depreciation charges	53,140	51,238
Grants	-	(25,000)
Finance costs	645	645
Finance income	-	(120)
	<u>257,047</u>	<u>169,797</u>
Decrease/(increase) in stocks	7,328	(4,891)
Decrease/(increase) in trade and other debtors	75,475	(105,328)
(Decrease)/increase in trade and other creditors	<u>(484,721)</u>	<u>238,109</u>
Cash generated from operations	<u>(144,871)</u>	<u>297,687</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 2021

	31.5.21	1.6.20
	£	£
Cash and cash equivalents	<u>586,627</u>	<u>749,790</u>

Year ended 31 May 2020

	31.5.20	1.6.19
	£	£
Cash and cash equivalents	<u>749,790</u>	<u>407,879</u>

3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.6.20	Cash flow	At 31.5.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>749,790</u>	<u>(163,163)</u>	<u>586,627</u>
	<u>749,790</u>	<u>(163,163)</u>	<u>586,627</u>
Debt			
Finance leases	(10,894)	4,596	(6,298)
Debts falling due within 1 year	(39,990)	(829,810)	(869,800)
Debts falling due after 1 year	<u>(79,810)</u>	<u>(670,190)</u>	<u>(750,000)</u>
	<u>(130,694)</u>	<u>(1,495,404)</u>	<u>(1,626,098)</u>
Total	<u>619,096</u>	<u>(1,658,567)</u>	<u>(1,039,471)</u>

The notes form part of these financial statements

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

1. STATUTORY INFORMATION

The Grimsby Town Football Club Limited is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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 as modified by the revaluation of certain assets.

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements.

Going Concern

In assessing the appropriateness of the going concern assumption the directors have produced detailed budgets. These budgets show that cash inflows may be insufficient to meet the company's day to day working capital requirements. The directors have also indicated their willingness and ability to support the company by providing adequate loan facilities to enable it to meet its financial obligations as they fall due for a period of twelve months from the date on which these financial statements are signed. Therefore, having made appropriate enquiries, the financial statements make no provision for any adjustment should the going concern basis not be appropriate.

Turnover

Turnover represents all income arising from the ordinary activities of the company and excludes transfer fees receivable and Value Added Tax. Match receipts are shown after deduction of League and Football Association levies and amounts due to visiting clubs.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation net of depreciation and provisions for impairment. No depreciation has been provided on freehold property, as Blundell Park continues to be valued in the financial statements at an amount at least equivalent to the likely net disposal proceeds. Depreciation in respect of other tangible fixed assets is provided for at the following rates on a straight line basis calculated to write-off the cost or valuation, less any estimated residual value, of each asset over its useful economic life.

Motor vehicles	25%
Computer equipment	33%
Fixtures, fittings and equipment	15%

Stocks

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

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 statement of financial position 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.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

2. **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.

Cash and cash equivalents

Cash at bank and in hand 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.

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 and loans, 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 payment is 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.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 surplus or deficit, 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 surplus or deficit, 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.

Grants

Grants received in respect of expenditure which is charged to the profit and loss account are dealt with in the profit and loss account in the year of receipt. Grants received in respect of expenditure of a capital nature are treated as deferred income and released to the profit and loss account by instalments over the expected useful economic life of the related assets.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

2. ACCOUNTING POLICIES - continued

Taxation

The charge for taxation is based upon the results for the year and takes into account taxation deferred through timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised without discounting in respect of these timing differences which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 102.

Leases

Assets held under finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful economic life. The capital element of obligations are recorded as liabilities, the interest element being charged to the profit and loss account evenly over the period of the lease.

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

Pension costs and other post-retirement benefits

The company contributes to defined contribution pension schemes for certain employees, the assets of which are held separately from those of the company in independently administered funds. Pension costs represent contributions payable by the company in the year.

Player trading

The costs associated with the acquisition of players' registrations are capitalised as intangible fixed assets. These costs are fully amortised in equal annual instalments over the period of the players' contracts including any agreed extensions. Players' registrations are written down for impairment when the amortised value exceeds the amount recoverable through use or sale. Future costs which may become due are recognised within the original cost of acquisition if, in the opinion of the directors, it is probable that these costs will be incurred. Where similar circumstances arise from the disposal of players' registrations, these future receipts are not recognised as part of the proceeds of disposal until such time as the events upon which these receipts are dependent, are known to have occurred. No value is recognised in the financial statements for players developed within the company.

Signing on fees

Signing on fees are charged to the profit and loss account in the accounting period when they become due under the terms of the players' contract. Instalments due in the future are not provided for but are noted as contingent liabilities. Signing on fees paid as a consequence of the transfer of a players' registration are included in the profit and loss on disposal of players' registrations.

Deferred income

Deferred income comprises amounts received from sponsorship, season tickets and other income, which is released to the profit and loss account on a straight line basis over the period to which it relates.

3. TURNOVER

Turnover all of which arises from the company's principal activity can be analysed into its main components as follows:

	2021	2020
	£	£
Matchday	315,952	981,143
Media	1,933,367	1,212,619
Commercial	488,381	958,183
Other income	51,007	281,610
	<u>2,788,707</u>	<u>3,433,555</u>

For the year ended 31 May 2020 other income included £25,000 in respect of Covid-19 support grants.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

4. OTHER OPERATING INCOME

	2021	2020
	£	£
Player trading	250,000	85,000
Rents received	30,128	65,208
Covid Grants	593,216	-
Donations and fundraising	20,880	191,402
Grants	-	25,000
	<u>894,224</u>	<u>366,610</u>

Other operating income includes £564,466 in respect of Coronavirus Job Retention Scheme (CJRS) grants received and £28,750 in respect of Local Authority grants received as part of the Government's response to the Covid-19 pandemic.

5. EMPLOYEES AND DIRECTORS

The directors are entitled to be reimbursed for expenses but receive no remuneration in their capacity as directors.

The average number of persons employed by the company during the year was as follows:

	2021	2020
	£	£
Full-time	67	64
Part-time	33	34
Match day staff	125	106
	<u>225</u>	<u>204</u>

Aggregate cost of employment being as follows:

	2021	2020
	£	£
Wages and salaries	2,114,180	2,361,555
Social Security costs	194,534	229,135
Other pension costs	89,738	52,065
Expenses and other costs	65,559	72,070
	<u>2,464,011</u>	<u>2,714,825</u>

Outstanding pension contributions at 31 May 2021 amounted to £4,371 (2020 £2,804).

For the year ended 31 May 2020 wages and salaries included an amount of £125,962 in respect of Coronavirus Job Retention Scheme (CJRS) grants received.

	2021	2020
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

6. OPERATING PROFIT

Included in administrative expenses are the following:-:

	2021	2020
	£	£
Amortisation of players registrations	19,409	18,640
Depreciation of tangible fixed assets	33,730	32,598
Operating lease costs	28,860	13,474
Auditors' remuneration:		
Audit	5,000	5,000
Other services	1,500	2,030
	<u>1,500</u>	<u>2,030</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Interest received	-	120
	<u>-</u>	<u>120</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Hire purchase interest	645	645
	<u>645</u>	<u>645</u>

9. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	5,724	(2,626)
Adjustment in respect of prior year	2,033	-
	<u>7,757</u>	<u>(2,626)</u>
Tax on profit	<u>7,757</u>	<u>(2,626)</u>

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£	£
Profit before tax	<u>203,262</u>	<u>143,034</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	38,620	27,176
Effects of:		
Expenses not deductible for tax purposes	-	2,981
Income not chargeable to tax	(3,967)	(17,897)
Capital allowances etc. for the year in excess of depreciation	(8,347)	(14,886)
Tax losses (utilised) incurred in the year	(20,582)	-
Adjustment in respect of prior year	2,033	-
	<u>7,757</u>	<u>(2,626)</u>
Total tax charge/(credit)	<u>7,757</u>	<u>(2,626)</u>

Unrelieved Corporation tax losses at 31 May 2021 amounted to £5.2m.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

10. **INTANGIBLE FIXED ASSETS**

	Players registrations £
COST	
At 1 June 2020	46,600
Disposals	<u>(23,030)</u>
At 31 May 2021	<u>23,570</u>
AMORTISATION	
At 1 June 2020	26,406
Amortisation for year	19,409
Eliminated on disposal	<u>(23,030)</u>
At 31 May 2021	<u>22,785</u>
NET BOOK VALUE	
At 31 May 2021	<u>785</u>
At 31 May 2020	<u>20,194</u>

11. **TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 June 2020	1,619,146	729,031	34,796	2,382,973
Additions	<u>-</u>	<u>80,400</u>	<u>-</u>	<u>80,400</u>
At 31 May 2021	<u>1,619,146</u>	<u>809,431</u>	<u>34,796</u>	<u>2,463,373</u>
DEPRECIATION				
At 1 June 2020	969,146	503,206	23,650	1,496,002
Charge for year	<u>-</u>	<u>45,037</u>	<u>4,949</u>	<u>49,986</u>
At 31 May 2021	<u>969,146</u>	<u>548,243</u>	<u>28,599</u>	<u>1,545,988</u>
NET BOOK VALUE				
At 31 May 2021	<u>650,000</u>	<u>261,188</u>	<u>6,197</u>	<u>917,385</u>
At 31 May 2020	<u>650,000</u>	<u>225,825</u>	<u>11,146</u>	<u>886,971</u>

The net book value of tangible fixed assets includes £6,197 (2020 £11,146) in respect of assets held under finance agreements.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

11. **TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 May 2021 is represented by:

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2016	273,000	-	-	273,000
Cost	<u>1,346,146</u>	<u>809,431</u>	<u>34,796</u>	<u>2,190,373</u>
	<u>1,619,146</u>	<u>809,431</u>	<u>34,796</u>	<u>2,463,373</u>

If freehold property had not been revalued it would have been included at the following historical cost:

	2021 £	2020 £
Cost	<u>1,346,146</u>	<u>1,346,146</u>
Aggregate depreciation	<u>969,146</u>	<u>969,146</u>
Value of land in freehold land and buildings	<u>377,000</u>	<u>377,000</u>

The company's freehold property was valued on the 23rd September 2016 by an external valuer, Mr Andrew Clark BSc FRICS MCIArb, of Clark Weightman Limited Chartered Surveyors and Commercial Property Consultants. The valuation was prepared in accordance with the requirements of the RICS Valuation Standards and FRS102. The valuation has been based on the assumption that the property continues to be owner occupied for the purposes of the Company's business, although the valuation also assumed that it would be redeveloped in the future with the market value being derived from comparable recent transactions for development land on an arm's length basis.

12. **STOCKS**

	31.5.21 £	31.5.20 £
Goods for resale	<u>57,998</u>	<u>65,326</u>

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

	2021 £	2020 £
Trade debtors	327,785	162,407
Other debtors	203,543	357,953
Corporation tax	-	2,626
Prepayments	<u>6,936</u>	<u>17,765</u>
	<u>538,264</u>	<u>540,751</u>

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 16)	869,800	39,990
Hire purchase contracts (see note 17)	4,599	4,599
Trade creditors	70,416	65,137
Current corporation tax	5,724	593
Social security and other taxes	88,670	374,783
Other creditors	16,349	24,381
Directors' loans	-	1,550,000
Accrued expenses	143,993	223,148
Deferred grants	16,256	16,256
Deferred income	27,770	40,106
	<u>1,243,577</u>	<u>2,338,993</u>

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

	2021	2020
	£	£
Other loans (see note 16)	750,000	79,810
Hire purchase contracts (see note 17)	1,699	6,295
Deferred grants	59,604	75,860
	<u>811,303</u>	<u>161,965</u>

Other loans include amounts due to a former director totalling £1,500,000.

There are set repayment terms for the loans provided to the Company by its former director. No interest is being charged on these loans.

During the year Mr J S Fenty provided financial guarantees amounting to £325,000. These guarantees, together with his loans, were secured by way of a debenture, dated 6 July 2007, which created a fixed and floating charge over all of the company's assets. This charge was released on 14 May 2021.

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>869,800</u>	<u>39,990</u>
Amounts falling due between one and two years:		
Other loans	<u>750,000</u>	<u>79,810</u>

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021**

17. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Net obligations repayable:		
Within one year	4,599	4,599
Between one and five years	<u>1,699</u>	<u>6,295</u>
	<u><u>6,298</u></u>	<u><u>10,894</u></u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:
Number: Class:

		Nominal value:	2021 £	2020 £
20,649	Ordinary	£100	2,064,900	1,976,300
5,100	Ordinary	£50	255,000	255,000
1,600	Ordinary	£25	40,000	40,000
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>
			<u><u>2,379,900</u></u>	<u><u>2,291,300</u></u>

The following shares were issued during the year for cash at par:

886 Ordinary shares of £100

19. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 June 2020	(2,802,226)	273,000	(2,529,226)
Profit for the year	<u>195,505</u>		<u>195,505</u>
At 31 May 2021	<u><u>(2,606,721)</u></u>	<u><u>273,000</u></u>	<u><u>(2,333,721)</u></u>

20. ULTIMATE PARENT COMPANY

1878 Partners Limited is regarded by the directors as being the company's ultimate parent company.

21. CONTINGENT LIABILITIES

There are potential liabilities and assets in respect of the company's player trading. Due to the variable nature of these amounts it is not possible to calculate the maximum potential liability or asset.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2021**

22. RELATED PARTY DISCLOSURES

Loans from directors/former directors are disclosed in Notes 14 and 15. The maximum liability during the year amounted to £1,550,000 (2020 £1,550,000).

During the year the company provided goods and services to Cool Energy Holding Limited to the value of £4,069 (2020 £nil) in the ordinary course of business. The amount outstanding at 31 May 2021 was £4,882 (2020 £nil).

At 31 May 2021 Mr J S Fenty owned 60% of the issued share capital of Cool Energy Holding Limited.

All transactions with related parties in respect of director's loans are disclosed on an aggregate basis.

23. ULTIMATE CONTROLLING PARTY

The company is considered to be controlled by Mr A J Pettit and Mr J Stockwood who own 100% of the issued ordinary share capital of 1878 Partners Limited.

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2021**

	2021		2020	
	£	£	£	£
Turnover				
Match receipts	315,952		981,143	
Television and broadcasting	1,933,367		1,212,619	
Sponsorship	215,740		419,992	
Retailing and merchandising	272,640		292,574	
Catering	-		245,617	
	<u> </u>	2,737,699	<u> </u>	3,151,945
Other income				
Player trading	250,000		85,000	
Rents received	30,128		65,208	
Sundry receipts	593,216		-	
Donations and fundraising	20,880		191,402	
Grants	-		25,000	
Interest received	-		120	
	<u> </u>	894,224	<u> </u>	366,730
		3,631,923		3,518,675
Expenditure				
Rates and water	8,196		25,257	
Insurance	38,635		32,087	
Light and heat	19,191		17,828	
Repairs to property	15,808		27,062	
Wages	2,840,168		2,485,690	
Social security	194,534		229,135	
Other operating leases	28,860		13,474	
Telephone	12,937		16,697	
Post and stationery	9,926		11,994	
Advertising	9,537		21,667	
Team travel and accommodation	74,331		88,819	
Motor expenses	30,460		26,143	
Medical expenses	26,306		25,491	
Players' outfits and equipment	68,312		55,946	
Repairs and renewals	96,298		30,374	
Catering costs	2,777		18,480	
Police and stewarding	356		42,297	
General match expenses	82,061		50,392	
Advertising and promotional	2,441		51,749	
Executive facility expenses	68		23,164	
Sundry expenses	322		489	
Association and league fees	14,010		696	
Souvenir shop costs	122,006		129,473	
Celebrity evening expenses	-		9,761	
Youth development programme	(381,559)		(331,136)	
McMenemy's running costs	6,596		108,959	
Legal fees	2,279		5,510	
Auditors' remuneration	6,500		6,500	
Donations	7,735		5,583	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carried forward	3,339,091	3,631,923	3,229,581	3,518,675

This page does not form part of the statutory financial statements

THE GRIMSBY TOWN FOOTBALL CLUB LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2021

	2021		2020	
	£	£	£	£
Brought forward	3,339,091	3,631,923	3,229,581	3,518,675
Player trading	23,153		69,650	
Bad debts	(2,301)		3,352	
Amortisation of intangible fixed assets				
Amortisation of players contracts	<u>19,409</u>		<u>18,640</u>	
		<u>3,379,352</u>		<u>3,321,223</u>
		252,571		197,452
Finance costs				
Bank and similar charges	14,933		21,175	
Hire purchase interest	<u>645</u>		<u>645</u>	
		<u>15,578</u>		<u>21,820</u>
		236,993		175,632
Depreciation				
Amortisation of grants	(16,256)		(16,256)	
Fixtures and fittings	45,038		43,905	
Motor vehicles	<u>4,949</u>		<u>4,949</u>	
		<u>33,731</u>		<u>32,598</u>
NET PROFIT		<u><u>203,262</u></u>		<u><u>143,034</u></u>

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