

REGISTERED NUMBER: 00097808 (England and Wales)

Exeter City A.F.C. Limited
Annual Report and
Financial Statements for the Year Ended 30 June 2022



Haines Watts Accountants (Exeter) Limited
Statutory Auditors
3 Southernhay West
Exeter
Devon
EX1 1JG

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for the Year Ended 30 June 2022**

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Exeter City A.F.C. Limited
Company Information
for the Year Ended 30 June 2022

DIRECTORS:

N C Hawker (Chair)
C L Bawden
E A Davis
C Harrison
J D Hart
S McQueenie
A C Rothwell
J F Tagg
J R Tipper

SECRETARY:

J D H Street

REGISTERED OFFICE:

St James Park
Stadium Way
Exeter
Devon
EX4 6PX

REGISTERED NUMBER:

00097808 (England and Wales)

INDEPENDENT AUDITORS:

Haines Watts Accountants (Exeter) Limited
Statutory Auditors
3 Southernhay West
Exeter
Devon
EX1 1JG

**Strategic Report
for the Year Ended 30 June 2022**

The directors present their strategic report for the year ended 30 June 2022.

REVIEW OF BUSINESS

The principal activity of the Company continues to be the operation of a professional football club, together with related activities.

We are proud to say that in the 120th year of our existence, Exeter City finished 2nd in EFL League 2 and gained automatic promotion to Sky Bet League One for the first time in over 10 years.

Remaining in League 1 on a sustainable basis is now the primary focus for the Club and our majority shareholder, the Exeter City (AFC) Supporters Trust.

The year under review saw the Club continue to make good progress towards financial sustainability. Significant progress has been made both on and off the field despite the challenges of the continuing impact of the Covid-19 pandemic and the present economic climate.

The Company remains in a healthy financial position with no bank or similar borrowing.

Youth development, maintaining a pipeline of talent into the first team, and delivering value both on the pitch and from transfer fees, continues to be an important part of the clubs strategy and operating model. The Club continues to make effective use of the loan system to provide experience essential to their development. We remain a club that others envy for our ability to spot, develop and nurture talented young footballers. The Academy's success was exemplified by the transfer after year-end of one of our promising young players, Alfie Pond, to Premier League club Wolverhampton Wanderers.

The Club continues to commit significant capital expenditure towards improving facilities in the stadium for our fans, and at our training facility at Cliff Hill for the benefit of our players, current and future.

The most significant development started this year, following a special meeting and vote of our shareholders in October 2021, was the c.£3m redevelopment of the facilities at our Cliff Hill training site near Exeter.

The Directors consider that investment in Cliff Hill is required to protect one of the Club's most valuable assets, the Academy pathway, to enhance the Club's attractiveness to prospective players, and to assist in supporting and retaining all players through the provision of facilities befitting an ambitious League One club. Investing in this project will additionally present a compelling opportunity to engage sponsors and supporters to the overall benefit of the Club. The development provides for a completely new two-floor facility for both the First Team and Academy staff and players and is currently on track to complete as planned in January 2023.

At our stadium, St James Park, there was also significant investment a new, digital big screen, which will result in further improvements to our supporters' match-day experience, while generating a return on investment through realising commercial opportunities for our sponsors and advertisers. We also continue our programme of regular stadium-wide enhancements, with a capital projects roster now in place covering the next three years.

As Chair of the Board, I am grateful for the skills, support and dedication of those around me to help us develop and stretch our plans. On behalf of the Board, I'd like to thank three Directors who retired during or at the end of the year under review.

Richard Pym held the role of Chair of the Club Board for nearly two years up to 3 December 2021 and brought a depth of City and corporate experience to the role. We are grateful for his help and support during his time on the Club Board.

David Clough worked on a number of significant commercial projects for the Club during his nearly five years on the Club Board and several years of voluntary service prior to that.

**Strategic Report
for the Year Ended 30 June 2022**

Keith Mason, our Finance Director since 2015, had steered our finances through times good and bad.

Both David and Keith leave with our best wishes and will remain involved in and around the Club.

Mindful of our ambition to be the pre-eminent fan-owned professional football Club in the UK, in August 2021 we were delighted to welcome three new, unpaid, independent directors following an extensive open search and interview process. They are charged with helping us plan for the long term while making sure that day-to-day operations are run efficiently and to a very high standard, as well as help us plan for an even brighter future:

Having had a close connection to Devon for over twenty years, Jonathan Hart (an experienced board Chair and former CEO/MD of well-known brand names, including Caffé Nero, Thorntons, Dixons and Woolworths) adds valuable business, commercial and marketing skills to our team. He sits on the Supporter Experience Committee.

Jeremy Tipper was educated in Exeter and having grown and sold his own business now acts as an experienced Chair & Non-Executive Director within the Technology, Business Services & Charitable sectors with a particular focus on talent management.

Clive Bawden, born and schooled in Exeter, and now an experienced Executive & Non-Executive Director. A chartered accountant (and previously a member of the International Governing Council at the Institute of Chartered Accountants in England & Wales (ICAEW)), Clive brings a wealth of finance, audit & risk experience to our processes, both from his own business interests and from previous sporting appointments within cricket and helping a new national governing body, SkateboardGB, gain UK Sport backing for the Tokyo Olympics.

The key financial highlights are as follows:

	2022	2021	2020
	£000	£000	£000
Turnover	4,528	2,371	4,549
Gross profit margin	(9%)	(63%)	(12%)
Other operating income	1,910	1,527	1,025
Transfer fees	1,500	4,950	449
Profit/(loss) before tax	1,234	3,589	(560)
Net current assets/(liabilities)	3,366	2,607	(103)
Net assets	5,610	4,560	1,653

PRINCIPAL RISKS AND UNCERTAINTIES

The management of Exeter City AFC Limited and the nature of our strategy are subject to a number of risks.

Where possible, processes are in place to monitor and mitigate such risks. During the year in question, the Club Board undertook a thorough review of its principal risks and risk management processes. This included training for all Club Board members, Trust Board members and a full re-evaluation of the Club's Risk Register and internal management systems.

No system can fully eliminate risk and therefore the understanding of operational risk is central to the management process.

These are general in nature and the approach of the Board of Directors follows the convention of seeking to Treat, Tolerate, Transfer or Terminate the risk and continually re-evaluate and reconsider these positions to the risks we face, both external and internal. To enable our stakeholders to appreciate what we believe are our main operating and strategic risks, the areas of main concern include:

**Strategic Report
for the Year Ended 30 June 2022**

Inadequate safeguarding

We believe our number one business risk is inadequate safeguarding that may lead to the harm of any person in our care.

Exeter City AFC Limited operate a strong safeguarding programme and has key employees dedicated to full time roles in these areas, as well as the use of external specialists to train and develop them. Each Board meeting carefully considers any issues of safeguarding safety and the controls which govern these areas are periodically reviewed, in particular by external experts from Barnardos.

Additionally, all Directors, including those recruited during the year, have completed mandatory safeguarding training demanded by the EFL.

On pitch performance

The inability to maintain EFL League One status and the financial effect of relegation are a core risk. The Club operate a policy of recruiting suitable management and players capable of mitigating this risk.

In the wake of our successful promotion year, the playing budget has been increased for the 22/23 season, whilst investment in our Women's team, currently managed by the Exeter City Community Trust, has also been increased significantly. Our strategy, via our three-year business planning process, is to fund further year on year improvements to the first team in a sustainable fashion, by allocating some of the increased turnover and profitability into the playing budget, both Men's and Women's.

Loss of key personnel

Inevitably in a successful on-field and off-field cultural environment, we will attract attention from others seeking to hire our key members of staff, both on and off field.

We continue to develop and improve our processes for the management of our talent. This includes the investment in major new capital projects such as the Cliff Hill (where the majority of our playing staff are based, and increasingly our off-field resource), but also in new systems and processes to develop them. This includes in the year in question an investment in a new HR system, and a full re-evaluation of off field pay and benefits which is an ongoing management focus.

Financial instability

Exeter City AFC Limited operate a base case budget which assumes no revenues from Cup Competitions (the FA Cup, EFL League Cup or EFL Trophy), limited player sales and attendances based on our historical commercial performances.

The Club remains unburdened by debt, and over many years has overperformed the base case budget by overperformance in FA Cup and EFL League Cup competitions, player divestment (including sell-on clauses) and TV revenues.

Surpluses, where we have created them (for example this year), are reinvested into the Club and its facilities. The most obvious statement of this in the year under review has been the approval of a major new investment at the Cliff Hill training ground.

**Strategic Report
for the Year Ended 30 June 2022**

DEVELOPMENT AND PERFORMANCE

The Directors were pleased with the performance of the Company in 2022 given the challenging trading conditions and anticipate a continued improvement will strive to ensure that this trend continues in 2023.

ON BEHALF OF THE BOARD:


.....
N C Hawker - Director

Date: 15th Dec 2022

**Report of the Directors
for the Year Ended 30 June 2022**

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

PRINCIPAL ACTIVITY

The principal activity of the Company continues to be the operation of a professional football club together with related activities.

DIVIDENDS

There were no dividends paid during the year (2021 - nil)

EVENTS SINCE THE END OF THE YEAR

Five material events have occurred since the end of the financial year.

These are, in no particular order:

In September 2022, the Club was approached by Rotherham United Football Club Limited who asked for permission to talk to first team manager Matt Taylor. Subsequently Matt was given an offer which he could not refuse, and he, along with key members of his backroom team departed from Exeter City AFC to seek a new challenge in the Championship with our best wishes. The Club was paid significant compensation for this, which it has already started to re-invest in the Club and its plans. The Club would like to place on record its gratitude to Matt, assistant manager Wayne Carlisle and the other departing team members for their hard work, loyalty and commitment whilst in role.

Subsequently on 24th October 2022, following an extensive search and interview process, Gary Caldwell was appointed as the new first team men's manager. The former Celtic and Scotland defender, who was most recently assistant manager at Hibernian, relocated to the South West and joins on a long-term contract.

Prior to his appointment at Hibs, Gary managed Partick Thistle and Chesterfield; these appointments followed a stint as manager of Wigan who he led to a successful promotion to the Championship.

Third, on the 1st September 2022, we received (and accepted) a significant offer for the transfer signing of one of our brightest Academy prospects, Alfie Pond, by Premier League club Wolverhampton Wanderers FC. Whilst the transfer fee remains undisclosed at the acquiring club's behest, the transfer and potential future add-ons were significant in the context of the Club's annual operating budget.

Fourth, on 4th October 2022, the Club entered into a new lease of the OTR premises at St James Park. The Lease is for a term of 10 years at a rent of £60,000 per annum (subject to reviews). There is an option included in the Lease which enables the Club to take a transfer of the freehold of the OTR premises for £1 once all the outstanding interest free loans made by various participants in OTR have been repaid by OTR. OTR will use the rental income to repay the loans after any costs.

Last, the Club held business insurance cover against the loss of profits for core operating activities. Due to the impact of Covid-19 on its activities, the Club subsequently made a claim against this policy which was subsequently settled and agreed with its insurer. This resulted in the receipt of a first part of that claim, totalling £1,005,676 on the 2nd December 2021, whilst a second, final payment for £516,286 on 8th November 2022.

DIRECTORS

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

N C Hawker (Chair, appointed as Chair on 3 December 2021)

E A Davis

C Harrison

A C Rothwell

S McQueenie

J F Tagg

**Report of the Directors
for the Year Ended 30 June 2022**

Other changes in directors holding office are as follows:

C L Bawden - appointed 3 August 2021
J D Hart - appointed 3 August 2021
J R Tipper - appointed 3 August 2021
D M Clough – resigned 1 June 2022
P F Holding – resigned 27 October 2021
K Mason – resigned 30 June 2022
R A Pym – resigned 3 December 2021

FINANCIAL INSTRUMENTS

The Company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments are to raise funds for and to finance the Company's operations.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

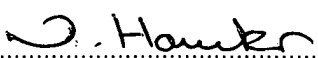
STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The independent auditors, Haines Watts Accountants (Exeter) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



N C Hawker - Director

Date: 15th Dec 2022

Report of the Independent Auditors to the Members of Exeter City A.F.C. Limited

Opinion

We have audited the financial statements of Exeter City A.F.C. Limited (the 'company') for the year ended 30 June 2022 which comprise the Statement of Comprehensive Income and Other Comprehensive, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Exeter City A.F.C. Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

**Report of the Independent Auditors to the Members of
Exeter City A.F.C. Limited**

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud and error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that 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).

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.

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, UK corporate tax law, Occupational Health and Safety regulations and Football League and Football Association regulations.
- We obtained an understanding of how the Company are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates and judgments, in particular depreciation;
 - Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
 - Assessing the extent of compliance with the relevant laws and regulations.

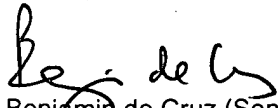
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Report of the Independent Auditors to the Members of
Exeter City A.F.C. Limited**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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



Benjamin de Cruz (Senior Statutory Auditor)
for and on behalf of Haines Watts Accountants (Exeter) Limited
Statutory Auditors
3 Southernhay West
Exeter
Devon
EX1 1JG

Date: 27/2/23

Exeter City A.F.C. Limited (Registered number: 00097808)

Statement of Comprehensive
Income and Other Comprehensive
for the Year Ended 30 June 2022

	Notes	2022 £	2021 £
TURNOVER	5	4,527,552	2,371,378
Cost of sales		<u>(4,954,600)</u>	<u>(3,860,181)</u>
GROSS LOSS		(427,048)	(1,488,803)
Administrative expenses		<u>(1,753,313)</u>	<u>(1,453,310)</u>
		(2,180,361)	(2,942,113)
Other operating income	6	<u>1,909,912</u>	<u>1,526,634</u>
OPERATING LOSS	8	(270,449)	(1,415,479)
Transfer fees	9	<u>1,499,775</u>	<u>4,949,982</u>
		1,229,326	3,534,503
Interest receivable and similar income		<u>4,516</u>	<u>4,747</u>
		1,233,842	3,539,250
Interest payable and similar expenses	10	<u>-</u>	<u>49,924</u>
PROFIT BEFORE TAXATION		1,233,842	3,589,174
Tax on profit	11	<u>(183,587)</u>	<u>(682,000)</u>
PROFIT FOR THE FINANCIAL YEAR		1,050,255	2,907,174
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,050,255</u>	<u>2,907,174</u>

The notes form part of these financial statements

Exeter City A.F.C. Limited (Registered number: 00097808)

Balance Sheet
30 June 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	12	73,500	-
Tangible assets	13	2,173,610	2,032,430
Investments	14	<u>36,750</u>	<u>37,750</u>
		<u>2,283,860</u>	<u>2,070,180</u>
CURRENT ASSETS			
Stocks	15	39,050	50,443
Debtors	16	2,409,040	2,290,444
Cash at bank and in hand		<u>3,326,664</u>	<u>1,907,981</u>
		5,774,754	4,248,868
CREDITORS			
Amounts falling due within one year	17	<u>(2,408,414)</u>	<u>(1,642,303)</u>
NET CURRENT ASSETS		<u>3,366,340</u>	<u>2,606,565</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,650,200	4,676,745
CREDITORS			
Amounts falling due after more than one year	18	(40,200)	(80,000)
PROVISIONS FOR LIABILITIES	20	<u>-</u>	<u>(37,000)</u>
NET ASSETS		<u>5,610,000</u>	<u>4,559,745</u>
CAPITAL AND RESERVES			
Called up share capital	21	36,973	36,973
Capital redemption reserve	22	2,710	2,710
Retained earnings	22	<u>5,570,317</u>	<u>4,520,062</u>
SHAREHOLDERS' FUNDS		<u>5,610,000</u>	<u>4,559,745</u>

The financial statements were approved by the Board of Directors and authorised for issue on 15/12/22 and were signed on its behalf by:


N C Hawker - Director

The notes form part of these financial statements

Exeter City A.F.C. Limited (Registered number: 00097808)

**Statement of Changes in Equity
for the Year Ended 30 June 2022**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 July 2020	39,683	1,612,888	-	1,652,571
Changes in equity				
Issue of share capital	(2,710)	-	-	(2,710)
Total comprehensive income	<u>-</u>	<u>2,907,174</u>	<u>2,710</u>	<u>2,909,884</u>
Balance at 30 June 2021	<u>36,973</u>	<u>4,520,062</u>	<u>2,710</u>	<u>4,559,745</u>
Changes in equity				
Total comprehensive income	<u>-</u>	<u>1,050,255</u>	<u>-</u>	<u>1,050,255</u>
Balance at 30 June 2022	<u><u>36,973</u></u>	<u><u>5,570,317</u></u>	<u><u>2,710</u></u>	<u><u>5,610,000</u></u>

The notes form part of these financial statements

**Cash Flow Statement
for the Year Ended 30 June 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	2,416,558	1,083,588
Interest element of finance lease payments paid		-	49,924
Tax paid		(437,216)	(124,412)
Net cash from operating activities		<u>1,979,342</u>	<u>1,009,100</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(112,000)	-
Purchase of tangible fixed assets		(390,175)	(326,727)
Sale of tangible fixed assets		-	7,106
Interest received		<u>4,516</u>	<u>4,747</u>
Net cash from investing activities		<u>(497,659)</u>	<u>(314,874)</u>
Cash flows from financing activities			
Capital repayments in year		(63,000)	(60,000)
Net cash from financing activities		<u>(63,000)</u>	<u>(60,000)</u>
Increase in cash and cash equivalents		<u>1,418,684</u>	<u>634,226</u>
Cash and cash equivalents at beginning of year	2	<u>1,907,981</u>	<u>1,273,755</u>
Cash and cash equivalents at end of year	2	<u><u>3,326,664</u></u>	<u><u>1,907,981</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 June 2022

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022 £	2021 £
Profit before taxation	1,233,842	3,589,174
Depreciation charges	287,495	387,013
Loss on disposal of fixed assets	1,000	18,034
Finance costs	-	(49,924)
Finance income	(4,516)	(4,747)
	<u>1,517,821</u>	<u>3,939,550</u>
Decrease/(increase) in stocks	11,393	(5,126)
Increase in trade and other debtors	(118,596)	(1,509,346)
Increase/(decrease) in trade and other creditors	<u>1,005,940</u>	<u>(1,341,490)</u>
Cash generated from operations	<u><u>2,416,558</u></u>	<u><u>1,083,588</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2022

	30.6.22 £	1.7.21 £
Cash and cash equivalents	<u><u>3,326,664</u></u>	<u><u>1,907,981</u></u>

Year ended 30 June 2021

	30.6.21 £	1.7.20 £
Cash and cash equivalents	<u><u>1,907,981</u></u>	<u><u>1,273,755</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.21 £	Cash flow £	At 30.6.22 £
Net cash			
Cash at bank and in hand	<u>1,907,981</u>	<u>1,418,683</u>	<u>3,326,664</u>
	<u>1,907,981</u>	<u>1,418,683</u>	<u>3,326,664</u>
Debt			
Finance leases	<u>(389,616)</u>	<u>63,000</u>	<u>(326,616)</u>
	<u>(389,616)</u>	<u>63,000</u>	<u>(326,616)</u>
Total	<u><u>1,518,365</u></u>	<u><u>1,481,683</u></u>	<u><u>3,000,048</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 June 2022**

1. STATUTORY INFORMATION

Exeter City A.F.C. 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.

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

The principal place of business is St James Park, Stadium Way, Exeter, Devon, EX4 6PX.

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

Exemption from preparing group accounts

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Going Concern

The Directors continually monitor the Company's exposure to a range of risks and uncertainties, including the success of the First Team and the level of spending thereon, the current economic landscape and the funding requirements for capital projects.

The Directors have recently undertaken a thorough review of the Company's budgets and forecasts and have produced detailed cash flow projections. These cash flow projections considered in conjunction with the Company's operational plan includes plans to deal with any further impact of COVID-19.

The Company has made significant profits from the sale of players during the period and has a strong cash balance at the year-end which, even including consideration of possible changes in trading performance demonstrate that the Directors will ensure there is sufficient working capital continue to operate for the foreseeable future.

The Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and, as such, the financial statements have been prepared on the going concern basis.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

3. **ACCOUNTING POLICIES - continued**

Turnover

Turnover represents income from television rights, gate receipts, catering and bar sales, club shop and other commercial activities, exclusive of value added tax.

Season tickets sold in advance of the following season are included in deferred income and accounted for as turnover in the season to which they relate.

Parachute payments by the Football League are included as turnover in the year of relegation.

Also included in turnover is the income for the support of the youth training academy, Exeter City Centres of Excellence.

Transfer fees are only included when there is contractual certainty as to their receipt and are disclosed separately in the profit and loss account.

Tangible fixed assets

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

Football pitches	- at variable rates
Land and buildings	- Over the term of the lease
Plant and machinery	- 33% straight line
Fixtures and fittings	- 33% straight line
Motor vehicles	- 33% straight line

Freehold land and buildings are included at a valuation and not depreciated as long as the value has not been impaired.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Stocks

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. Any equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

3. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income and Other Comprehensive, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Capital grants

The Football Foundation Grant is a contribution towards capital expenditure on leasehold property. The grant is included in the profit and loss account over the remaining term of the lease, so as to match it with the depreciation of the leasehold property improvements, to which it relates.

Donations from the Exeter City AFC Supporters Society Limited

Income received from the supporters' society is treated as a donation to Exeter City A.F.C. Limited.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

3. ACCOUNTING POLICIES - continued

Player costs included as intangible assets

The costs associated with acquiring players' registrations or extending their contracts, including agents' fees, are capitalised and amortised, in equal instalments, over the period of the respective players' contracts.

Under the conditions of certain transfer agreements or contract renegotiations, further fees will be payable in the event of the occurrence of certain other specified future events. Liabilities in respect of these additional fees are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur. The additional costs are capitalised and amortised as set out above.

Profits or losses on the sale of players represent the transfer fee receivable, net of any transaction costs, less the unamortised cost of the applicable player's registration.

Remuneration of players is charged in accordance with the terms of the applicable contractual arrangements and any discretionary bonuses when there is a legal or constructive obligation

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Significant judgements and estimates

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The financial statements contain significant judgements and estimates as follows:

- Prepayments and accruals (both expenses and income) are based on information available at the time of the audit.
- Depreciation is based on the Directors best estimate of the useful economic life of each class of asset held by the Company.
- Stock provision to account for slow moving stock, or stock close to expiry.
- Carrying value of the lease liability due to OTR.

5. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Gates and season tickets	1,707,305	311,298
Commercial activities	1,304,723	891,643
Television income	15,000	47,500
Food and drink	408,290	5,965
Football League and Premier League	<u>1,092,234</u>	<u>1,114,972</u>
	<u>4,527,552</u>	<u>2,371,378</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

6. OTHER OPERATING INCOME

	2022 £	2021 £
Grants and donations	898,899	1,133,609
Deferred grants	5,337	80,232
Insurance proceeds	1,005,676	-
Government grants	-	312,793
	<u>1,909,912</u>	<u>1,526,634</u>

During the year the company received the following government grants:

Nil (2021 £312,793) Coronavirus Job Retention Scheme.

At the end of the year, the Company had no (2021: 1) employees remaining subject to the scheme.

7. EMPLOYEES AND DIRECTORS

	2022 £	2021 £
Wages and salaries	3,974,092	3,614,562
Other pension costs	32,303	30,173
	<u>4,006,395</u>	<u>3,644,735</u>

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

	2022	2021
Players	48	45
Other staff	164	85
	<u>212</u>	<u>130</u>

The staff numbers reflect the post-COVID return to normal staffing levels.

	2022 £	2021 £
Directors' remuneration	<u>71,750</u>	<u>24,813</u>

Information regarding the highest paid director is as follows:

	2022 £	2021 £
Remuneration, etc	<u>49,253</u>	<u>13,010</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

8. OPERATING LOSS

The operating loss is stated after charging:

	2022	2021
	£	£
Hire of plant and machinery	55,464	5,032
Other operating leases	51,199	53,934
Depreciation - owned assets	248,994	378,359
Loss on disposal of fixed assets	1,000	18,034
Player registration costs amortisation	38,500	7,700
Auditors Remuneration - audit services	5,000	5,000
Auditors Remuneration - other services	<u>4,300</u>	<u>2,000</u>

9. TRANSFER FEES

	2022	2021
	£	£
Transfer fees	<u>1,499,775</u>	<u>4,949,982</u>

Transfer fees for the transfer of registration of players have been disclosed separately in the profit and loss account this year to provide a more true and fair view.

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Finance interest	<u>-</u>	<u>(49,924)</u>

11. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	220,587	720,000
(Over)/under provision in previous year	<u>-</u>	<u>(75,000)</u>
Total current tax	220,587	645,000
Deferred tax	<u>(37,000)</u>	<u>37,000</u>
Tax on profit	<u>183,587</u>	<u>682,000</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

11. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	2022 £	2021 £
Profit before tax	<u>1,234,842</u>	<u>3,589,174</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	234,620	681,943
Effects of:		
Depreciation in excess of capital allowances	(54,239)	(30,283)
Adjustments to tax charge in respect of previous periods	-	20,458
Expenses not allowed for corporation tax purposes	<u>3,206</u>	<u>9,882</u>
Total tax charge	<u>183,587</u>	<u>682,000</u>

12. **INTANGIBLE FIXED ASSETS**

	Player registration costs £
COST	
Additions	<u>112,000</u>
At 30 June 2022	<u>112,000</u>
AMORTISATION	
Amortisation for year	<u>38,500</u>
At 30 June 2022	<u>38,500</u>
NET BOOK VALUE	
At 30 June 2022	<u>73,500</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

13. TANGIBLE FIXED ASSETS

	Football pitches £	Land and buildings £	Assets under construction £
COST			
At 1 July 2021	1,041,683	4,338,138	-
Additions	<u>-</u>	<u>137,216</u>	<u>60,822</u>
At 30 June 2022	<u>1,041,683</u>	<u>4,475,354</u>	<u>60,822</u>
DEPRECIATION			
At 1 July 2021	310,487	3,209,136	-
Charge for year	<u>53,090</u>	<u>85,151</u>	<u>-</u>
At 30 June 2022	<u>363,577</u>	<u>3,294,287</u>	<u>-</u>
NET BOOK VALUE			
At 30 June 2022	<u>678,106</u>	<u>1,181,067</u>	<u>60,822</u>
At 30 June 2021	<u>731,196</u>	<u>1,129,002</u>	<u>-</u>

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 July 2021	274,396	471,807	31,490	6,157,514
Additions	<u>92,427</u>	<u>80,438</u>	<u>19,271</u>	<u>390,174</u>
At 30 June 2022	<u>366,823</u>	<u>552,245</u>	<u>50,761</u>	<u>6,547,688</u>
DEPRECIATION				
At 1 July 2021	170,038	418,926	16,497	4,125,084
Charge for year	<u>33,846</u>	<u>62,987</u>	<u>13,920</u>	<u>248,994</u>
At 30 June 2022	<u>203,884</u>	<u>481,913</u>	<u>30,417</u>	<u>4,374,078</u>
NET BOOK VALUE				
At 30 June 2022	<u>162,939</u>	<u>70,332</u>	<u>20,344</u>	<u>2,173,610</u>
At 30 June 2021	<u>104,358</u>	<u>52,881</u>	<u>14,993</u>	<u>2,032,430</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

14. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 July 2021	1,000	36,750	37,750
Disposals	<u>(1,000)</u>	<u>-</u>	<u>(1,000)</u>
	<u>-</u>	<u>36,750</u>	<u>36,750</u>
NET BOOK VALUE			
At 30 June 2022	<u>-</u>	<u>36,750</u>	<u>36,750</u>
At 30 June 2021	<u>1,000</u>	<u>36,750</u>	<u>37,750</u>

The unlisted investment represents a loan to OTR (Exeter) Limited.

15. **STOCKS**

	2022 £	2021 £
Stock	<u>39,050</u>	<u>50,443</u>

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

	2022 £	2021 £
Trade debtors	2,089,570	1,980,458
Other debtors	784	68,639
Prepayments and accrued income	<u>318,686</u>	<u>241,347</u>
	<u>2,490,040</u>	<u>2,290,444</u>

Included within trade debtors is an amount of £500,000 (2021: £500,000) that is due after more than one year.

Included within accrued income is an amount of £175,000 (2021: £175,000) that is due after more than one year.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Finance leases (see note 19)	326,616	389,616
Trade creditors	177,690	124,459
Corporation tax	231,897	485,526
Social security and other taxes	87,514	87,168
VAT	218,661	34,889
Other creditors	60,989	85,058
Deferred grants	-	5,337
Accruals and deferred income	<u>1,305,047</u>	<u>430,250</u>
	<u>2,408,414</u>	<u>1,642,303</u>

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

	2022	2021
	£	£
Other creditors	<u>40,200</u>	<u>80,000</u>

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	<u>326,616</u>	<u>389,616</u>
	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	53,956	18,444
Between one and five years	263,175	26,425
In more than five years	<u>986,486</u>	<u>104,673</u>
	<u>1,303,617</u>	<u>149,542</u>

20. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Deferred tax	<u>-</u>	<u>37,000</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
30,941	Ordinary	£1	30,941	30,941
6,032	Non cumulative 5% preference shares	£1	<u>6,032</u>	<u>6,032</u>
			<u>36,973</u>	<u>36,973</u>

22. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 July 2021	4,520,062	2,710	4,522,772
Profit for the year	<u>1,050,255</u>		<u>1,050,255</u>
At 30 June 2022	<u>5,570,317</u>	<u>2,710</u>	<u>5,573,027</u>

23. CAPITAL COMMITMENTS

	2022 £	2021 £
Contracted but not provided for in the financial statements	<u>2,850,714</u>	<u>13,837</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2022

24. RELATED PARTY DISCLOSURES

DM Clough

Director

Included in the profit and loss account are fees for services of £7,500 (2021: £7,500). The outstanding balance at the year end is nil (2021: £625). The contract with DM Clough was terminated at the end of June 2022 as DM Clough retired from the Club Board as a Director and his statutory appointment was terminated.

Exeter City AFC Supporters Society Limited (Registered society, Reg No IP29339R)

Controlling shareholder.

Included in the profit and loss are donations from Exeter City AFC Supporters Society Limited totalling £99,996 (2021: £99,996) and a further small donation of £4,500.

The company had a balance owed to Exeter City AFC Supporters Society Limited at the year-end of £5,850 (2021: £4,379) and a short term loan of nil (2021: £4,500).

City Community Trust

A charity in which J F Tagg and E A Davis are trustees.

Included in the profit and loss account is income from the City Community Trust of £82,105 (2021: £22,022 and expenses of £20,418 (2021: £15,950). At the balance sheet date the amount due to the City Community Trust is £416 (2021: £3,790) and the amount owed by the City Community Trust is £669 (2021: nil).

JF Tagg

Director

During the year the company entered into a property lease with JF Tagg, which is used to accommodate players, typically those on loan at the Club. The annual rent under the lease is £28,759 and the lease term is one year.

McQueenie Mulholland Limited (Reg No 03567252)

A private company in which S McQueenie is a director and shareholder

Included in the profit and loss account are fees for services of £17,174 (2021: £6,747). The outstanding balance at the end of the year is £900 (2021: £Nil). This is a rolling contract with McQueenie Mulholland.

OTR (Exeter) Limited

A company of which J F Tagg is a director but has no financial interest.

Included in the profit and loss account is a finance lease with OTR (Exeter) Limited. £63,000 (2021: £60,000) was paid on the lease. At the balance sheet date there was £326,616 outstanding (2021: £389,616).

Included in fixed asset investments is an investment in OTR (Exeter) Limited of £36,750 (2021: £36,750).

Rolls Bridge Holdings Limited (Reg No 10432621)

A private company in which J F Tagg is a director but has no financial interest.

Included in the profit and loss account are fees payable to Rolls Bridge Holdings of £2,650 (2021: nil). At the balance sheet date there was £80 owed to the company (2021: nil).

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2022**

25. EVENTS SINCE THE END OF THE YEAR

Information relating to key events since the end of the year is given in the Directors Report above.

26. CONTROL

The company is controlled by Exeter City AFC Supporters Society Limited, whose registered office is at St James Park, Stadium Way, Exeter, Devon, EX4 6PX and whose principal place of operation is at the offices of the company.