

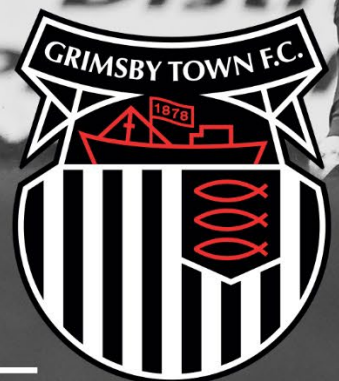
GRIMSBY TOWN FOOTBALL CLUB



HAND IN HAND

Distributors

Annual Accounts
May 2024



The Grimsby Town Football Club Limited

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The Grimsby Town Football Club Limited

Company Information
For The Year Ended 31 May 2024

DIRECTORS:	Miss K L Green Mr A J Pettit Mr J Stockwood Mr B C J Nicholson Ms P L Bancroft
REGISTERED OFFICE:	Blundell Park CLEETHORPES N E Lincolnshire DN35 7PY
REGISTERED NUMBER:	00034760 (England and Wales)
ACCOUNTANTS:	Nicholsons Chartered Accountants The Enterprise Village Prince Albert Gardens GRIMSBY N E Lincolnshire DN31 3AT
BANKERS:	Lloyds Bank 50-52 Victoria Street West GRIMSBY N E Lincolnshire DN31 1BL

REPORT OF THE DIRECTORS



The Grimsby Town Football Club Limited

Strategic Report **For The Year Ended 31 May 2024**

REVIEW OF BUSINESS

	2024 £000	2023 £000	2022 £000	2021 £000
Turnover	5,721	6,815	4,445	3,519
Staff costs	4,252	4,002	3,070	2,799
Profit / (Loss)	(1,683)	245	(931)	196
Net assets / (Liabilities)	(2,324)	(640)	(885)	46
Final position	21st EFL League Two	11th EFL League Two	6th National League	24th EFL League Two
Average Home League Attendance	6,024	6,279	5,713	n/a

Financial Summary

- Turnover decreased 16% from £6.81m to £5.72m.
- A loss of £1.68m was reported in the year.
- £316k was generated from the player trading and football fortune*.
- Football expenditure increased by £23k.
- £333k was invested in infrastructure projects.
- Cash at the balance sheet date increased by £451k to £974k.

Financial review

After two excellent seasons in 2021/2 and 2022/3 in which the Club earned promotion from the National League back to the EFL and reached the quarter finals of the FA Cup, defeating 5 clubs from higher divisions in the earlier rounds, by the time the final whistle rang around Blundell Park on 27th April 2024, the Club finished 21st place in League Two.

The promotion back to League Two in 2021/2 had resulted in a loss of £931k for the year to 31st May 2022 and budgets for the 2022/3 season had been set forecasting a c. £1m loss. However, after Football Fortune* generated by the FA Cup run of £1.18m, the company reported a profit for the 2022/3 year of £245k. The Club returned to loss in 2023/4 as significant sums were invested into the Club's infrastructure and playing squad. Additionally, an extraordinary cost was incurred during the season as a result of compensation for loss of office for the manager and assistant manager who were replaced in November 2023.

* Football Fortune refers to the profit that is generated from either player sales or cup runs that are unbudgeted.

The Grimsby Town Football Club Limited

Strategic Report **For The Year Ended 31 May 2024**

Overall Turnover £5.72m (2023: £6.81m)

Business Turnover £3.67m (2023: £3.91m)

This comprises the income generated from matchdays including season ticket and matchday ticket receipts, streaming revenues, and income from the commercial, hospitality and retail parts of the business. This decreased by £239k in 2023/4 compared to the prior year.

	2023/4	2022/3
	£m	£m
Matchday receipts	1.872	2.356
Commercial	0.767	0.564
Streaming	0.156	0.166
Retail	0.621	0.598
Hospitality	0.254	0.225
Total	3.670	3.909

5,758 season tickets were sold for the 2023/4 season (2022/3 5,754) which generated £1.29m in season ticket revenue (2022/3 £1.28m). This is shown in matchday receipts and just pipped the previous years modern day record for our all seater.

To put this into perspective, after our famous season of double Wembley glory of 1997/98, when the Mariners were last promoted back into the Championship, we sold just 3,470 season tickets for the following season in the Championship.

Matchday revenue benefited from a total of 129,250 (2022/3 129,735) home supporters coming through the turnstiles in 2023/4.

With success on the pitch in the prior seasons, the Club was able to generate more sponsorship and advertising revenue. An important partner continued to support us in myenergi, the locally based renewable energy manufacturer, who continued as shirt sponsor under a three-year deal signed in June 2022.

We are committed to developing new sources of income which we think is an important activity for all football clubs if they want to become sustainable. In January 2024 the documentary "All Town Aren't We" had its premiere at the Parkway Cinema. The documentary told the story of the Clubs' takeover, through to heroic play-off run and return to the football league. The production was a collaboration with Three Day Millionaire Director Jack Spring and received incredible support from our fans. We will continue to look for new ways to collaborate and develop additional income sources.

The costs of sales ratio increased slightly from 19% in the 2022/3 to 23% in 2023/4.

Football Fortune £95k (2023: £870k)

Player trading £221k (2023: £293k)

Player trading of £221k (2023: £293k) comprises the receipts for the Club from selling player registrations during the year. These sometimes include, as they did in 2023/4, receipts from the sale of players sold in prior financial periods which were the subject of "sell on" clauses. In total, £220,837 was received for the sale of Kamil Conteh to Bristol Rovers and further sell on payments from Peterborough United for the onward sale of Siriki Dembele to AFC Bournemouth.

The Grimsby Town Football Club Limited

Strategic Report **For The Year Ended 31 May 2024**

During the year, the Club also purchased a number of players. The total fees paid for these players of £214k is shown in the accounts as an intangible asset and amortised to the profit and loss account over the life of that player's contract. During the year, the value of this amortisation was £124k. Impairment of £7k was also charged, leaving £101k remaining to be amortised to the profit and loss account in future years.

Distributions £1.69m (£1.71m)

The Club receives three distributions as an EFL Club. A fixed distribution from the EFL, a payment from the Premier League solidarity fund and funds for the academy from the Football League funded by the Premier League. In the financial year, these totalled £1.69m and was £19k lower than the previous season due to the timing of receipts

The costs of running a Football Club

We thought it would be helpful to provide a further breakdown of the cost side of the business. The costs of running a football Club can be split into three categories:-

1. Cost of sales - these are the direct cost of sales of goods and services that arise due to the business activities of the Club. For example, the food, drinks and merchandise that the Club sells, plus costs of services such as the internet and streaming fees for providing digital away games.
2. Football Expenditure - essentially football related expenditure costs that relate to the first team and matches. These include travel and matchday expenses, medical support, league and association fees etc. They also include salary and wage costs for the whole organisation.
3. Other Overheads - general and administration costs that relate to items such as professional services, insurance, marketing and property repairs.

Football Expenditure £4.75m (2023: £4.52m)

Around 89% of 2023/4 football expenditure related to staff wages (2022/3 88%). For every £1 of turnover the Club spent 74p (2022/3 59p) in wage costs.

Compared to the prior year there was further investment into salaries and wages. This included both playing budget and back-office support, often the unseen engine of football clubs that work tirelessly to ensure that the playing team and management can focus on what they do best. The playing budget was closely monitored during the year to make sure the Club is run sustainably whilst seeking to ensure that the team was competitive in the league. As a Club, we believe staff deserve a wage which meets everyday needs and to support this ethos we became a real living wage employer. In doing this, we joined the other 14,000 UK businesses who voluntarily pay their staff more than the minimum legal requirement.

Other Overheads £0.93m (2023: £0.64m)

At the same time, £335k (2022/3 £226k) has been spent on repairs to maintain a League Two standard. In addition to repair costs, a further £333k was spent on ground improvements meaning that over the last two financial years, £856k has been spent on infrastructure, either at Blundell Park or the Cheapside training ground.

The Grimsby Town Football Club Limited

Strategic Report **For The Year Ended 31 May 2024**

Academy funding

We continue to be very supportive of both our youth and development squads. In the 2023/4 year, around £43k was raised by the academy team to support its activities. This was combined with funding of £499k through the EPPP programme.

Costs attributable to the Academy during the year were £680k.

Balance Sheet

Overall net liabilities of the company increased from £640k to £2.32m. This was largely due to the loss made in the year. However, after the year end, in October 2024, 1878 Partners Limited converted its debt to newly issued shares in the Company. This will materially improve the balance sheet position of the Club.

In addition to the ground improvements and players' contracts that were capitalised as fixed assets, £37k was spent on other fixtures and fittings. Blundell Park itself was not depreciated (and is still valued at £0.65m) which in the Directors' opinion is a fair value.

The company has a total debt of £3.56m (2022/3 £2.23m), which includes interest free loans owed to 1878 Partners Limited. There is no other external debt.

Trade creditors increased to £420k due to various timings. There is no other historic debt.

Cash Flow

Cash balances at the end of the year were £451k more than the previous year.

In total, 1878 Partners Limited invested a further £1.33m into the company during the year.

Non Financial Performance

The Board of Directors regularly review social and environmental performance and have created an ESG dashboard which is used to review our social and environment impact and performance on a quarterly basis.

This includes committing to:

- i. Governance
- ii. Community
- iii. Employees
- iv. Customers
- v. Environment

The Grimsby Town Football Club Limited

Strategic Report **For The Year Ended 31 May 2024**

Our financial future

An important part of EFL membership is compliance with fair play rules. In League One and League Two, these regulations are called the Salary Cost Management Protocol ("SCMP"). The rules are complex but broadly allow a Club to spend a fixed percentage of its turnover (after direct costs) on players' wages etc. This limit can be increased by equity injections or net transfer income.

It is our aim to create a sustainable community led model for our Club but this has its trade-offs because the Club must also comply with the SCMP regulations. Therefore, whilst we build a strong underpinning of commercial and matchday activities to grow qualifying turnover, the directors will continue to search for other investors with shared values and social / community thinking that can contribute to the investment that may be incurred if we want to remain competitive in the EFL.

The directors are also actively engaged in the current dialogue that is ongoing in relation to both the proposed introduction of a football regulator and the potential for a partial redistribution of finances in the English football pyramid. The key focus of the directors is to seek and then maintain long term financial sustainability for these critical community assets, particularly in the lower leagues. The 2024/5 season will also see the commencement of central distributions from the new media deal negotiated by the EFL with Sky. This will involve the club having more matches broadcast live on Sky TV in the UK but will also involve an increase in central distributions from the EFL which will assist towards sustainability, although may be offset by lower matchday and streaming revenue and higher costs if kick off times are changed (e.g. additional overnight travel).

The Board has undertaken significant work on a longer-term strategy for the Club. Priorities in that strategy will include a focus on evidence-based decision making and a commitment to driving major decisions around performance and recruitment through increasing the use of data, empowering the Club to make better, more informed decisions. A sharper focus on our Academy should also become evident; with recruitment, development and transition opportunities being supported by meaningful investment and processes.

Our playing budget for the 2023/4 season increased by 22% compared to the 2022/3 playing budget and has seen a 45% increase since 1878 Partners acquired its stake in the Club.

During the 2024 summer break, a major project is proposed to replace the front pillars in part of the historic Main Stand at a budgeted cost of c. £350,000

Post Balance Sheet events

New CEO

During the year our CEO, Debbie Cook left to take up a position as Director of Community at the EFL. We thank Debbie for her work and commitment to developing the values we wanted to instil at the football club and wish her well in her new role.

Shortly after the year end, we were delighted that Polly Bancroft joined as our new CEO. Polly joined from Manchester United where she was Head of Women's Football. During her time there she took charge of all aspects of the women's team, helping deliver major new facilities at the clubs training ground and overseeing significant success on the pitch. Polly has taken over all responsibilities of running the Company with Adam Smith returning to his prior role of Company Secretary. The board would like to thank Adam for stepping in as acting CEO during the year.

The Grimsby Town Football Club Limited

Strategic Report
For The Year Ended 31 May 2024

ON BEHALF OF THE BOARD:

Andrew Pettit

Mr A J Pettit - Director

Date: 27/2/2025

The Grimsby Town Football Club Limited

Report of the Directors **For The Year Ended 31 May 2024**

The directors present their report with the financial statements of the company for the year ended 31 May 2024.

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 the players, employees and supporters. The Board has stated that the development of an improved Training Ground remains a key priority.

EVENTS SINCE THE END OF THE YEAR

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2023 to the date of this report.

Miss K L Green
Mr A J Pettit
Mr J Stockwood

Other changes in directors holding office are as follows:

D E Cook - resigned 9 February 2024
D R Roberts - resigned 8 January 2024
Mr B C J Nicholson - appointed 8 January 2024

Ms P L Bancroft was appointed as a director after 31 May 2024 but prior to the date of this report.

CHARITABLE AND POLITICAL DONATIONS AND EXPENDITURE

There have been charitable contributions of £10,464 (2023- £16,464) 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 2024

EMPLOYMENT, HEALTH 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, people with disability 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 environmental policies covering its activities. Adherence to these policies is monitored on a regular basis.

ON BEHALF OF THE BOARD:

Andrew Pettit

Mr A J Pettit - Director

Date: 27/2/2025

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
The Grimsby Town Football Club Limited

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Grimsby Town Football Club Limited for the year ended 31 May 2024 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of The Grimsby Town Football Club Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of The Grimsby Town Football Club Limited and state those matters that we have agreed to state to the Board of Directors of The Grimsby Town Football Club Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Grimsby Town Football Club Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The Grimsby Town Football Club Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of The Grimsby Town Football Club Limited. You consider that The Grimsby Town Football Club Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of The Grimsby Town Football Club Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Nicholsons

Nicholsons
Chartered Accountants
The Enterprise Village
Prince Albert Gardens
GRIMSBY
N E Lincolnshire
DN31 3AT

Date: 27/2/2025

er Solicitors

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THE NUMBERS



The Grimsby Town Football Club Limited

Income Statement
For The Year Ended 31 May 2024

	Notes	2024 £	2023 £
TURNOVER	3	5,720,661	6,814,616
Cost of sales		<u>846,624</u>	<u>742,733</u>
GROSS PROFIT		4,874,037	6,071,883
Administrative expenses		<u>6,557,493</u>	<u>5,826,661</u>
OPERATING (LOSS)/PROFIT	5	(1,683,456)	245,222
Interest payable and similar expenses		<u>-</u>	<u>430</u>
(LOSS)/PROFIT BEFORE TAXATION		(1,683,456)	244,792
Tax on (loss)/profit		<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(1,683,456)</u></u>	<u><u>244,792</u></u>

The notes form part of these financial statements

The Grimsby Town Football Club Limited (Registered number: 00034760)

Balance Sheet
31 May 2024

	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		101,497		68,130
Tangible assets	7		1,350,386		1,046,130
			<u>1,451,883</u>		<u>1,114,260</u>
CURRENT ASSETS					
Stocks	8	66,729		46,776	
Debtors	9	517,835		605,983	
Cash at bank and in hand		974,329		523,476	
		<u>1,558,893</u>		<u>1,176,235</u>	
CREDITORS					
Amounts falling due within one year	10	1,769,569		704,420	
			<u>(210,676)</u>		<u>471,815</u>
NET CURRENT (LIABILITIES)/ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>1,241,207</u>		<u>1,586,075</u>
CREDITORS					
Amounts falling due after more than one year	11		3,565,055		2,226,467
			<u>(2,323,848)</u>		<u>(640,392)</u>
NET LIABILITIES					
CAPITAL AND RESERVES					
Called up share capital	12		2,379,900		2,379,900
Revaluation reserve	13		273,000		273,000
Retained earnings	13		(4,976,748)		(3,293,292)
			<u>(2,323,848)</u>		<u>(640,392)</u>
SHAREHOLDERS' FUNDS					

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2024 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

The Grimsby Town Football Club Limited (Registered number: 00034760)

Balance Sheet - continued
31 May 2024

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

The financial statements were approved by the Board of Directors and authorised for issue on 27/2/2025. and were signed on its behalf by:

Andrew Pettit

Mr A J Pettit - Director

The Grimsby Town Football Club Limited

Statement of Changes in Equity
For The Year Ended 31 May 2024

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 June 2022	2,379,900	(3,538,084)	273,000	(885,184)
Changes in equity				
Total comprehensive income	-	244,792	-	244,792
Balance at 31 May 2023	<u>2,379,900</u>	<u>(3,293,292)</u>	<u>273,000</u>	<u>(640,392)</u>
Changes in equity				
Total comprehensive income	-	(1,683,456)	-	(1,683,456)
Balance at 31 May 2024	<u><u>2,379,900</u></u>	<u><u>(4,976,748)</u></u>	<u><u>273,000</u></u>	<u><u>(2,323,848)</u></u>

The notes form part of these financial statements

The Grimsby Town Football Club Limited

Cash Flow Statement
For The Year Ended 31 May 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(344,606)	560,009
Interest element of hire purchase or finance lease rental payments paid		-	(430)
Net cash from operating activities		<u>(344,606)</u>	<u>559,579</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(213,540)	(114,250)
Purchase of tangible fixed assets		(369,901)	(203,409)
Sale of intangible fixed assets		48,900	-
Net cash from investing activities		<u>(534,541)</u>	<u>(317,659)</u>
Cash flows from financing activities			
Loan repayments in year		-	(449,375)
Hire purchase repayments in year		-	(1,540)
Movement in loans from parent company		1,330,000	699,375
Net cash from financing activities		<u>1,330,000</u>	<u>248,460</u>
Increase in cash and cash equivalents		450,853	490,380
Cash and cash equivalents at beginning of year	2	523,476	33,096
Cash and cash equivalents at end of year	2	<u>974,329</u>	<u>523,476</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 2024

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2024	2023
	£	£
(Loss)/profit before taxation	(1,683,456)	244,792
Depreciation charges	189,586	109,683
Loss on impairment of intangible assets	7,331	-
Finance costs	-	430
	(1,486,539)	354,905
(Increase)/decrease in stocks	(19,953)	31,177
Decrease/(increase) in trade and other debtors	88,148	(100,352)
Increase in trade and other creditors	1,073,738	274,279
	(344,606)	560,009

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 2024	31.5.24	1.6.23
	£	£
Cash and cash equivalents	974,329	523,476
	974,329	523,476
Year ended 31 May 2023	31.5.23	1.6.22
	£	£
Cash and cash equivalents	523,476	33,096
	523,476	33,096

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.6.23	Cash flow	At 31.5.24
	£	£	£
Net cash			
Cash at bank and in hand	523,476	450,853	974,329
	523,476	450,853	974,329
Debt			
Debts falling due after 1 year	(2,199,375)	(1,330,000)	(3,529,375)
	(2,199,375)	(1,330,000)	(3,529,375)
Total	(1,675,899)	(879,147)	(2,555,046)

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 2024**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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 or ground improvements, 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%
Fixtures and fittings	15%

Financial instruments

Financial instruments are recognised in the company's statement of financial position when the company becomes the 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.

Stocks

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

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 yet reversed by the balance sheet date except as otherwise required by FRS 102.

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued
For The Year Ended 31 May 2024

2. ACCOUNTING POLICIES - continued

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.

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.

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued **For The Year Ended 31 May 2024**

2. ACCOUNTING POLICIES - continued

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.

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.

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued **For The Year Ended 31 May 2024**

2. ACCOUNTING POLICIES - continued

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.

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.

Government grants

Government grants received are treated as deferred creditors and credited to the profit and loss account over the estimated useful life of the relevant fixed assets.

Going Concern

Management have prepared and reviewed budgets for the next twelve months and the impact of the business plan on cash flows. Following this review and the confirmation from investors of their intention to support the company it has been concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

3. TURNOVER

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

	2024	2023
	£	£
Matchday	3,669,775	3,909,524
Central distribution	1,193,154	1,206,961
Commercial & hospitality	541,645	535,666
Academy grant	95,250	869,590
Football fortune	220,837	292,875
	<u>5,720,661</u>	<u>6,814,616</u>

4. EMPLOYEES AND DIRECTORS

	2024	2023
	£	£
Wages and salaries	3,882,625	3,680,268
Social security costs	368,981	321,766
	<u>4,251,606</u>	<u>4,002,034</u>

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued
For The Year Ended 31 May 2024

4. EMPLOYEES AND DIRECTORS - continued

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

	2024	2023
Full-time	91	87
Part-time	34	32
Match day staff	151	167
	276	286
	276	286

5. OPERATING (LOSS)/PROFIT

The operating loss (2023 - operating profit) is stated after charging:

	2024	2023
	£	£
Depreciation	65,645	63,563
Player registrations - amortisation	123,942	46,120
	189,587	109,683
	189,587	109,683

6. INTANGIBLE FIXED ASSETS

		Player registrations £
COST		
At 1 June 2023		114,250
Additions		213,540
Disposals		(57,050)
Impairments		(7,331)
		163,409
At 31 May 2024		263,409
AMORTISATION		
At 1 June 2023		46,120
Amortisation for year		123,942
Eliminated on disposal		(8,150)
		161,912
At 31 May 2024		161,912
NET BOOK VALUE		
At 31 May 2024		101,497
		101,497
At 31 May 2023		68,130
		68,130

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued
For The Year Ended 31 May 2024

7. TANGIBLE FIXED ASSETS

	Freehold property £	Ground improvements £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 June 2023	1,619,146	172,270	582,364	19,796	2,393,576
Additions	-	333,160	36,741	-	369,901
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2024	1,619,146	505,430	619,105	19,796	2,763,477
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1 June 2023	969,146	-	358,504	19,796	1,347,446
Charge for year	-	-	65,645	-	65,645
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2024	969,146	-	424,149	19,796	1,413,091
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 31 May 2024	650,000	505,430	194,956	-	1,350,386
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 May 2023	650,000	172,270	223,860	-	1,046,130
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued
For The Year Ended 31 May 2024

7. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 May 2024 is represented by:

	Freehold property £	Ground improvements £	Fixtures & fittings £	Motor vehicles £	Totals £
Valuation in 2016	273,000	-	-	-	273,000
Cost	1,346,146	505,430	619,105	19,796	2,490,477
	<u>1,619,146</u>	<u>505,430</u>	<u>619,105</u>	<u>19,796</u>	<u>2,763,477</u>

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

	2024 £	2023 £
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 23 September 2016 by an external valuer, Mr Andrew Clark BSc FRICS MCI Arb, of Clark Weightman Limited Chartered Surveyors and Commercial Property Consultants. 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 arms length basis. In the opinion of the directors, the current fair value of the property is not materially different.

8. STOCKS

	2024 £	2023 £
Goods for resale	<u>66,729</u>	<u>46,776</u>

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued
For The Year Ended 31 May 2024

9.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2024	2023
		£	£
	Trade debtors	271,206	269,380
	Other debtors	144,020	102,660
	Prepayments and accrued income	102,609	233,943
		<u>517,835</u>	<u>605,983</u>
10.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2024	2023
		£	£
	Trade creditors	419,753	384,078
	Deferred grants	19,069	16,256
	Social security and other taxes	273,378	126,619
	Other creditors	33,495	34,769
	Accruals and deferred income	1,013,035	108,492
	Accrued expenses	10,839	34,206
		<u>1,769,569</u>	<u>704,420</u>
11.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
		2024	2023
		£	£
	Amounts owed to group undertakings	3,529,375	2,199,375
	Deferred grants	35,680	27,092
		<u>3,565,055</u>	<u>2,226,467</u>
12.	CALLED UP SHARE CAPITAL		
	Allotted, issued and fully paid:		
	Number:	Class:	Nominal
			value:
			2024
			2023
			£
			£
	20,649	Ordinary	£100
			2,064,900
	5,100	Ordinary	£50
			255,000
	1,600	Ordinary	£25
			40,000
	20,000	Ordinary	£1
			20,000
			<u>2,379,900</u>
			<u>2,379,900</u>

The Grimsby Town Football Club Limited

Notes to the Financial Statements - continued
For The Year Ended 31 May 2024

13. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 June 2023	(3,293,292)	273,000	(3,020,292)
Deficit for the year	(1,683,456)		(1,683,456)
At 31 May 2024	<u>(4,976,748)</u>	<u>273,000</u>	<u>(4,703,748)</u>

14. 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.

15. CAPITAL COMMITMENTS

Works regarding improvements to the main stand were ongoing at 31 May 2024 and the contracted works amounting to £174k were completed after the year end.

16. POST BALANCE SHEET EVENTS

In October 2024, 1878 Partners Limited, the ultimate parent company, converted their debt of £2.7m into newly issued shares in the Company.

17. ULTIMATE PARENT COMPANY

1878 Partners Limited is regarded by the directors as being the company's ultimate parent company. Mr A J Pettit and Mr J Stockwood own 100% of the issued ordinary share capital.