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NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

COMPANY INFORMATION

Directors

J White
C Povey
M Darbon
K Barwell OBE
N Beal
E Bevan
J Chapman
J Drown
A Hewitt
M Smith

Registered number

03139409

Registered office

Franklin's Gardens
Weedon Road
Northampton
Northamptonshire
NN5 5BG

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

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NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2021

Introduction

The principal activity of the Company is the playing and development of rugby, along with the operation of the stadium as a conference and events venue

Business review

The 2020/21 season has, without doubt, been one of the most challenging in the Club's history. The continuation of the Covid-19 pandemic meant that Franklin's Gardens was unable to open its gates to supporters for almost the entire season and the Club suffered a substantial financial impact as a result. However, Saints went into the pandemic with a strong balance sheet, a talented management team and a loyal supporter base, and this has enabled it to weather this financial shock. A substantial loan from the Department for Digital, Culture, Media and Sport (DCMS) along with a strong start to the 2021/22 season puts the Club on a strong footing for the future.

On the pitch the Club improved its league position, finishing the season in fifth place from eighth the previous year. With a young, largely home grown squad, the Club remains very optimistic about the on pitch progress being made, and the potential that exists for future success. Further detail on rugby matters can be found in the Playing report.

Off the pitch, the accounts demonstrate the impact that Covid-19 has had on the business. Turnover was £12.8m, down £3.5m against a previous year that was also impacted by the pandemic, and down £6.6m against the 2019 financial year, the last one not to be impacted by Covid-19. The accounts show a profit before tax of £1.0m but this is flattered by a non-cash fair value movement of £3.7m relating to an increase in the valuation of the Group's shares in Premier Rugby. The underlying trading performance of the business was a loss before tax of £2.7m. The Covid-19 pandemic has cost the business in the region of £11m turnover and £5.5m profit since March 2020.

At 30 June 2021 the Company had £9.3m cash and £12.7m debt, a net deficit of £3.4m. This compares to £5.3m cash and £4.1m debt at 30 June 2020, a net surplus of £1.2m. The £4.6m reduction year on year has resulted from underlying losses, exacerbated by the pandemic. However, the Company ends the year in a strong cash position having secured and fully drawn down an £8.5m loan from DCMS as part of the Sport Winter Survival Package which provides working capital for several years.

Despite having suffered a significant financial impact, it is clear that the situation could have been a lot worse had the Club not taken decisive mitigating action. Internally, all staff agreed to a temporary cut in salary that was in force for the entire year, whilst a number of staff remained on full or flexi furlough supported by the Government's Coronavirus Job Retention Scheme. Externally, the strength of the Club's relationship with its supporters and partners was demonstrated. Nearly all season-ticket holders who had purchased a ticket for the 2020/21 campaign agreed to roll their ticket over to the 2021/22 season rather than taking a refund. The Club continued to deliver on its commitments to its sponsors and partners, often in new and innovative ways where traditional matchday rights could not be delivered. And, the majority of our hospitality customers remained committed to the Club as was demonstrated by the number of packages that have already been sold for the 2021/22 season.

The Company has maintained a strong balance sheet with net assets of £14.5m at 30 June 2021, with the upward revaluation of the shares in Premier Rugby largely offsetting the underlying trading losses and increase in debt.

Commercial highlights

From a Commercial perspective the Club renewed a number of relationships with existing partners, as well as entering into some exciting new alliances. In December 2020 online car retailer, cinch, became an Elite Partner of the Club and two further new partnerships were agreed with Barclaycard and Warner's Gin. Existing partners Travis Perkins, Toolstation, GRS, WIT Fitness, Spirit Hyundai, Elonex, Triad, iPRO and Nutrition X all extended their relationship with the Club. Meanwhile, the conference and events business bucked the industry trend by securing a substantial number of bookings, and the stadium also supported the local community by providing a

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

home for the NHS ante-natal clinic, a Covid testing operation, first-aid training and food bank storage facilities. More recently, evidence of pent-up demand can be seen in the sell-out success of the end of season dinner and evening with Eddie Jones.

In September 2021 the Club built on its existing Elite partnership with cinch to enter in an extended deal for a new 6 year term. The deal sees cinch become the Principal Partner with their logo on the front of the playing shirt for the 2022/23 season, as well as the home ground becoming known as 'cinch Stadium at Franklin's Gardens' in the Club's first ever stadium naming rights agreement.

Following a turbulent year of delivery heavily affected by Covid, the Community Department managed to end the 2020/21 season on a high. A relaxation of Covid measures meant many Community activities were able to resume. This saw the launch of the most successful Easter Rugby Camp period to date, beating highest previous attendance records by 40%. The desire for young people to get active again was clear, and the Saints in the Schools and Project Rugby programmes were enthusiastically embraced on their return.

The Community Department also took positive strides in the development of its Inclusion offering, establishing two brand new programmes alongside national and local partners, including the All Move programme in partnership with MENCAP, and StreetFit, alongside West Northamptonshire Council, Northamptonshire Sport, and Northampton Partnership Homes. These programmes helped to raise the levels of activity for people across Northamptonshire.

2020/21 was a year of further growth and expansion for Northampton Saints Foundation. The Covid-19 pandemic created an increased demand for the Foundation's services; in particular, services for the vulnerable and disadvantaged young people it supports, and for its social and emotional wellbeing education programmes, relaunched with the support of the Wilson Foundation. In excess of 5,000 young people benefitted in the year. The Foundation was able to grow services to meet the uplift in demand, opening a third satellite hub in Milton Keynes and developing plans for a fourth hub in Ipswich. The generous support of corporate sponsors, partners and individuals meant fundraising efforts did not stall. The Foundation is incredibly grateful to all those who support its vital work as it continues to INSPIRE, SUPPORT and EDUCATE, creating positive pathways for the future for young people in the Northamptonshire region.

Governance

The Club continues to be run on a day-to-day basis by the Executive team in accordance with delegated authority limits defined by the board of directors. The board of directors meets formally at least ten times a year. The Remuneration Committee, chaired by C Povey, oversees matters relating to staff remuneration and meets at least once per year. The Audit Committee, chaired by M Smith, oversees matters relating to financial reporting, accounting and internal controls and meets at least twice per year.

A Nomination Committee meets as required to oversee the appointment of senior executives. The composition of the committee may vary depending on the role.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Principal risks and uncertainties

The principal risks and uncertainties facing the business relate to the following:

- The health and wellbeing of the players. This is managed by the Club employing the best coaches, medical and conditioning staff to maintain players in peak physical condition and adhering strictly to injury protocols. The risk of players contracting Covid-19 is managed by adhering strictly to Premier Rugby and Public Health England protocols.
- The need to attract and retain key coaching and playing staff. This is managed by providing first rate facilities and an environment in which all staff feel valued and in which they can develop both on and off the pitch.
- The requirement for Premiership Rugby, the RFU and other clubs to play their part in maintaining compelling rugby competitions to ensure rugby is a successful and flourishing sport. This is managed by fostering a strong and open relationship between the Club and governing bodies.
- Ensuring Franklin's Gardens remains a safe and secure matchday environment, including ensuring that all Covid related protocols are delivered. This is managed by ensuring Premiership Rugby's minimum standards are met or exceeded, and that operations are conducted in line with the Green Guide and in consultation with Public Health England and the local Safety Advisory Group.
- The maintenance of the salary framework at a level which enables a well-run rugby club business to spend the amount required to stay competitive without undermining its financial viability. This risk is managed by the Club participating in consultation relating to changes to the salary framework, by having a long-term strategic plan for squad development, and by focusing on the development of Home Grown Players.
- The ability for Premiership Rugby and the RFU to maintain and grow revenue distributions to the Premiership clubs at a rate that at least keeps pace with the level of player expenditure necessary to remain competitive on the pitch. This risk is managed by engaging and retaining a large supporter base, playing an attractive brand of rugby and working collaboratively with the league to grow the commercial revenues of the sport.
- Ensuring the Group can recover its commercial revenues to previous levels, given the economic challenges presented by Covid, and can secure adequate resources to underpin its long-term financial viability. This risk is managed by continuous forecasting and strategic planning that enables funding requirements to be identified and addressed in a timely manner and ensures that the business is aligned behind the delivery of the Club's strategic plan.

Financial key performance indicators

The Company measures its financial performance using the following measures:

- **Growth in turnover.** At £12.8m, turnover for 2021 was down by £3.5m (21%) year on year. The impact of the pandemic makes it impossible to judge how turnover may have fared under normal operating conditions. However, the Club's budget projects a significant improvement in revenues in the 2021/22 financial year.
- **Maintaining a profitable business.** The Company reported a profit of £1.0m including a £3.7m valuation gain on its investment in Premier Rugby. The underlying loss before tax was £2.7m.
- **Maintaining a strong balance sheet.** The Company had net assets of £14.5m at 30 June 2021 (£14.9m at 30 June 2020).

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Other key performance indicators

The Company measures other key performance indicators using the following measures:

- **Number of season ticket holders and gate receipts.** It was not possible to measure this KPI in the usual way in 2021, as supporter attendance at matches was prohibited for almost the entire season. Total ticketing income was down from £3.1m in 2020 to just £0.2m in 2021.
- **Managing expenditure on the playing squad within the Premiership Rugby salary framework whilst maintaining competitiveness on the pitch.** In the 2020/21 season Saints improved on its league position by three places to finish fifth. Saints' player salary expenditure was compliant with the salary

Directors' statement of compliance with duty to promote the success of the Company

The board of directors, having regard to the stakeholders and matters set out in s172(1) (a) - (f) of the Companies Act 2006, consider, in good faith, that they have acted in a way that promotes the success of the Company for the benefit of its key stakeholders – including shareholders, supporters, customers, suppliers and employees – as well as considering its impact on the wider community in which it operates. The overriding aim of the actions that have been taken in financial year 2020/21, as outlined in the Business Review section of this report, was to ensure the survival of the Club in the short term whilst putting it in the best possible position to succeed in the longer term.

At the start of the pandemic a set of objectives were developed under the banner "We March On – Protect Saints, Emerge Stronger". These were evolved in the year into the following:

- Cash is king
- Prioritise our people
- Innovate to drive performance
- Deepen relationships with supporters, partners and stakeholders
- Bounce back better

Despite the challenges of the pandemic, the board of directors remains committed to returning the Club to a sustainable financial footing, to continuing to compete rugby at the highest level in the English Premiership, and to delivering on the ambitions laid out in the Club's strategic plan.

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



M Darbon
Director

Date: 5 November 2021

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The directors present their report and the financial statements for the year ended 30 June 2021.

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 £350,957 (2020 - loss £1,563,773).

The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year were:

J White (Chairman)
C Povey (Deputy Chairman) (R - chair, A)
M Darbon (Chief Executive Officer)
K Barwell OBE (Non-Executive)
N Beal (Non- Executive)
E Bevan (Non-Executive) (R, A)
J Chapman (Finance & Operations Director)
J Drown (Non-Executive) (R, A)
A Hewitt (Non-Executive)
M Smith (Non-Executive) (A - chair)

A - Audit Committee, R - Remuneration Committee

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Future developments

The directors remain committed to delivering the Company's strategic plan, to returning the Company to a sustainable financial footing and to the continued improvement of the Franklin's Gardens site.

Engagement with employees

The directors recognise the benefits that arise from keeping employees informed of the Company's progress and plans and through their participation in the Company's performance. The Company is therefore committed to operating in an open and transparent manner, updating employees on a regular basis, and consulting with them so that their views can be taken into account in decisions that affect their interests. The Company runs a range of schemes through which employees can benefit from the Company's success.

The Company aims to foster a working environment in which all employees are treated with courtesy and respect, and to provide opportunities for employees to develop and reach their full potential.

Equal opportunities

The Company is committed to promoting equal opportunities in employment. Any employees or job applicants will receive equal treatment regardless of age, disability, gender, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation. The Company welcomes applications for employment from all persons where the candidate's aptitudes and abilities meet the requirements of the job. The same opportunities are available to all employees for training, career development and promotion.

Streamlined energy and carbon reporting

In 2020/21 the Company used 2.33m kWh of energy, broken down as follows:

	2021 kWh	2020 kWh	% Change
Gas	1.16	1.13	3%
Vehicle fuel	0.02	0.06	-69%
Electricity	1.15	1.4	-18%
Total	2.33	2.58	-10%
Tonnes CO2e	485	533	-9%
Intensity ration: tonnes CO2e per head stadium capacity	0.03	0.04	-9%

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Usage was down 10% year-on-year, largely driven by the significant in reduction in energy required to run matches behind closed doors, and the fact that most commercial staff worked from home for the majority of the year. In the year, the Company improved the energy efficiency of its commercial offices through the installation of loft insulation and secondary glazing.

Within the reporting period the Company generated 21,024 kWh of electricity from the Club's solar photovoltaic system with the surplus exported to the national grid.

Greenhouse gas emissions are reported in gross tonnes CO₂e and use the UK Government Greenhouse Gas Conversion Factors for Company Reporting (2020 version 1.0). Emissions from electricity are location based and report grid purchased electricity (Scope 2). Natural gas emissions are calculated based on Gross Calorific Values. Consumption of fuel for the purposes of transport relates to vehicles where fuel has been directly purchased using the Group fuel card (Scope 1). Conversion to kWh and emissions has been calculated based on Net Calorific Value.

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 are no post balance sheet events to note, other than as disclosed in note 30.

Auditors

The auditors, MHA MacIntyre Hudson, 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.



J Chapman
Director

Date: 5 November 2021

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

Opinion

We have audited the financial statements of Northampton Rugby Football Club Limited (the 'Company') for the year ended 30 June 2021, which comprise the Statement of comprehensive income, the Balance sheet, 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 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, 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.

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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to access compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities including those leading to 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. This description forms part of our Auditors' report.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED (CONTINUED)

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.



Richard Powel FCA (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Northampton, United Kingdom

Date: 5 November 2021

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 £	2020 £
Turnover	4	12,828,632	16,293,070
Cost of sales		(8,637,173)	(11,052,933)
Gross profit		4,191,459	5,240,137
Administrative expenses		(7,111,064)	(7,642,191)
Other operating income	5	449,719	1,159,766
Fair value movements	15	3,686,779	-
Operating profit/(loss)	6	1,216,893	(1,242,288)
Interest receivable	10	4,660	46,594
Interest payable and expenses	11	(226,173)	(179,034)
Profit/(loss) before tax		995,380	(1,374,728)
Tax on profit/(loss)	12	(1,346,337)	(189,045)
Loss for the financial year		(350,957)	(1,563,773)
Total comprehensive income for the year		(350,957)	(1,563,773)

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

The notes on pages 17 to 38 form part of these financial statements.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED
REGISTERED NUMBER: 03139409

BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	13	24,339	34,199
Tangible assets	14	16,100,555	16,744,636
Investments	15	19,685,033	15,998,254
		<u>35,809,927</u>	<u>32,777,089</u>
Current assets			
Stocks	16	75,850	45,278
Debtors: amounts falling due within one year	17	471,487	2,141,214
Current asset investments	18	5,004,661	1
Cash at bank and in hand	19	4,284,140	5,384,485
		<u>9,836,138</u>	<u>7,570,978</u>
Creditors: amounts falling due within one year	20	(11,968,698)	(12,922,537)
Net current liabilities		<u>(2,132,560)</u>	<u>(5,351,559)</u>
Total assets less current liabilities		<u>33,677,367</u>	<u>27,425,530</u>
Creditors: amounts falling due after more than one year	21	(15,516,926)	(10,260,469)
		<u>18,160,441</u>	<u>17,165,061</u>
Provisions for liabilities			
Deferred taxation	24	(3,623,574)	(2,277,237)
		<u>(3,623,574)</u>	<u>(2,277,237)</u>
Net assets		<u>14,536,867</u>	<u>14,887,824</u>
Capital and reserves			
Called up share capital	25	9,127,073	9,127,073
Profit and loss account	26	5,409,794	5,760,751
		<u>14,536,867</u>	<u>14,887,824</u>

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED
REGISTERED NUMBER: 03139409

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2021

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



J Chapman
Director

Date: 5 November 2021

The notes on pages 17 to 38 form part of these financial statements.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2020	9,127,073	5,760,751	14,887,824
Comprehensive income for the year			
Loss for the year	-	(350,957)	(350,957)
Total comprehensive income for the year	-	(350,957)	(350,957)
At 30 June 2021	9,127,073	5,409,794	14,536,867

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2019 (as previously stated)	9,127,073	6,453,526	15,580,599
Prior year adjustment	-	870,998	870,998
At 1 July 2019 (as restated)	9,127,073	7,324,524	16,451,597
Comprehensive income for the year			
Loss for the year	-	(1,563,773)	(1,563,773)
Total comprehensive income for the year	-	(1,563,773)	(1,563,773)
At 30 June 2020	9,127,073	5,760,751	14,887,824

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. General information

Northampton Rugby Football Club Limited is a private company limited by shares and registered in England and Wales. Its registered office is located at Franklin's Gardens, Weedon Road, Northampton, NN5 5BG.

The principal activity of the Northampton Rugby Football Club Limited is the playing and development of rugby, along with the operation of the stadium as a conference and events venue.

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 financial statements are presented in Sterling (£). The functional currency is Sterling (£).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Northampton Saints PLC as at 30 June 2021 and these financial statements may be obtained from Companies House.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Following the significant impact of COVID-19 on the Company's operations, the directors have carried out a full update of the Company's financial forecasts. These forecasts are based on the directors' best view of future financial performance whilst considering the impact of various alternative scenarios.

In making these assessments the key assumptions are as follows:

- (i) The entity is expected to be able to operate without any major restrictions on its capacity for the duration of the 2021/22 financial year.
- (ii) The entity has secured a substantial loan from the Department for Digital, Culture, Media and Sport under the Government's Sport Winter Survival Package.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 sale taxes.

The following criteria must be met before revenue is recognised:

- (i) the amount of revenue can be reliably measured;
- (ii) it is probable that future economic benefits will flow to the entity; and
- (iii) specific criteria have been met for each of the Company activities

Revenue received from specific events, including match day tickets, bar sales, conferences and courses is recognised when the relevant match or event takes place.

Revenue from seasonal sales, including season tickets, executive boxes and VIP packages, is recognised over the season to which it relates.

For income streams that relate to more than one season, such as sponsorship, advertising and branding, revenue is attributed to each season according to the terms of the contract.

Central income is recognised in the season to which it relates unless contingent upon specific criteria or a future event, in which case it is recognised when the criteria are achieved or the event takes place.

Deferred income

Deferred income other than grants represents amounts received in relation to sponsorship, season tickets, hospitality and central income. Deferred income is released to the Profit and Loss Account in the season to which the income relates and typically is over a period of between 1 and 4 years.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

2. Accounting policies (continued)**2.7 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.

2.8 Interest income

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

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.11 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

2. Accounting policies (continued)

2.12 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 balance sheet 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 Balance sheet 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 balance sheet date.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

2. Accounting policies (continued)

2.13 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software

Software is amortised on a straight-line basis over a 3 year useful economic life.

Transfer fees paid for player registrations

The costs of acquired player registrations are capitalised as intangible assets and amortised over the period of the players' contracts, with appropriate adjustments for any impairments assessed to have taken place.

Gains and losses on disposal of player registrations are determined by comparing the fair value of the consideration receivable, net of any transaction costs, with the carrying amount and are recognised separately in the Profit and Loss Account within profit of disposal of players' registrations. Where a part of the consideration receivable is contingent on specified conditions, this amount is recognised in the Profit and Loss Account on the date the conditions are met.

Purchased goodwill

Purchased goodwill represents the surplus arising on the acquisition of the net assets of Saints Rugby Limited.

The Company adopted a policy of amortising the cost over its estimated useful life of 20 years. No reduction in useful life under FRS 102 has been implemented as the remaining useful life of the goodwill was within the 10 year requirement, with the amount now fully amortised.

2.14 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.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.14 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the methods as detailed below.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Leasehold property	- Over the remaining term of the lease
Ground Improvements	- 20% on reducing balance
Property improvements	- 10% straight line
Motor vehicles	- 33.33% on reducing balance
Furniture ,fixtures and fittings	- 20% on reducing balance
Office equipment	- 20%-33.33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments other than loans are measured at fair value at each balance sheet date using a valuation technique with any gains or losses being reported in the Profit and Loss Account.

Investments which cannot be reliably measured due to significant variability in the range of reasonable fair value estimates are measured at cost less accumulated impairment.

Current assets investments relate to savings accounts held, which have notice periods of over three months. Interest accrued is recognised in the Profit and Loss Account on a straight line basis each year in line with the interest rate on the account.

2.16 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 first in, first out basis.

At each balance sheet 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 the Profit and Loss Account.

2.17 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.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.18 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.

2.19 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.

2.20 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.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.20 Financial instruments (continued)

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

Preparation of the financial statements required management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include revenue recognition, valuation of investments and deferred tax.

Judgments in applying accounting estimates

The directors must judge whether all of the conditions required for revenues to be recognised in the Profit and Loss Account for the financial year have been met.

Key sources of estimation

There are key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have significant risk of causing material adjustment to the carrying value of assets and liabilities within the next reporting period, these include:

- (i) Recognition of CVC transaction proceeds - see further information in note 4
- (ii) Carrying value of investment in PRL Investor Ltd - see further information in note 15

4. Turnover

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

	2021 £	2020 £
Rugby income	161,944	3,055,845
Premiership Rugby and RFU income ("central income")	8,034,141	7,459,246
Commercial income	4,632,547	5,777,979
	<u>12,828,632</u>	<u>16,293,070</u>

All turnover arose within the United Kingdom.

An agreement to sell a significant minority interest in Premiership Rugby Limited ("PRL") to certain funds advised or managed by CVC Capital Partners ("CVC Funds") was signed on 29 March 2019 and the club received a cash inflow of £12.8m as a result of this transaction. This income is being recognised in the Profit and Loss Account over 48 months, with amounts relating to future periods being recognised as deferred income.

The income recognised is included in Premiership Rugby and RFU income.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

5. Other operating income

	2021 £	2020 £
Donation proceeds from refunded season tickets	-	429,622
Government grants receivable (CJRS)	449,719	730,144
	<u>449,719</u>	<u>1,159,766</u>

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	722,948	751,101
Amortisation of intangible assets, including goodwill	24,860	21,488
Other operating lease rentals	<u>33,495</u>	<u>33,714</u>

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>23,400</u>	<u>20,000</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	9,301,896	9,906,378
Social security costs	1,191,680	1,184,336
Cost of defined contribution scheme	127,114	141,415
	<u>10,620,690</u>	<u>11,232,129</u>

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

	2021 No.	2020 No.
Sports staff and rugby players	91	92
Administration, commercial and match day staff	100	187
	<u>191</u>	<u>279</u>

The reported average number of matchday staff is based on the average number of staff on the payroll each month. The reduction has resulted from a reduced staffing requirement for matches played behind closed doors, and not a reduction in the underlying number of matchday staff on the Company's books.

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	519,616	377,412
Company contributions to defined contribution pension schemes	18,445	20,222
	<u>538,061</u>	<u>397,634</u>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £368,279 (2020 - £246,664). Remuneration in the current year includes a one-off payment relating to a Long Term Incentive Plan.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £11,356 (2020 - £12,036).

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

10. Interest receivable

	2021 £	2020 £
Other interest receivable	4,660	46,594
	<u>4,660</u>	<u>46,594</u>

11. Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	225,786	168,861
Finance leases and hire purchase contracts	387	3,948
Other interest payable	-	6,225
	<u>226,173</u>	<u>179,034</u>

12. Taxation

	2021 £	2020 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	1,346,337	189,045
Total deferred tax	<u>1,346,337</u>	<u>189,045</u>
Taxation on profit on ordinary activities	<u>1,346,337</u>	<u>189,045</u>

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	<u>995,380</u>	<u>(1,374,728)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	189,122	(261,198)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	71,470	82,852
Restriction of utilisation of tax losses	282,736	121,721
Impact of increase in rate for deferred tax provision	719,128	245,670
Other timing differences leading to an increase (decrease) in taxation	83,881	-
Total tax charge for the year	<u>1,346,337</u>	<u>189,045</u>

Factors that may affect future tax charges

Tax losses carried forward total £10.0m (2020 - £7.7m), of which post 1 April 2017 losses exceed £5m. This has resulted in a restriction to the utilisation of losses with respect to deferred taxation.

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 24 May 2021). This included 25% as the main rate of corporation tax relevant for periods on or after 1 April 2023 to be reflected in gains on any asset sales or timing differences expected to reverse after that date.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

13. Intangible assets

	Player registrations £	Computer software £	Total £
Cost			
At 1 July 2020	43,315	43,619	86,934
Additions	15,000	-	15,000
At 30 June 2021	58,315	43,619	101,934
Amortisation			
At 1 July 2020	23,184	29,551	52,735
Charge for the year	20,131	4,729	24,860
At 30 June 2021	43,315	34,280	77,595
Net book value			
At 30 June 2021	15,000	9,339	24,339
At 30 June 2020	20,131	14,068	34,199

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

14. Tangible fixed assets

	Freehold property, new buildings and ground improvement £	Furniture, fixtures and fittings, motor vehicles and office equipment £	Total £
Cost or valuation			
At 1 July 2020	20,927,905	4,174,692	25,102,597
Additions	7,600	71,267	78,867
Disposals	(74,499)	(772,608)	(847,107)
At 30 June 2021	20,861,006	3,473,351	24,334,357
Depreciation			
At 1 July 2020	5,254,552	3,103,409	8,357,961
Charge for the year	458,845	264,103	722,948
Disposals	(74,499)	(772,608)	(847,107)
At 30 June 2021	5,638,898	2,594,904	8,233,802
Net book value			
At 30 June 2021	15,222,108	878,447	16,100,555
At 30 June 2020	15,673,353	1,071,283	16,744,636

Included within freehold property, new buildings and ground improvements is:

- land at cost of £1,417,857 (2020 - £1,417,857) which is not depreciated.
- capitalised finance costs of £366,534 (2020 - £366,534), which relates to the construction of the assets completed in 2016.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Furniture, fittings and equipment	123,311	124,429
	<u>123,311</u>	<u>124,429</u>

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

14. Tangible fixed assets (continued)**Finance leases**

Depreciation charged on assets held under finance leases in the year totalled £27,527 (2020 - £31,107).

15. Fixed asset investments

	Investments in subsidiary companies £	Investments in PRL £	Total £
Cost or valuation			
At 1 July 2020	100	15,998,154	15,998,254
Revaluations	-	3,686,779	3,686,779
At 30 June 2021	<u>100</u>	<u>19,684,933</u>	<u>19,685,033</u>

The investment above relates to an investment in PRL Investor Ltd ("PRL"). The valuation of the investment is based on the income stream that the investment provides into perpetuity, discounted at a rate of 8%. In the year, a change to the Licence, Services and Commercial Rights Agreement ("LSCRA") between PRL and the Premiership Rugby Clubs increased the proportion of overall PRL revenue distributions that is linked to these shares. The impact of this on the future income stream and, consequently, the discounted present value is reflected in the current valuation.

The Company also co-invested, along with Cobalto UK Bidco Limited ("the CVC Funds"), in an additional minority shareholding in PRL. The investment is held at cost, which was based on the same original valuation methodology, and is not affected by the change in the LSCRA.

The Company is exempt from preparing consolidated financial statements on the grounds that it is an intermediate holding company in a large sized group. The financial statements therefore present information about the Company as an individual undertaking and not about its group.

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Saints Rugby Limited	Franklin's Gardens, Weedon Road, Northampton, NN5 5BG	Ordinary	100%

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

15. Fixed asset investments (continued)**Subsidiary undertaking (continued)**

The aggregate of the share capital and reserves as at 30 June 2021 and the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

Name	Aggregate of share capital and reserves
Saints Rugby Limited	100

16. Stocks

	2021 £	2020 £
Shop stock	75,850	45,278
	<u>75,850</u>	<u>45,278</u>

Impairment losses totalling £Nil (2020 - £Nil) were recognised in the Profit and Loss Account during the year due to slow-moving and obsolete stock.

17. Debtors

	2021 £	2020 £
Trade debtors	256,938	841,965
Other debtors	22,403	780,990
Prepayments and accrued income	192,146	518,259
	<u>471,487</u>	<u>2,141,214</u>

An impairment loss of £149,823 (2020 - £63,055) was recognised against trade debtors at the year end.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

18. Current asset investments

	2021 £	2020 £
Unlisted investments	5,004,661	1
	<u>5,004,661</u>	<u>1</u>

During the period, the Company invested £5,000,000 in a corporate savings account.

19. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	4,284,140	5,384,485
	<u>4,284,140</u>	<u>5,384,485</u>

20. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	331,225	269,765
Amounts owed to group undertakings	1,000,000	1,000,000
Other taxation and social security	677,844	2,146,000
Obligations under finance lease and hire purchase contracts	16,383	32,133
Other creditors	147,106	686,563
Accruals and deferred income	9,796,140	8,788,076
	<u>11,968,698</u>	<u>12,922,537</u>

The obligations under finance lease contracts are secured against the assets to which they relate.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

21. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	12,658,000	4,180,000
Accruals and deferred income	2,858,926	6,080,469
	<u>15,516,926</u>	<u>10,260,469</u>

The obligations under finance lease contracts are secured against the assets to which they relate.

Interest on the NBC loan is charged at 3.97%. The loan is repayable in instalments over the period until 2039.

Interest on the DCMS loan is charged at 2%. The loan is repayable in instalments over the period until 2036 with a capital and interest repayment holiday until 2025.

The NBC loan is secured by a fixed charge over the Freehold Property of Franklin's Gardens, Weedon Road, land North of Edgar Mobbs Way and land South-West of St James Road, Northampton.

The DCMS loan is secured by a fixed charge over the rights attached to the Company's P-shares and Invested Units (shares in PRL Investor Ltd) and a floating charge over all the Group's assets.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

22. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due 1-2 years		
NBC loan	440,000	-
	<u>440,000</u>	<u>-</u>
Amounts falling due 2-5 years		
NBC loan	1,320,000	1,100,000
DCMS loan	770,545	-
	<u>2,090,545</u>	<u>1,100,000</u>
Amounts falling due after more than 5 years		
NBC loan	2,420,000	3,080,000
DCMS loan	7,707,455	-
	<u>10,127,455</u>	<u>3,080,000</u>
	<u><u>12,658,000</u></u>	<u><u>4,180,000</u></u>

23. Finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	16,383	33,211
	<u>16,383</u>	<u>33,211</u>

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

24. Deferred taxation

	2021 £	2020 £
At beginning of year	2,277,237	2,088,192
Charged to profit or loss	1,346,337	189,045
At end of year	<u>3,623,574</u>	<u>2,277,237</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	1,032,090	790,530
Tax losses carried forward	(1,982,138)	(1,292,990)
Pension surplus	(8,121)	(1,939)
Capital gains	4,581,743	2,781,636
	<u>3,623,574</u>	<u>2,277,237</u>

25. Share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
9,127,073 (2020 - 9,127,073) Ordinary shares shares of £1.00 each	<u>9,127,073</u>	<u>9,127,073</u>

26. Reserves**Profit and loss account**

Includes all current and prior period retained profits and losses.

27. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £129,215 (2020 - £141,415). Contributions totalling £11,746 (2020 - £29,552) were payable to the fund at the balance sheet date and are included in creditors.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

28. Commitments under operating leases

At 30 June 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	74,519	79,845
Later than 1 year and not later than 5 years	5,085	28,860
	<u>79,604</u>	<u>108,705</u>

29. Related party transactions

The Company is a wholly owned subsidiary undertaking of Northampton Saints PLC. Accordingly, the Company has taken advantage of the exemption in FRS 102 Section 33 from disclosing transactions with other wholly owned members of the group headed by Northampton Saints PLC.

	2021 £	2020 £
J White		
- Sales made by the Company	1,593	1,564
Abel Investments Limited (a company with a common director)		
- Refund in relation to the 19/20 season by the Company	(20,833)	-
Abel Investments Limited (a company with a common director)		
- Amounts owed by the Company	(23,143)	-
A Hewitt		
- Sales made by the Company	-	2,210
E Bevan		
- Sales made by the Company	213	-
C Povey		
- Sales made by the Company	-	193
Northampton Saints Foundation		
- Sales made by the Company	8,370	4,761
Northampton Saints Foundation		
- Purchases made by the Company	21,724	-
Northampton Saints Foundation		
- Amounts owed (by) / to the Company	(2,865)	22,450

A refund was issued to Abel Investments Limited during the year in relation to the 19/20 season where it was not possible for services to be provided as a result of the COVID-19 restrictions. This refund has not been repaid to Abel Investments Limited, instead the amounts owed by the Group will be used against future sales.

Sales and purchases between the Company and the directors or entities associated with the directors were at arm's length. Sales were principally tickets, hospitality, advertising and recharges of costs.

NORTHAMPTON RUGBY FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

30. Post balance sheet events

On 5 October 2021 the Company issued 3,000,000 £1.00 preference shares at par, for the purpose of investing in the development of the infrastructure at Franklin's Gardens.

31. Controlling party

The directors consider that the ultimate parent undertaking and controlling party of the Company is Northampton Saints PLC.

The largest group of undertakings for which group accounts have been drawn up is that headed by Northampton Saints PLC. There is no overall controlling party