

Company registration number 00224792 (England and Wales)

MORECAMBE FOOTBALL CLUB LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

MORECAMBE FOOTBALL CLUB LIMITED

COMPANY INFORMATION

Directors Mr R H Taylor
Mr G A Howse
Mr M Horton
Mr J T Wakefield
Mr C E Appleyard
Mr B R Sadler (Appointed 4 July 2022)

Secretary Mr G A Howse

Company number 00224792

Registered office Mazuma Stadium
Christie Way
Westgate
Morecambe
LA4 4TB

Auditor MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

MORECAMBE FOOTBALL CLUB LIMITED

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MORECAMBE FOOTBALL CLUB LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2023

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

Review of the business

The financial year 2022/23 was Morecambe's sixteenth consecutive season in the English Football League and second in League One. The club posted a loss before tax for the year of £1,269,916 (21/22: profit before tax of £1,273,251). The 22/23 season ended with the club narrowly missing out on survival in League One, by two points, and represented its sixth year operating a Category 3 Academy.

Key performance indicators

Performance on the Pitch

Target	2022/23 Performance	2021/22 Performance
Avoid relegation from League One	Finished in 22nd position with 44 points	Finished in 19th position with 42 points
Generate Income from Cup Runs	FA Cup - 1st Round	FA Cup – 3rd Round
	EFL Cup - 3rd Round	EFL Cup – 2nd Round
	EFL Trophy – Round of 32	EFL Trophy – Group Stage

Strategy

The key elements to the company's strategy for growth are:

- Continue to invest in our staff, both footballing and non-footballing, and facilities
- Further develop our retail, commercial and hospitality business to help diversify income streams and margins
- Enhance awareness and the reach of our brand

MORECAMBE FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Principal risks and uncertainties

The principal risks to the business are relegation and the consequential loss of income, or if the company were unable to secure sufficient finance from either the directors, owners or other sources to continue funding the cashflow requirements. These and other risks are monitored by the Board on a regular basis.

In addition to the above:

- Performance of the men's first team
- Maintaining and enhancing our reputation and brand
- Renewal/replacement of key commercial contracts on similar or better terms
- Retention and recruitment of key employees

Performance of the men's first team

The Club achieved a higher league points tally than 2021-22 but it wasn't enough to avoid relegation on the final day of the season, back into League Two. A good cup run was achieved in the EFL Cup, progressing to the third round after a home win versus Stoke City and an impressive away win at Rotherham United. The Club progressed through the group stage of the EFL Trophy, losing away at Lincoln City in the Round of 32. The FA Cup run ended at the first hurdle away to Sheffield Wednesday.

The above marked a season which, despite challenges off the pitch, acted a source of pride for the Board and the Club, battling through to the final day of the season. The season saw Academy product Adam Mayor sign professional terms with the Club, representing an asset of potential value to the Club, along with the reputational benefits of having 'one of your own' representing the team each week.

Maintaining and enhancing our reputation and brand

The Club's status in League One helped to continue to enhance awareness of the brand both locally and nationally. The continued strategy of ensuring that the club is run on equitable and fair grounds in dealings with both its own employees, supporters and the wider footballing community ensured that its existing reputation was only enhanced by such strong endeavour on the field. The Club has great success in the loan market for the First Team, with a number of young players coming in to the team, performing well and enhancing their stock within the game. This is a benefit to the Club as it develops strong relationships with other clubs and allows greater ability to bring in top quality future loanees. This is important as the Manager needs to be as resourceful as possible to maximise the budget.

Increased coverage of the club in League One had raised awareness and publicity of the brand and with that comes both opportunity and risk, with the Board conscious that the club needs to seek out the former but not at the risk of damaging the club's deserved reputation for fair play and dealings.

Renewal/replacement of key commercial contracts on similar or better terms

The Club's presence in League One resulted in increased commercial and hospitality contracts as well as Matchday income. As the accounts show, commercial income was at its highest level ever, with a number of improved multi-year agreements signed which stand the Club in good stead for years to come. Likewise, the Club hosted its first ever outdoor stadium concert which brought a new audience to the stadium, as well as diversifying income streams and offering a great community event.

MORECAMBE FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Retention and recruitment of key employees

During the 2022/23 football season, despite the challenges that the Club faced off the pitch, it was able to maintain the services of its successful First Team Manager, Derek Adams and John McMahon as his deputy. The Directors believe that this resulted in a management structure and playing staff capable of challenging at the level. This was evident in the improved points total that the Club achieved in the season.

Off the pitch, the company has continued to invest in non-footballing staff to embrace the demands placed upon it by operating in League One. The Board is confident that in all aspects the club are better placed now to compete.

Future developments and going concern

At the end of the 2022/23 season the club was relegated into League Two of the English Football League. This has impacted the club's ability to generate revenue at levels seen when the club was in League One, and the directors have adjusted the operational and playing budgets to reflect this.

The directors had prepared projections up to 31 May 2024 for the club to be run on a break-even basis, although at the request of the majority shareholder, Bond Group Investments Limited, a budgeted loss was agreed and is therefore what the Club is working towards in 2023-24.

At the date of approval of these financial statements, the majority shareholders continue to explore the sale of their shares in the company.

The Board are confident that additional funding will be made available if required for the company to continue to operate and meet its obligations as they become due over the next 12 months, whether this be from the current majority shareholders, or by way of new investment following the conclusion of the sale process.

Whilst the directors believe that the company will be able to continue to operate and meet its obligations over the next 12 months, the impact of the ongoing sales process naturally brings uncertainty as to future ownership, financing and investment.

Based on the above, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, the uncertainty around the future ownership, financing and investment constitutes a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

MORECAMBE FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

Stakeholders

The Board take into consideration the interests of the club's employees, supporters, commercial partners and all its stakeholders in its decision making.

Employees

The wellbeing of the company's employees is of primary importance to the club, with the development of a 'people' department which has broadened the provision in support and development opportunities for colleagues as well as mental health awareness, safeguarding standards and access to club officials specialising in these areas.

Community

The club works closely with its community partners, Morecambe Football Club Community Sports and Shrimps Supporters Society Limited, to engage with as wide a range of the local demographic as possible, supporting these organisations with their work in the community.

Supporters

The club maintains a supporter's charter, committed to delivering a professional football team, success on the pitch, whilst delivering a community-orientated experience and service at all levels both footballing and non-footballing. It has officials tasked to ensure that it is accessible as possible and is increasingly looking at ways to engage with both its supporters and the wider community.

Other Stakeholders

The Board acknowledge that it is in its own best interests in securing both footballing and reputational success that it has mutually beneficial relationships with both its footballing and commercial partners. The club looks to enter into mutually beneficial relationships with both its business partners and customers, seeking regular and detailed feedback in order to ensure that its standards remain high and areas where they can be improved upon.

By order of the board

Graham A Howse

.....
Mr G A Howse
Secretary

22/02/2024.....

MORECAMBE FOOTBALL CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present their annual report and financial statements for the year ended 31 May 2023.

Principal activities

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

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

Mr R H Taylor	
Mr G A Howse	
Mr J Whittingham	(Resigned 29 August 2022)
Mr C A Goldring	(Resigned 29 August 2022)
Mr M Horton	
Mr J T Wakefield	
Mr C E Appleyard	
Mr B R Sadler	(Appointed 4 July 2022)

Auditor

The auditor, MHA Moore and Smalley, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

Statement of disclosure to auditor

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

By order of the board

Graham A Howse

.....
Mr G A Howse
Secretary

22/02/2024.....

MORECAMBE FOOTBALL CLUB LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MORECAMBE FOOTBALL CLUB LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MORECAMBE FOOTBALL CLUB LIMITED

Opinion

We have audited the financial statements of Morecambe Football Club Limited (the 'company') for the year ended 31 May 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which highlights that at the date of approval of these financial statements, the majority shareholders continue to explore the sale of their shares in the company. However, the process is still ongoing. As stated in note 1.2, the impact of the future ownership, financing and investment indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MORECAMBE FOOTBALL CLUB LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MORECAMBE 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries;
- Reviewed the systems for recording revenue and tested a sample of transactions throughout the year, to test they have been recorded within the accounts;
- Reviewed a sample of sales transactions around the year end to test cut off has been correctly applied.

We identified the following areas as those most likely to have a material impact on the financial statements: employment law, health and safety legislation, compliance with EFL regulations, and compliance with the UK Companies Act.

MORECAMBE FOOTBALL CLUB LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MORECAMBE FOOTBALL CLUB LIMITED

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Williams
Senior Statutory Auditor
For and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

22/02/2024.....

MORECAMBE FOOTBALL CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	2022 £
Turnover	3	5,269,559	6,418,991
Cost of sales		(5,750,430)	(5,030,180)
Gross (loss)/profit		(480,871)	1,388,811
Administrative expenses		(724,698)	(592,659)
Other operating income		9,521	467,416
Operating (loss)/profit	4	(1,196,048)	1,263,568
Interest payable and similar expenses	7	(73,868)	9,683
(Loss)/profit before taxation		(1,269,916)	1,273,251
Tax on (loss)/profit	8	8,585	8,759
(Loss)/profit for the financial year		(1,261,331)	1,282,010

The profit and loss account has been prepared on the basis that all operations are continuing operations.

MORECAMBE FOOTBALL CLUB LIMITED

BALANCE SHEET

AS AT 31 MAY 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	9		15,141		8,991
Tangible assets	10		7,991,002		7,635,263
			<u>8,006,143</u>		<u>7,644,254</u>
Current assets					
Stocks	11	25,024		20,072	
Debtors	12	309,006		358,063	
Cash at bank and in hand		213,695		264,231	
			<u>547,725</u>	<u>642,366</u>	
Creditors: amounts falling due within one year	13	(2,018,812)		(1,004,926)	
Net current liabilities			<u>(1,471,087)</u>		<u>(362,560)</u>
Total assets less current liabilities			6,535,056		7,281,694
Creditors: amounts falling due after more than one year	14		(144,853)		(54,496)
Provisions for liabilities					
Deferred tax liability	17	1,403,714		1,412,299	
			<u>(1,403,714)</u>	<u>(1,412,299)</u>	
Net assets			<u>4,986,489</u>		<u>5,814,899</u>
Capital and reserves					
Called up share capital	19		5,256,181		4,823,260
Share premium account			10,000		10,000
Profit and loss reserves			(279,692)		981,639
Total equity			<u>4,986,489</u>		<u>5,814,899</u>

The financial statements were approved by the board of directors and authorised for issue on 22/02/2024 and are signed on its behalf by:

Graham A Howse

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Mr G A Howse
Director

Company Registration No. 00224792

MORECAMBE FOOTBALL CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2023

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 June 2021		4,823,260	10,000	(300,371)	4,532,889
Year ended 31 May 2022:					
Profit and total comprehensive income for the year		-	-	1,282,010	1,282,010
Balance at 31 May 2022		4,823,260	10,000	981,639	5,814,899
Year ended 31 May 2023:					
Loss and total comprehensive income for the year		-	-	(1,261,331)	(1,261,331)
Issue of share capital	19	432,921	-	-	432,921
Balance at 31 May 2023		<u>5,256,181</u>	<u>10,000</u>	<u>(279,692)</u>	<u>4,986,489</u>

MORECAMBE FOOTBALL CLUB LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(942,571)		2,054,011
Interest paid			(73,868)		9,683
			<u> </u>		<u> </u>
Net cash (outflow)/inflow from operating activities			(1,016,439)		2,063,694
Investing activities					
Purchase of intangible assets		(20,000)		(13,990)	
Purchase of tangible fixed assets		(448,696)		(176,864)	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(468,696)		(190,854)
Financing activities					
Proceeds from issue of shares		432,921		-	
Proceeds from borrowings		1,090,961		-	
Repayment of borrowings		(85,206)		(1,817,441)	
Payment of finance leases obligations		(4,077)		(4,837)	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) financing activities			1,434,599		(1,822,278)
			<u> </u>		<u> </u>
Net (decrease)/increase in cash and cash equivalents			(50,536)		50,562
Cash and cash equivalents at beginning of year			264,231		213,669
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			213,695		264,231
			<u> </u>		<u> </u>

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

Company information

Morecambe Football Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is Mazuma Stadium, Christie Way, Westgate, Morecambe, LA4 4TB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

1.2 Going concern

At the end of the 2022/23 season the club was relegated into League Two of the English Football League. This has impacted the club's ability to generate revenue at levels seen when the club was in League One, and the directors have adjusted the operational and playing budgets to reflect this.

The directors had prepared projections up to 31 May 2024 for the club to be run on a break-even basis, although at the request of the majority shareholder, Bond Group Investments Limited, a budgeted loss was agreed and is therefore what the Club is working towards in 2023-24.

At the date of approval of these financial statements, the majority shareholders continue to explore the sale of their shares in the company.

The Board are confident that additional funding will be made available if required for the company to continue to operate and meet its obligations as they become due over the next 12 months, whether this be from the current majority shareholders, or by way of new investment following the conclusion of the sale process.

Whilst the directors believe that the company will be able to continue to operate and meet its obligations over the next 12 months, the impact of the ongoing sales process naturally brings uncertainty as to future ownership, financing and investment.

Based on the above, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, the uncertainty around the future ownership, financing and investment constitutes a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Turnover

Turnover represents income receivable, net of VAT, from football and related commercial activities. Sponsorship and similar income are recognised over the duration of the respective contracts. Gate and other match day revenues are recognised over the period of the football season as games are played. Other corporate and hospitality revenues are recognised at the time of the event.

1.4 Intangible fixed assets other than goodwill

Player registration fees are capitalised as intangible assets and are initially recognised at cost. After recognition, under the cost model, the registrations are measured at cost less accumulated amortisation and accumulated impairment losses.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

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

Trademarks	15% straight line
Player registrations	straight line over the period of the initial contract

1.5 Tangible fixed assets

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

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

Freehold land	No depreciation provided
Leasehold property	2% straight line
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.9 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

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

1.11 Taxation

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

Current tax

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

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.15 Government grants

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

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

1.16 Foreign exchange

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

1.17 Sale and finance lease back

FRS 102 requires that where a sale and leaseback transaction results in a finance lease the seller shall not recognise immediately, as income, any excess of sale proceeds over carrying amount but should instead defer such excess and amortise it over the lease term. However it is silent on the treatment of any deficit of sale proceeds over carrying amount. Therefore in formulating an accounting policy the directors have looked up the hierarchy of accounting standards to IFRS 16 which requires that the seller continues to recognise the assets and to recognise a financial liability equal to the transfer proceeds.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Classification of finance and operating leases

At the inception of each lease, management undertake an assessment of the terms of the lease including payments to be made over the life of the lease, the fair value of the asset subject to the lease, the length of the lease and whether the terms of the lease transfer substantially all of the risks and rewards of ownership.

Based on this assessment, management will determine whether the lease should be classified as a finance or operating lease.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

The residual value and estimated useful life of leasehold property

At the acquisition date of the property, management made an assessment of the useful life of the property. They have used their knowledge of the business, geographical area and the property itself in reaching a decision of a useful life of 50 years.

Management have also assessed the estimated residual value of the property at the end of its 50 year useful life. Using the factors noted above as well as the property market in the area they have reached an appropriate residual value which has been applied in the depreciation calculation.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
Turnover analysed by class of business		
Football	3,333,759	4,163,412
Shop	166,465	150,114
Corporate	458,243	408,730
Hospitality	977,871	786,232
Other	91,971	135,503
Player sales	241,250	775,000
	<u>5,269,559</u>	<u>6,418,991</u>

	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>5,269,559</u>	<u>6,418,991</u>

	2023	2022
	£	£
Other revenue		
Grants received	<u>9,521</u>	<u>91,913</u>

4 Operating (loss)/profit

	2023	2022
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Government grants	(9,521)	(91,913)
Fees payable to the company's auditor for the audit of the company's financial statements	16,750	13,650
Depreciation of owned tangible fixed assets	69,839	80,917
Depreciation of tangible fixed assets held under finance leases	3,126	4,464
Loss on disposal of tangible fixed assets	19,992	-
Amortisation of intangible assets	13,849	4,999
Loss on disposal of intangible assets	1	-
	<u> </u>	<u> </u>

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

5 Employees

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

	2023	2022
	Number	Number
Playing and management staff	43	47
Other football related staff	96	73
Shop staff	2	2
Hospitality staff	66	60
Support and administrative staff	8	6
	<hr/>	<hr/>
Total	215	188
	<hr/> <hr/>	<hr/> <hr/>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	3,662,196	3,451,335
Social security costs	360,851	335,542
Pension costs	39,651	36,288
	<hr/>	<hr/>
	4,062,698	3,823,165
	<hr/> <hr/>	<hr/> <hr/>

6 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	80,068	18,522
	<hr/> <hr/>	<hr/> <hr/>

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	72,882	(10,483)
Other finance costs:		
Interest on finance leases and hire purchase contracts	986	800
	<hr/>	<hr/>
	73,868	(9,683)
	<hr/> <hr/>	<hr/> <hr/>

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

8 Taxation

	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	(8,585)	(8,759)

The actual credit for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
(Loss)/profit before taxation	(1,269,916)	1,273,251
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 20.00% (2022: 19.00%)	(253,983)	241,918
Tax effect of expenses that are not deductible in determining taxable profit	1,142	849
Change in unrecognised deferred tax assets	246,961	(241,879)
Depreciation on assets not qualifying for tax allowances	6,868	6,797
Other permanent differences	(988)	(7,685)
Rolled over gain timing difference	(8,585)	(8,759)
Taxation credit for the year	(8,585)	(8,759)

Factors affecting future tax and charges

In March 2021 the Chancellor confirmed, in the budget, an increase in the corporation tax rate from 19% to 25%. The Finance Bill 2021 had its third reading on 24 May 2021 and is now considered substantively enacted. The timing differences expected to reverse on or after 1 April 2023 have been accounted for at 25% and therefore deferred tax has been provided for at 25% (2022: 25%).

At the balance sheet date, the company had tax losses carried forward of £7,474,409 (2022: £6,215,520). The company has not recognised a deferred tax asset in respect of these losses until such time as it believes that there is certainty that future profits will arise.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

9 Intangible fixed assets

	Trademarks £	Player registrations £	Total £
Cost			
At 1 June 2022	8,990	5,000	13,990
Additions	-	20,000	20,000
Disposals	-	(10,000)	(10,000)
At 31 May 2023	8,990	15,000	23,990
Amortisation and impairment			
At 1 June 2022	-	4,999	4,999
Amortisation charged for the year	1,349	12,500	13,849
Disposals	-	(9,999)	(9,999)
At 31 May 2023	1,349	7,500	8,849
Carrying amount			
At 31 May 2023	7,641	7,500	15,141
At 31 May 2022	8,990	1	8,991

10 Tangible fixed assets

	Freehold land £	Leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 1 June 2022	185,133	7,688,577	838,766	20,000	8,732,476
Additions	372,770	30,703	32,145	13,078	448,696
Disposals	-	-	(70,825)	-	(70,825)
At 31 May 2023	557,903	7,719,280	800,086	33,078	9,110,347
Depreciation and impairment					
At 1 June 2022	-	511,556	578,158	7,499	1,097,213
Depreciation charged in the year	-	34,338	32,231	6,396	72,965
Eliminated in respect of disposals	-	-	(50,833)	-	(50,833)
At 31 May 2023	-	545,894	559,556	13,895	1,119,345
Carrying amount					
At 31 May 2023	557,903	7,173,386	240,530	19,183	7,991,002
At 31 May 2022	185,133	7,177,021	260,608	12,501	7,635,263

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

10 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2023 £	2022 £
Plant and machinery	-	1,690
Motor vehicles	9,375	12,501
	<u>9,375</u>	<u>14,191</u>

Tangible fixed assets with a carrying amount of £7,991,002 (2022 - £7,635,263) have been pledged to secure borrowings of the company.

11 Stocks

	2023 £	2022 £
Finished goods and goods for resale	25,024	20,072
	<u>25,024</u>	<u>20,072</u>

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	23,992	170,620
Other debtors	105,945	162,146
Prepayments and accrued income	179,069	25,297
	<u>309,006</u>	<u>358,063</u>

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	16	3,800	4,077
Other borrowings	15	1,034,531	125,076
Trade creditors		518,921	413,421
Taxation and social security		95,600	153,567
Other creditors		14,069	40,025
Accruals and deferred income		351,891	268,760
		<u>2,018,812</u>	<u>1,004,926</u>

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

14 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Obligations under finance leases	16	8,353	12,153
Other borrowings	15	136,500	40,200
Other creditors		-	2,143
		<u>144,853</u>	<u>54,496</u>

15 Loans and overdrafts

	2023 £	2022 £
Other loans	<u>1,171,031</u>	<u>165,276</u>
Payable within one year	1,034,531	125,076
Payable after one year	<u>136,500</u>	<u>40,200</u>

Of the other loan balance above £188,892 (2022: £14,298) is secured by way of a fixed and floating charge over the property and assets of the company.

Other loans include a £40,200 (2022: £80,000) interest free loan from the EFL repayable in installments with the final payment due on 1 April 2024.

16 Finance lease obligations

	2023 £	2022 £
Future minimum lease payments due under finance leases:		
Within one year	3,800	4,077
In two to five years	8,353	12,153
	<u>12,153</u>	<u>16,230</u>

The above finance lease obligations are secured over the assets to which they relate.

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023	Liabilities 2022
Balances:	£	£
Rolled over gains	1,403,714	1,412,299
	<u> </u>	<u> </u>
		2023
Movements in the year:		£
Liability at 1 June 2022		1,412,299
Credit to profit or loss		(8,585)
		<u> </u>
Liability at 31 May 2023		1,403,714
		<u> </u>

Due to the level of trading losses carried forward, deferred tax is not recognised on fixed asset timing differences. The movement on deferred tax in respect of the rolled over gain is not expected to change materially in the next reporting period.

18 Retirement benefit schemes

	2023	2022
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	39,651	36,288
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	5,200,000	4,767,079	5,200,000	4,767,079
Ordinary 'A' shares of £1 each	56,181	56,181	56,181	56,181
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	5,256,181	4,823,260	5,256,181	4,823,260
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

On 25 November 2022 178,000 Ordinary £1 shares were issued, on 20 December 2022 54,921 Ordinary £1 shares were issued, on 1 February 2023 50,000 Ordinary £1 shares were issued, and on 31 March 2023 150,000 Ordinary £1 shares were issued, increasing the total issued share capital of the company to £5,256,181.

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

20 Operating lease commitments

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

	2023	2022
	£	£
Within one year	5,790	5,790
Between two and five years	6,199	11,989
	<u>11,989</u>	<u>17,779</u>

21 Financial commitments, guarantees and contingent liabilities

During the year ended 31 May 2017, the company gave a guarantee to Mr P McGuigan, a director, in respect of G50 Holdings Limited's obligations under agreements between Mr P McGuigan and G50 Holdings Limited for the sale and purchase of his shareholdings in both Morecambe Football Club Limited and PMG Leisure Limited.

The guarantees were entered into by the company for £500,000 in total plus any costs and interest to ensure promised investment in the football club by G50 Holdings Limited and this therefore represents a contingent liability at the date of the directors' approval of these financial statements.

During year ended 31 May 2019, Mr P McGuigan transferred the rights under the guarantee to Bond Group Investments Limited.

22 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales	Sales	Purchases	Purchases
	2023	2022	2023	2022
	£	£	£	£
Key management personnel	862	6,314	-	-
Other related parties	19,594	5,755	5,784	2,368
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Interest payable	
	2023	2022
	£	£
Entities with control, joint control or significant influence over the company	72,882	(10,483)
	<u> </u>	<u> </u>

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

22 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	659,469	53,508
Key management personnel	11,640	11,640
Other related parties	3,592	1,296
	<u>674,701</u>	<u>66,444</u>

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
Amounts due from related parties		
Other related parties	3,233	-
	<u>3,233</u>	<u>-</u>

23 Ultimate controlling party

At year end, Bond Group Investments Limited owned 78% (2022: 80%) of the company's share capital and are the ultimate controlling party.

24 Cash (absorbed by)/generated from operations

	2023	2022
	£	£
(Loss)/profit for the year after tax	(1,261,331)	1,282,010
Adjustments for:		
Taxation credited	(8,585)	(8,759)
Finance costs	73,868	(9,683)
Loss on disposal of tangible fixed assets	19,992	-
Loss on disposal of intangible assets	1	-
Amortisation and impairment of intangible assets	13,849	4,999
Depreciation and impairment of tangible fixed assets	72,965	85,381
Movements in working capital:		
Increase in stocks	(4,952)	(17,533)
Decrease in debtors	49,057	717,706
Increase/(decrease) in creditors	102,565	(110)
Cash (absorbed by)/generated from operations	<u>(942,571)</u>	<u>2,054,011</u>

MORECAMBE FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

25 Analysis of changes in net funds/(debt)

	1 June 2022	Cash flows	31 May 2023
	£	£	£
Cash at bank and in hand	264,231	(50,536)	213,695
Borrowings excluding overdrafts	(165,276)	(1,005,755)	(1,171,031)
Obligations under finance leases	(16,230)	4,077	(12,153)
	<u>82,725</u>	<u>(1,052,214)</u>	<u>(969,489)</u>