

**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	R E Wycherley MBE (Chairman) D P Delves (Vice Chairman) (resigned 2 February 2024) J Hughes (resigned 23 February 2023) D W G Montgomery (appointed 23 February 2023)
<b>Company secretary</b>	Michael David Parry
<b>Registered number</b>	00315587
<b>Registered office</b>	Montgomery Waters Meadow Oteley Road Shrewsbury Shropshire SY2 6ST
<b>Independent auditors</b>	WR Partners Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**CHAIRMANS REPORT (INCORPORATING STRATEGIC REPORT)  
FOR THE YEAR ENDED 30 JUNE 2023**

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**Introduction**

The Chairman presents his report for the year ended 30 June 2023.

**Business review and principal risks and uncertainties**

Season 22/23 has without question been the most challenging and difficult since my appointment as Chairman in 1996.

Despite finishing twelfth in League One, the Club's second highest league finish for more than thirty years and completing a ninth consecutive season in League One given the changing face of football a more than reasonable achievement but at a cost that is financially unsustainable and necessitated the strong actions which were taken at the end of the 2022/23 season.

It is with regret that we have to confirm losses of £3m, with losses of £600k also being recorded in the restated 2022 accounts, this is following total losses of more than £3m over the previous three seasons.

Measures have now been taken to rectify this position as far as possible, our new CEO, Head of Finance, Director of Football and Head Coach are now in post and are focussed and determined to restore our model of sustainability which has served so well in the past to safeguard the future of our Club.

**Financial key performance indicators**

Whilst an on-field finish of 12th place in the League One was a good achievement it came at a material financial cost. In the year to June 2023, our income streams returned, gradually, almost back to pre-pandemic levels, however football related income reduced for the period, with lower cup revenues, transfer income and central revenues. Specifically included in income in the 2022 year £1.5m in respect of player sales, premier league payments and insurance monies relating to the Covid years which were not repeated in 2023.

Our league position had a direct impact on the submitted accounts herein and was not sustainable. The method of calculation of the Salary Cap (SCMP) in the EFL means that our total revenue would need to double to be able to afford a playing budget to compete with many clubs currently in League One.

The reported Premier League and EFL distribution deal has not yet been finalised, but negotiations are continuing and, following parliamentary discussions, there is optimism of a proposal being put forward. The "Fan led Review" was clear in the need to properly support the entire football pyramid, the prospect of a regulator who may have significant powers has been published and is one we would welcome. Certainty, above all else, is what we need, the support is vital, but so is knowledge of the extent and timing of any support and at present we have neither.

We are also pleased to report the continuing success and growth of the STFC Academy & STFC Foundation.

On behalf of the Board of Directors, I would like to take this opportunity to once again thank our supporters, sponsors & partners, box holders, sovereign members and season ticket holders, for their wholehearted support during the season.

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**CHAIRMANS REPORT INCORPORATING STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

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This report was approved by the board and signed on its behalf.

.....  
**R E Wycherley MBE (Chairman)**  
Director

Date: 26 March 2024

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

**Results and dividends**

The loss for the year, after taxation, amounted to £3,021,754 (2022 - loss £751,250).

The directors do not propose a dividend for the current year.

**Directors**

The directors who served during the year were:

R E Wycherley MBE (Chairman)  
D P Delves (Vice Chairman) (resigned 2 February 2024)  
J Hughes (resigned 23 February 2023)  
D W G Montgomery (appointed 23 February 2023)

**Future developments**

Please refer to the Chairmans report for details of future developments.

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

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**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditors**

The auditors, WR Partners, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....  
**R E Wycherley MBE (Chairman)**  
Director

Date: 26 March 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHREWSBURY TOWN FOOTBALL CLUB LIMITED

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**Opinion**

We have audited the financial statements of Shrewsbury Town Football Club Limited (the 'Company') for the year ended 30 June 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, 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 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 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 United Kingdom, including the Financial Reporting Council'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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHREWSBURY TOWN FOOTBALL CLUB LIMITED (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

**Opinion 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 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.

**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 set out on page 3, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHREWSBURY TOWN FOOTBALL CLUB LIMITED (CONTINUED)

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**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 an Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the Company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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SHREWSBURY TOWN FOOTBALL CLUB LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHREWSBURY TOWN FOOTBALL CLUB LIMITED (CONTINUED)

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**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 Auditors' 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.

Andrew Malpass BA FCA (Senior Statutory Auditor)

for and on behalf of

**WR Partners**

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date: 26 March 2024

SHREWSBURY TOWN FOOTBALL CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £	As restated 2022 £
Turnover	4	6,212,421	6,175,278
Cost of sales		(7,373,597)	(6,223,805)
<b>Gross loss</b>		<b>(1,161,176)</b>	<b>(48,527)</b>
Administrative expenses		(1,870,480)	(1,340,308)
Other operating income	5	3,740	756,342
<b>Operating loss</b>	6	<b>(3,027,916)</b>	<b>(632,493)</b>
Interest receivable and similar income	8	2,438	2,516
<b>Loss before tax</b>		<b>(3,025,478)</b>	<b>(629,977)</b>
Tax on loss	9	3,724	(121,273)
<b>Loss for the financial year</b>		<b>(3,021,754)</b>	<b>(751,250)</b>
<b>Other comprehensive income for the year</b>			
Deferred tax on revaluation of freehold property		-	(55,020)
<b>Other comprehensive income for the year</b>		-	(55,020)
<b>Total comprehensive income for the year</b>		<b>(3,021,754)</b>	<b>(806,270)</b>

The notes on pages 14 to 29 form part of these financial statements.

**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**  
**REGISTERED NUMBER: 00315587**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

		2023	As restated 2022
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	10	69,857	43,190
Tangible assets	11	14,049,136	14,019,232
Investments	12	1	1
		<u>14,118,994</u>	<u>14,062,423</u>
<b>Current assets</b>			
Stocks	13	58,687	110,905
Debtors: amounts falling due after more than one year	14	-	100,000
Debtors: amounts falling due within one year	14	613,904	772,431
Cash at bank and in hand	15	81,184	1,582,528
		<u>753,775</u>	<u>2,565,864</u>
Creditors: amounts falling due within one year	16	(2,521,208)	(1,736,044)
<b>Net current (liabilities)/assets</b>		<u>(1,767,433)</u>	<u>829,820</u>
<b>Total assets less current liabilities</b>		<u>12,351,561</u>	<u>14,892,243</u>
Creditors: amounts falling due after more than one year	17	(1,126,476)	(641,680)
<b>Provisions for liabilities</b>			
Deferred tax	18	(346,799)	(350,523)
		<u>(346,799)</u>	<u>(350,523)</u>
<b>Net assets</b>		<u><u>10,878,286</u></u>	<u><u>13,900,040</u></u>

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**  
**REGISTERED NUMBER: 00315587**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JUNE 2023**

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		<b>2023</b>	<i>As restated</i>
	<b>Note</b>	<b>£</b>	<b>2022</b>
			<b>£</b>
<b>Capital and reserves</b>			
Called up share capital	19	<b>2,526,283</b>	2,526,283
Revaluation reserve	20	<b>687,750</b>	687,750
Profit and loss account	20	<b>7,664,253</b>	10,686,007
		<hr/> <b>10,878,286</b> <hr/>	<hr/> <b>13,900,040</b> <hr/>

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

.....  
**R E Wycherley MBE (Chairman)**  
Director

Date: 26 March 2024

The notes on pages 14 to 29 form part of these financial statements.

**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2023**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 July 2021 (As restated)	2,526,283	742,770	11,437,257	14,706,310
<b>Comprehensive income for the year</b>				
Loss for the year (As restated)	-	-	(751,250)	(751,250)
Deficit on revaluation of freehold property	-	(55,020)	-	(55,020)
<b>Other comprehensive income for the year</b>	-	(55,020)	-	(55,020)
<b>Total comprehensive income for the year</b>	-	(55,020)	(751,250)	(806,270)
<b>Total transactions with owners</b>	-	-	-	-
At 1 July 2022 (As restated)	2,526,283	687,750	10,686,007	13,900,040
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(3,021,754)	(3,021,754)
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(3,021,754)	(3,021,754)
<b>Total transactions with owners</b>	-	-	-	-
<b>At 30 June 2023</b>	<b>2,526,283</b>	<b>687,750</b>	<b>7,664,253</b>	<b>10,878,286</b>

The notes on pages 14 to 29 form part of these financial statements.

SHREWSBURY TOWN FOOTBALL CLUB LIMITED

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 £	As restated 2022 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(3,021,754)	(751,250)
<b>Adjustments for:</b>		
Amortisation of intangible assets	73,333	89,166
Depreciation of tangible assets	83,741	66,149
Loss on disposal of tangible assets	-	(6,401)
Interest received	(2,438)	(2,516)
Taxation charge	(3,724)	121,273
Decrease/(increase) in stocks	52,218	(39,712)
Decrease/(increase) in debtors	258,527	(107,962)
Increase in creditors	1,269,960	134,201
Gain on disposal of player contracts	-	(250,000)
<b>Net cash generated from operating activities</b>	<b>(1,290,137)</b>	<b>(747,052)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(100,000)	(80,000)
Sale of intangible assets	-	300,000
Purchase of tangible fixed assets	(113,645)	(261,733)
Sale of tangible fixed assets	-	13,855
Interest received	2,438	2,516
<b>Net cash from investing activities</b>	<b>(211,207)</b>	<b>(25,362)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(1,501,344)</b>	<b>(772,414)</b>
Cash and cash equivalents at beginning of year	1,582,528	2,354,942
<b>Cash and cash equivalents at the end of year</b>	<b>81,184</b>	<b>1,582,528</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	81,184	1,582,528
	<b>81,184</b>	<b>1,582,528</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**1. General information**

The entity is a limited liability company limited by shares incorporated in England. The principal activity of the Company is the running of a professional football club.

The registered address of the Company is Oteley Road, Shrewsbury, SY2 6ST.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Exemption from preparing consolidated financial statements**

The Company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are required to be excluded from consolidation by section 402 of the Companies Act 2006.

**2.3 Going concern**

After making enquires, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors are providing financial support to the company as set out in note 24 to the accounts, which will be maintained at this level through the 2024 and 2025 periods of account as required. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.9 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.10 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- Not depreciated
Plant and machinery	- 15%
Motor vehicles	- 25%
Fixtures and fittings	- 25%

The stadium is held by the Company as at 30 June 2023 at \*£11,266,025\* after allocating the capital grant received in relation to the building of the stadium.

The stadium is not depreciated on the basis that it is constantly maintained and updated.

This policy represents a departure from the statutory accounting principals which require depreciation to be provided on all fixed assets. The directors consider this policy is necessary in order that the Financial Statements show a true and fair view because the current value is of prime importance rather than the systematic annual depreciation.

**2.11 Revaluation of tangible fixed assets**

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

**2.12 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.14 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.16 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**2. Accounting policies (continued)**

**2.18 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgments are continually elevated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates, will by definition, seldom equal the relates actual results. In the opinion of the directors there are no estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of the assets and liabilities within the next financial year.

**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2023 £	<i>As restated</i> 2022 £
Ticket sales	1,597,530	1,653,346
Football League income	1,709,157	1,614,985
Premier League income	-	500,000
Contingent fees received	445,044	391,277
Sundry income	1,118,185	870,191
Academy income	514,024	472,028
Television and internet portal income	70,899	162,991
Contributions from support organisations	26,875	40,100
Food & beverage sales	730,707	470,360
	<u>6,212,421</u>	<u>6,175,278</u>

All turnover arose within the United Kingdom.

**5. Other operating income - exceptional items**

	2023 £	2022 £
Government grants and insurances receivable	3,740	756,342
	<u>3,740</u>	<u>756,342</u>

**6. Operating loss**

The operating loss is stated after charging:

	2023 £	2022 £
Amortisation of fixed assets	73,333	89,166
Depreciation of fixed assets	83,741	66,149
Fees payable to the Company's auditors and its associates for the audit of the annual financial statements	6,750	6,450
Defined contribution pension costs	<u>53,165</u>	<u>49,135</u>

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**7. Employees**

Staff costs were as follows:

	<b>2023</b>	<i>As restated</i> <b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>5,232,909</b>	4,416,054
Social security costs	<b>444,907</b>	407,370
Cost of defined contribution scheme	<b>53,165</b>	49,135
	<u><b>5,730,981</b></u>	<u>4,872,559</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Players	<b>42</b>	41
Administrative	<b>25</b>	25
Other Staff	<b>55</b>	50
Stewards & Security	<b>60</b>	50
	<u><b>182</b></u>	<u>166</u>

**8. Interest receivable**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other interest receivable	<b>2,438</b>	2,516
	<u><b>2,438</b></u>	<u>2,516</u>



SHREWSBURY TOWN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

9. Taxation

	2023 £	2022 £
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(3,724)	121,273
<b>Total deferred tax</b>	(3,724)	121,273
<b>Taxation on (loss)/profit on ordinary activities</b>	(3,724)	121,273

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 20.5% (2022 - 19%). The differences are explained below:

	2023 £	As restated 2022 £
Loss on ordinary activities before tax	(3,025,478)	(629,977)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2022 - 19%)	(620,223)	(34,225)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	15,033	838
Capital allowances for year in excess of depreciation	-	9,256
Other timing differences leading to an increase (decrease) in taxation	603,275	146,198
Book profit on chargeable assets	-	(1,154)
Changes in provisions leading to an increase (decrease) in the tax charge	1,748	838
Other differences leading to an increase (decrease) in the tax charge	(3,557)	(478)

**Factors that may affect future tax charges**

From 1 April 2023, the main rate of Corporation Tax is due to increase from 19% to 25% for companies with profits exceeding £250,000.

SHREWSBURY TOWN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

10. Intangible assets

	Trademarks	Player Transfer Fees	Total
	£	£	£
<b>Cost</b>			
At 1 July 2022	3,190	80,000	83,190
Additions	-	100,000	100,000
At 30 June 2023	3,190	180,000	183,190
<b>Amortisation</b>			
At 1 July 2022	-	40,000	40,000
Charge for the year on owned assets	-	73,333	73,333
At 30 June 2023	-	113,333	113,333
<b>Net book value</b>			
At 30 June 2023	3,190	66,667	69,857
<i>At 30 June 2022</i>	<i>3,190</i>	<i>40,000</i>	<i>43,190</i>

SHREWSBURY TOWN FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	As restated Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 July 2022	14,595,223	570,933	65,853	41,192	15,273,201
Additions	39,171	74,474	-	-	113,645
At 30 June 2023	14,634,394	645,407	65,853	41,192	15,386,846
<b>Depreciation</b>					
At 1 July 2022	719,267	490,176	9,172	35,354	1,253,969
Charge for the year on owned assets	32,249	36,970	12,880	1,642	83,741
At 30 June 2023	751,516	527,146	22,052	36,996	1,337,710
<b>Net book value</b>					
At 30 June 2023	13,882,878	118,261	43,801	4,196	14,049,136
<b>At 30 June 2022</b>	13,875,956	80,757	56,681	5,838	14,019,232

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Freehold	13,882,878	13,875,956
	<u>13,882,878</u>	<u>13,875,956</u>

Included within freehold property is land & buildings which has been revalued as at 30 June 2019 by an independent valuer on a replacement cost basis.

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**12. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 July 2022	1
	<hr/>
At 30 June 2023	<u>1</u>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding
STFC 2007 Limited	Ordinary	100 %

**13. Stocks**

	2023 £	2022 £
Raw materials and consumables	15,752	17,097
Finished goods and goods for resale	42,935	93,808
	<hr/>	<hr/>
	<u>58,687</u>	<u>110,905</u>

**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**14. Debtors**

	<b>2023</b>	<i>As restated</i>
	<b>£</b>	<b>2022</b>
		<b>£</b>
<b>Due after more than one year</b>		
Trade debtors	-	100,000
	<u>-</u>	<u>100,000</u>
	<u>-</u>	<u>100,000</u>
<b>Due within one year</b>		
Trade debtors	452,046	259,058
Other debtors	28,598	93,208
Prepayments and accrued income	133,260	420,165
	<u>613,904</u>	<u>772,431</u>
	<u>613,904</u>	<u>772,431</u>

**15. Cash and cash equivalents**

	<b>2023</b>	<i>As restated</i>
	<b>£</b>	<b>2022</b>
		<b>£</b>
Cash at bank and in hand	81,184	1,582,528
	<u>81,184</u>	<u>1,582,528</u>
	<u>81,184</u>	<u>1,582,528</u>

**16. Creditors: Amounts falling due within one year**

	<b>2023</b>	<i>As restated</i>
	<b>£</b>	<b>2022</b>
		<b>£</b>
Payments received on account	575,352	523,524
Trade creditors	485,256	531,230
Other taxation and social security	492,985	253,101
Other creditors	10,046	70,488
Accruals and deferred income	957,569	357,701
	<u>2,521,208</u>	<u>1,736,044</u>
	<u>2,521,208</u>	<u>1,736,044</u>

**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**17. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Other creditors	561,200	61,200
Accruals and deferred income	565,276	580,480
	<u>1,126,476</u>	<u>641,680</u>

**18. Deferred taxation**

	2023 £
At beginning of year	(350,523)
Charged to profit or loss	3,724
<b>At end of year</b>	<u><b>(346,799)</b></u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(117,549)	(121,273)
Revaluation of land & buildings	(229,250)	(229,250)
	<u>(346,799)</u>	<u>(350,523)</u>

**19. Share capital**

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
1,010,513 (2022 - 1,010,513) Ordinary shares of £2.50 each	<u>2,526,283</u>	<u>2,526,283</u>

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SHREWSBURY TOWN FOOTBALL CLUB LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023

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**20. Reserves**

**Revaluation reserve**

The revaluation reserve comprises the cumulative revaluation surplus of fixed assets revalued to the balance sheet date.

**Profit and loss account**

The profit and loss account comprises the cumulative retained earnings of the Company since incorporation.

**21. Analysis of net debt**

	At 1 July 2022	Cash flows	At 30 June 2023
	£	£	£
Cash at bank and in hand	1,582,528	(1,501,344)	81,184
	<u>1,582,528</u>	<u>(1,501,344)</u>	<u>81,184</u>

**22. Prior year adjustment**

The restatement of the prior year numbers primarily relates to income and expenditure in respect of the Centre of Excellence ("COE"). The 2022 year-end comparatives have been restated to include COE income of £472,028, cost of sales of £501,549 and administration expenses of £420,322. The restatement also includes a reduction of other debtors over one year of £409,224, and a reduction of other debtors due within one year of £280,186. £318,754 relates to prior year brought forward reserves.

**23. Pension commitments**

Eligible staff are members of the Football League Limited Pension Life Assurance Scheme, which is a defined benefit scheme. The assets of this scheme are held separately from those of the Company, being invested with an insurance Company.

The total pension costs charged in the year amounted to £53,135 (2022: £49,135) and there were no payments outstanding at year end.

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**SHREWSBURY TOWN FOOTBALL CLUB LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

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**24. Related party transactions**

The Company made purchases of £5,878 (2022: £6,201) from Montgomery Waters Limited, a Company of which D P Delves is a director. At the year end a creditor of £2,390 (2022: £nil) is owed to Montgomery Waters Limited.

During the year the Company made sales totalling £17,291 (2022: £98,445) to Delves & Co Limited, Planet Doughnut Ltd, Delfin Investments Limited and Montgomery Waters Limited, companies which D P Delves is also a director of. There were no outstanding balances at the end of the year (2022: £NIL). The Company also made sales totalling £6,250 (2022: £7,672) to The Commonwealth Mint Limited which J Hughes is a director of. There were no outstanding balances at the end of the year (2022: £NIL).

Included within other creditors are amounts owed to R E Wycherley MBE of £400,000 (2022: £NIL), and also amounts owed to D W G Montgomery of £100,000 (2022: £NIL). Support is ongoing and as at the date of the accounts signing, Directors' Loans totalled £1,285,000. The loans made carry no interest, and are not convertible into shares.

**25. Controlling party**

The Company is under the control of R E Wycherley MBE, Director and Chairman, who owns more than 50% of the issued share capital.



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