

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

COMPANY INFORMATION

DIRECTORS

Mr P M Berne
Mrs J L I Chafer
Mr T East
Mr S Hallett
Mr R A Holliday
Mr J P Morgan
Mr A Parkinson
Mr M Mincberg (appointed 12 August 2022, resigned 28 July 2023)
Mr N Giannotti (appointed 15 September 2022)

REGISTERED NUMBER

07796376

REGISTERED OFFICE

Home Park
Plymouth
Devon
PL2 3DQ

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

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**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

INTRODUCTION

The Company operates as a professional football club, currently competing in Sky Bet Championship of the EFL (English Football League). The principal activity of the Company continues to be the operation of a professional football club, together with associated activities.

The directors present their strategic report for the year ended 30 June 2023.

BUSINESS REVIEW

Introduction

The 2022/23 season saw incredible success on the pitch, as Argyle clinched the Sky Bet League One title, therefore returning to the Sky Bet Championship for the first time since 2010. This is the culmination of a strategy set out in 2019 by the Board. This success is thanks to the superb efforts of everyone at the Club with the extraordinary support of our fans and partners.

Performances on the pitch were backed up by significant progress off the pitch as our Club continued to expand its revenue base, in this first full year back to normal following the COVID-19 pandemic.

Part of our Club's mission is to achieve financial sustainability, and this remains a key pillar for us. As shareholders continue to commit funds to the Club, we continue to use those funds to invest in infrastructure. This investment will significantly improve facilities for fans, improve the environment for players now and in the future, and brings us a Club befitting our status as a Championship team.

On-pitch performance

Clinching the League One title on the last day of the campaign was a clear highlight, topping off a remarkable season for the Club.

Our first team manager Steven Schumacher, his players and his staff secured several prestigious awards. These included the Sky Bet League One Manager of the Year for the 2022/23 campaign. We were delighted that Steven agreed to a two-year extension to his contract, committing his future to the Club until 2027. He is an exciting young manager who shares the Club's vision and values, and plays an exciting, attacking brand of football that the Argyle fans have grown to love.

Bali Mumba, on loan to us from Norwich City, was the Sky Bet League One Young Player of the Season. We were delighted that he agreed to join us on a permanent transfer following the end of the financial year.

Further Club Success

Argyle were clearly successful on the pitch but, beyond the playing squad, the Club went from strength to strength and was recognised in a number of ways:

- **The EFL Gold Family Excellence Award**, which showcases the work we are doing to develop the fan experience and make Argyle a family-friendly football club.
- **The Stadium Business Awards and Football Business Awards** - the Sustainability and Community Award
- **Football Business Awards** - Best Corporate Social Responsibility Scheme and Silver Award for Best Use of Technology in Football
- **EFL Community Club of the Year, South West and West**
- **EFL League One** - Community Club of the Year
- **Plymouth Live** - Corporate Social Responsibility Winner
- **Number 1 out of 92 clubs** in football league for financial management in a Football Sustainability Matrix developed by London based finance firm, LCP

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

Financial Performance

We remain committed to transparency in our financial activities, and below we aim to set out clearly the state of the finances within Plymouth Argyle.

The Club is reporting a loss for the financial year of £3.4m. This loss has been affected by a series of non-recurring items, and the underlying trading loss is lower.

These non-recurring costs primarily relate to:

- Contingent payments on loan transfer agreements triggered by promotion
- Bonus payments to first team players and management triggered by promotion
- A legacy payment to a bank in accordance with a promotion deed the Club entered into when it exited administration in 2011

We remain committed to financial sustainability, and our financial position remains strong. The Club is debt-free and retains a strong cash balance of over £5m at the year-end.

Revenues were at record levels, at almost £15m. Key factors to achieving this have been:

- Average attendances at Home Park of 15,582;
- Sales of 37,000 tickets for the Papa John's Trophy final at Wembley Stadium in April;
- Strong performances from Hospitality, with match days mostly sold out and mid-week demand strong for our conferencing and banqueting facilities;
- Record levels of commercial income;
- Record sales at the Argyle Superstore – including incredible demand for our replica shirts; and
- The return of major concerts to Home Park, with appearances by Muse and Rod Stewart.

As a result of these revenues, we were able to invest in operations throughout the Club. Most notably, we were able to increase our spending on player wages by over a third compared to the prior season. We also continued to invest in improvements to fan experience and digital content.

This remains a key part of our strategy, whereby increases in income are used to finance investments both on and off the pitch.

Capital Investment

In August 2022, we welcomed a new group of investors when Argyle Green, LLC acquired a 20% stake in exchange for cash. Subsequently, majority shareholder Simon Hallett agreed to buy 3.3 million shares from some outgoing investors in that entity. Departing investors included Argyle Green managing members Michael and David Minberg, with the former withdrawing from the Club's Board of Directors. Nick Giannotti became the sole managing member of Argyle Green and remains as an Argyle director.

As a result, the Club has brought in £4m of new investment. It remains a key objective that shareholder funds are invested in infrastructure to ensure the long-term strength of the Club. Last year we reported that several capital investment projects were under review, including plans to develop our own elite top-level facilities.

Excellent progress has been made on this front, and, during the year, we invested over £6 million including in:

- The strategic acquisition of Goals (now known as Harpers Football Centre);
- Improvements to the car park area behind the Beacon Electrical Mayflower Grandstand;
- A Big Screen within the stadium;
- Solar panels on the roof of the stadium;
- The creation of a fan zone behind the Beacon Electrical Mayflower Grandstand; and
- Various improvements to kiosks, stadium concourses and fan facilities.

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

Future Outlook

In the coming financial year, we expect to see a similar pattern. We will continue to develop facilities and infrastructure, to improve fan experience, and improve facilities for football staff and players.

We were also delighted to announce our active involvement in the redevelopment of Brickfields Sports Centre into a community hub. This proposed £11m investment by the Club (into a £21m project) will provide superb facilities for our ambitious youth academy. It will also provide a permanent home for the women's team, another important part of our long-term vision. Strategic acquisitions such as these form part of the long-term plans set out by the Board.

Summary

Our vision has been to be a successful football club supported or respected by everyone in the South West and many beyond. We have come a long way towards realising that vision.

The Board are very proud of the Club's progress and achievements this year and once again extremely grateful to all our stakeholders. We have an exciting, young and talented group of players who have much room for development, and one of the brightest young managers in football. We look forward to the future ahead as the Club goes from strength to strength.

On behalf of the Board, we would again like to thank our outstanding staff, led by Andrew Parkinson as CEO. We are recognised as being a values-driven and well-run club that is forward thinking and investing for the long term, while making sure that day-to-day operations are run efficiently and to very high standards. That is the result of our governance structures being strong and our executive team delivering superbly on our strategic plans.

We would also like to thank our supporters, partners, and the wider Argyle community for their valued contributions during this promotion season. You are the reason why we exist and have enabled this progress.

It was another strong year for our Club and we look forward to continued success in coming years.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to the company is the performance of the team, which may affect revenue and therefore profitability of match day activities and sponsorship. In addition to this, the company faces the risks and uncertainties associated with the broader economic climate.

Trade debtors are monitored closely to minimise the risk of bad debts and amounts due from other clubs are covered by specific football creditor rules that help minimise these risks.

Management maintains a risk register which is reviewed by the Board at each board meeting. Appropriate mitigations and actions are put in place accordingly.

FINANCIAL KEY PERFORMANCE INDICATORS

KPI	2022/23	2021/22
Revenue	£14.7m	£11.3m
Other operating income	£0.4m	£0.5m
Profit / (Loss)	(£3.4m)	(£0.2m)
Wages to revenue ratio	62.2%*	53.2%
Cash balance	£5.3m	£6.8m
Net assets	£15.8m	£15.3m
Transfer fee income	£0.3m	£0.5m

* Includes contingent payments made following achievement of promotion to the EFL Championship.

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

OTHER KEY PERFORMANCE INDICATORS

KPI	2022/23	2021/22
League position	1 st (League One)	7 th (League One)
Points	101 (League One)	80 (League One)
FA Cup	1 st round	4 th round
Carabao Cup	1 st round	2 nd round
Papa John's Trophy	Runner up	Group stage
Average home attendance	15,582	13,130

DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY

Under section 172(1) of the Companies Act 2006, the Board has a duty to act in good faith and in a way that would be most likely to promote the success of the Company for the benefit of its shareholders, whilst having regard to matters set out in S172(1) (a-f) of the Act:

- a) the likely long term consequences of decisions;
- b) the interest of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business and conduct; and
- f) the need to act fairly as between the company's owners.

To discharge their section 172(1) duties, the Board had regard to the factors set out above, together with the club's values, in making the principal decisions taken by the company.

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

Mr S Hallett
Chairman

Date: 14 November 2023

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

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

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £3,446,715 (2022: loss £240,453).

No ordinary dividends were paid. No dividend is recommended.

DIRECTORS

The Directors who served during the year were:

Mr P M Berne

Mrs J L I Chafer

Mr T East

Mr S Hallett

Mr R A Holliday

Mr J P Morgan

Mr A Parkinson

Mr M Mincberg (appointed 12 August 2022, resigned 28 July 2023)

Mr N Giannotti (appointed 15 September 2022)

FUTURE DEVELOPMENTS

In December 2019, the directors and management formulated a clear mission for the Club, consistent with our previously communicated Vision and Values. Our Vision is to be a successful football club, supported or respected by everybody in the South West and many beyond. At that point, we defined a successful football club as being one that was a sustainable Championship club within five years.

Following promotion to the Championship during the year under review, attention turned to how the Club can evolve that strategy and look forward with further optimism for the next five years to continue to grow our football club. The new Mission set by the Board is to be "a sustainable top six Championship club within five years, with Premier League aspirations".

To help us achieve this stated aim, we will continue to invest in key areas to provide the Club with a platform for long term sustainability and success. This is evident with projects like Brickfields and the ongoing investment around Home Park. Our Vision and Values will remain unchanged.

We are excited about the future of Argyle.

ENGAGEMENT WITH EMPLOYEES

The club places considerable value on engagement with its employees and, within limits of commercial confidentiality, has continued to keep them fully informed of matters that affect progress of the company and that may be of interest to them as employees.

The club is committed to inclusion and works to eliminate discrimination, so that employees can work in a diverse environment free from intimidation, victimisation or harassment.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

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

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

Engagement with the Company's stakeholders is a key component of club operations. This is achieved by:

- Suppliers - Engaging closely with suppliers via a detailed and transparent tender process, pre-start meetings and monthly progress meetings, using fair contract terms, paying promptly and providing safe working conditions. Using local suppliers where possible, whose values align with our own.
- Fans - Satisfying our fans and supporters is a top priority. Our relationship with them is both open and welcoming.
- Communities - We are committed to serving the community in which we live and work, and intend Plymouth Argyle to be a good representative for Plymouth and the wider South West.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION

In accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 we disclose our UK energy and Greenhouse Gas emissions:

UK GHG Emissions & Energy consumption - Financial Year ending 30 June 2023

	2023	2022
Total Energy Consumption	kWh	kWh
	<u>1,165,794</u>	<u>1,117,341</u>
	2023	2022
GHG Emissions CO₂ equivalent	metric tonnes	metric tonnes
Natural Gas (Scope 1)	57.77	56.36
Electricity purchased (Scope 2)	140.48	145.92
Fuel used in transport (Scope 1 and 3)	43.86	12.56
Total gross CO ₂ e emissions	<u>242.11</u>	<u>214.84</u>
Intensity Ratios		
metric tonnes CO ₂ e per employee	<u>0.65</u>	<u>0.72</u>
metric tonnes CO ₂ e per £m of revenue	<u>16.51</u>	<u>18.98</u>

Methodology

Greenhouse gas emissions are reported in gross tonnes CO₂ equivalent in line with the requirements set out in the UK Government's Environmental Reporting Guidelines (March 2019 version) and use the UK Government GHG (Green House Gas) Conversion Factors for Company Reporting (2023 version 1.1). The operational control approach for the club's UK activities has been applied and is guided by the GHG Protocol – Corporate Standard (revised edition).

Emissions from electricity are location based and report grid purchased electricity (Scope 2) only. Natural gas emissions are calculated based on Gross Calorific Values and transport on Net Calorific Values. Energy consumption is based on supplier's invoices and include a limited number of estimated meter readings.

Transport energy includes fuel used in club (Scope 1) and employees' vehicles used for business purposes (Scope 3).

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

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

Energy efficiency action within the reporting year

The following actions have been taken during the financial year ended 30 June 2023:

- Partnered with Event Cup Solutions to reduce single use plastic on matchdays.
- Rainwater harvesting system installed in Beacon Electrical Mayflower Grandstand.
- 200 KW solar PV system installed at Home Park. Generating circa 25% of energy demand.
- Procurement of 100% clean renewable energy, backed by clean UK REGO's from Wind, Solar and Hydro generation.
- Installed ten EV charging points at Home Park stadium.
- Continued to reduce the proportion of paper tickets in favour of digital.
- Undertook programme of landscaping and tree planting around Home Park stadium.
- Installed flush sensors on all urinals at Home Park stadium to reduce water consumption.

Climate Change Targets

The club remains committed to halving our emissions by 2030, with a long-term target of achieving net zero by 2050. We are signatories to the Network Net Zero Community, which is aligned to the United Nations' Race to Zero initiative.

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

On 3 May 2023, the Company entered into a share subscription agreement with its investors for funding of up to approximately £11,000,000 by way of a rights issue of 14,588,762 'A' Shares. The first tranche of the share issue completed on 2 November 2023, the second tranche will be completed on 31 March 2024.

AUDITORS

The auditors, Bishop Fleming LLP, 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.

Mr S Hallett
Chairman

Date: 14 November 2023

Home Park
Plymouth
Devon
PL2 3DQ

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023**

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

OPINION

We have audited the financial statements of Plymouth Argyle 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, Analysis of Net Debt, 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.

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.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED (CONTINUED)

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 8, 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 PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED (CONTINUED)

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:

- We have considered the nature of the sector, control environment, and financial performance;
- We have considered the results of enquiries with management and the directors in relation to their own identification and assessment of the risks of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- We have obtained and reviewed the entity's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the entity for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut-off and completeness of funding. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the entity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the entity's ability to operate or avoid a material penalty. These included the data protection legislation, health and safety regulations, employment law, food hygiene, alcohol licensing, EFL rules and regulations, and FA regulations.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management in relation to actual and potential claims or litigation;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around the year-end cut off and completeness of funding; and

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED (CONTINUED)

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with regulation, will be detected by us. This risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve 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.

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.

Kevin Connor FCA (Senior statutory auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

14 November 2023

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £	2022 £
Turnover	4	14,662,265	11,318,718
Cost of sales		(14,146,885)	(8,737,569)
GROSS PROFIT		515,380	2,581,149
Administrative expenses		(4,450,935)	(3,287,126)
Other operating income	5	364,358	448,830
OPERATING LOSS	6	(3,571,197)	(257,147)
Interest receivable and similar income	10	124,482	4,609
LOSS BEFORE TAX		(3,446,715)	(252,538)
Tax on loss	11	-	12,085
LOSS FOR THE FINANCIAL YEAR		(3,446,715)	(240,453)

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 18 to 33 form part of these financial statements.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED
REGISTERED NUMBER:07796376

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Intangible assets	12	3,406,217	78,891
Tangible assets	13	12,884,981	11,679,829
		<u>16,291,198</u>	<u>11,758,720</u>
CURRENT ASSETS			
Stocks	14	695,872	287,505
Debtors: amounts falling due within one year	15	1,284,216	961,778
Bank and cash balances		5,345,000	6,805,306
		<u>7,325,088</u>	<u>8,054,589</u>
Creditors: amounts falling due within one year	16	(7,699,398)	(4,392,140)
NET CURRENT (LIABILITIES)/ASSETS		(374,310)	3,662,449
TOTAL ASSETS LESS CURRENT LIABILITIES		15,916,888	15,421,169
Creditors: amounts falling due after more than one year	17	(95,569)	(153,132)
NET ASSETS		15,821,319	15,268,037
CAPITAL AND RESERVES			
Called up share capital	20	25,219,298	21,219,301
Share premium account	21	1,030,409	1,030,409
Profit and loss account	21	(10,428,388)	(6,981,673)
		<u>15,821,319</u>	<u>15,268,037</u>

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

Mr S Hallett
Chairman

Date: 14 November 2023

The notes on pages 18 to 33 form part of these financial statements.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

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

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 July 2022	21,219,301	1,030,409	(6,981,673)	15,268,037
Loss for the year	-	-	(3,446,715)	(3,446,715)
Shares issued during the year	3,999,997	-	-	3,999,997
AT 30 JUNE 2023	25,219,298	1,030,409	(10,428,388)	15,821,319

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 July 2021	21,219,301	1,030,409	(6,741,220)	15,508,490
Loss for the year	-	-	(240,453)	(240,453)
AT 30 JUNE 2022	21,219,301	1,030,409	(6,981,673)	15,268,037

The notes on pages 18 to 33 form part of these financial statements.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

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

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial year	(3,446,715)	(240,453)
ADJUSTMENTS FOR:		
Amortisation of intangible assets	837,842	225,046
Depreciation of tangible assets	907,859	785,151
Profit on disposal of fixed assets	(286,830)	(382,122)
Interest received	(124,482)	(4,609)
Taxation charge	-	(12,085)
(Increase) in stocks	(408,367)	(71,491)
(Increase) in debtors	(322,438)	(295,583)
Increase in creditors	3,305,641	393,735
NET CASH GENERATED FROM OPERATING ACTIVITIES	462,510	397,589
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible fixed assets	(4,198,130)	(45,460)
Net proceeds on disposal of intangible assets	319,792	517,250
Purchase of tangible fixed assets	(2,113,011)	(792,141)
Interest received	124,482	4,609
NET CASH FROM INVESTING ACTIVITIES	(5,866,867)	(315,742)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of ordinary shares	3,999,997	-
Other new loans	-	23,097
Repayment of other loans	(65,089)	(39,800)
Repayment of finance leases	(10,857)	(11,941)
New finance leases	20,000	-
NET CASH FROM FINANCING ACTIVITIES	3,944,051	(28,644)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,460,306)	53,203
Cash and cash equivalents at beginning of year	6,805,306	6,752,103
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	5,345,000	6,805,306
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	5,345,000	6,805,306
	5,345,000	6,805,306

The notes on pages 18 to 33 form part of these financial statements.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 JUNE 2023**

	At 1 July 2022 £	Cash flows £	New finance leases £	Other non- cash changes £	At 30 June 2023 £
Cash at bank and in hand	6,805,306	(1,460,306)	-	-	5,345,000
Debt due after 1 year	(138,456)	-	-	65,489	(72,967)
Debt due within 1 year	(39,800)	39,800	-	(40,200)	(40,200)
Finance leases	(28,491)	10,857	(20,000)	-	(37,634)
	<u>6,598,559</u>	<u>(1,409,649)</u>	<u>(20,000)</u>	<u>25,289</u>	<u>5,194,199</u>

The notes on pages 18 to 33 form part of these financial statements.

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

1. GENERAL INFORMATION

The Company is a private company limited by shares, registered in England and Wales. The registered number is 07796376. The address of the registered office is Home Park, Plymouth, PL2 3DQ.

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 judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 GOING CONCERN

In assessing the appropriateness of the going concern assumption, management has produced detailed cash flow forecasts, considering all reasonably foreseeable potential scenarios and material uncertainties in relation to income and costs. Under all of these scenarios, the Club can meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of these financial statements.

The directors have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

2.3 REVENUE RECOGNITION

Season ticket and sponsorship income is recognised as and when matches are played. Any income relating to matches unplayed at the year end is included within deferred income.

Central distributions from the Football Association and English Football League are recognised in the Statement of comprehensive income in the relevant financial period for the season to which the income relates.

All other income is recognised on the provision of service or transfer of economic benefit.

2.4 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.

2.5 INTEREST INCOME

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

2.6 BORROWING COSTS

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

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

2. ACCOUNTING POLICIES (continued)

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.

MULTI-EMPLOYER PENSION PLAN

The Company is a member of a multi-employer plan. It is not possible to identify the Company's share of the underlying assets and liabilities of the scheme and it is therefore accounted for as if it were a defined contribution scheme. The assets of the scheme are held separately from those of the company, being invested with an insurance company. Contributions to the scheme are based on actuarial advice, and charged to the profit and loss account as they become payable. The company continues to make contributions in respect of its share of the deficit of the defined benefit section of the Football League Limited Pension and Life Assurance Scheme. As one of the participating employees the company is advised only of its share of the scheme deficit and recognises a liability in respect of this.

2.8 TAXATION

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.

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

2. ACCOUNTING POLICIES (continued)

2.9 INTANGIBLE ASSETS

GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

OTHER 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.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
Trademarks	-	10	years

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.

Assets under construction are not depreciated until construction has been completed and they are brought into use.

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

2. ACCOUNTING POLICIES (continued)

2.10 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 straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2%
Long-term leasehold property	- 65 years
Plant and machinery	- 5%
Motor vehicles	- 20%
Fixtures and fittings	- 20%
Football centre pitches	- 20%

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.

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Company are assigned to those units.

2.11 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 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.

2.12 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.

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

2. ACCOUNTING POLICIES (continued)

2.13 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.

2.14 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.

2.15 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 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.

2.16 BUSINESS COMBINATIONS

Acquisition of trade and assets is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition date fair value of assets transferred and liabilities incurred. The identifiable assets acquired and liabilities assumed are principally measured at acquisition date fair value. Acquisition costs incurred are expensed. Any contingent consideration to be transferred by the acquirer is recognised at acquisition date fair value.

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

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The assessment of the useful economic life and residual value of the Company's intangible assets involves an element of judgement based on historical experience with similar assets as well as anticipation of future events which may impact their useful life. The Company undertakes a review of the remaining useful lives of assets each year and will reduce the remaining useful lives, or impair where necessary.

4. TURNOVER

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

	2023 £	2022 £
Ticket sales	4,550,413	3,936,047
Hospitality and venue income	3,295,126	1,899,162
Sponsorship and advertising	1,105,033	665,228
Academy	573,578	566,018
Retail	1,808,343	1,236,199
Football League	1,889,167	2,289,632
Memberships, streaming and advertising	1,073,022	653,825
Other	367,583	72,607
	14,662,265	11,318,718

All turnover arose within the United Kingdom.

5. OTHER OPERATING INCOME

	2023 £	2022 £
Government grants receivable	-	1,989
Insurance claims receivable	77,528	-
Profit on disposal of intangible assets	286,830	446,841
	364,358	448,830

Government grants receivable relate to support received by the club under the government's COVID-19 furlough scheme, and support received from the local council due to COVID-19.

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

6. OPERATING LOSS

The operating loss is stated after charging:

	2023	2022
	£	£
Depreciation	907,859	783,634
Amortisation	837,842	225,046
Other operating lease rentals	2,894	4,545
	<u><u> </u></u>	<u><u> </u></u>

7. AUDITORS' REMUNERATION

During the year, the Company obtained the following services from the Company's auditors and their associates:

	2023	2022
	£	£
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	16,650	14,500

FEES PAYABLE TO THE COMPANY'S AUDITORS AND THEIR ASSOCIATES IN RESPECT OF:

Taxation compliance services	1,120	925
Other services relating to taxation	4,550	4,500
All other services	4,500	2,000
	<u><u> </u></u>	<u><u> </u></u>

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

8. EMPLOYEES

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

	2023 £	2022 £
Wages and salaries	8,325,115	5,464,522
Social security costs	724,762	466,864
Cost of defined contribution scheme	74,385	86,018
	<u>9,124,262</u>	<u>6,017,404</u>

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

	2023 No.	2022 No.
Players	41	40
Academy employees	45	37
Match day employees	108	104
Retail employees	22	25
Hospitality employees	89	75
Administration employees	60	54
Football centre employees	6	-
	<u>371</u>	<u>335</u>

9. DIRECTORS' REMUNERATION

	2023 £	2022 £
Directors' emoluments	192,264	190,760
Company contributions to defined contribution pension schemes	5,768	5,723
	<u>198,032</u>	<u>196,483</u>

During the year retirement benefits were accruing to one Director (2022: one) in respect of defined contribution pension schemes.

10. INTEREST RECEIVABLE

	2023 £	2022 £
Other interest receivable	124,482	4,609
	<u>124,482</u>	<u>4,609</u>

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

	2023	2022
	£	£
CORPORATION TAX		
Current tax on profits for the year	-	(12,085)
	<u> </u>	<u> </u>

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	2022
	£	£
Loss on ordinary activities before tax	(3,446,715)	(252,538)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2022: 19%)	(706,577)	(47,982)
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,542	5,629
Non-tax deductible depreciation of tangible fixed assets	(12,425)	2,086
Remeasurement of deferred tax for changes in tax rates	(156,970)	(10,059)
Deferred tax not recognised	871,430	41,910
Other differences leading to an increase (decrease) in the tax charge	-	(3,669)
TOTAL TAX CHARGE FOR THE YEAR	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**
12. INTANGIBLE ASSETS

	Trademarks £	Players £	Goodwill £	Total £
COST				
At 1 July 2022	100,002	217,127	3,462,031	3,779,160
Additions	-	964,636	3,233,494	4,198,130
Disposals	-	(97,916)	-	(97,916)
At 30 June 2023	<u>100,002</u>	<u>1,083,847</u>	<u>6,695,525</u>	<u>7,879,374</u>
AMORTISATION				
At 1 July 2022	100,002	138,236	3,462,031	3,700,269
Charge for the year on owned assets	-	178,389	659,453	837,842
On disposals	-	(64,954)	-	(64,954)
At 30 June 2023	<u>100,002</u>	<u>251,671</u>	<u>4,121,484</u>	<u>4,473,157</u>
NET BOOK VALUE				
At 30 June 2023	<u>-</u>	<u>832,176</u>	<u>2,574,041</u>	<u>3,406,217</u>
At 30 June 2022	<u>-</u>	<u>78,891</u>	<u>-</u>	<u>78,891</u>

Contingent consideration of £500k has been recognised in the current year and is included in Goodwill additions. This charge relates to the original acquisition of the Football Club in 2011 and has only crystallised following the clubs successful promotion to the Championship. As the Goodwill relating to the original acquisition had already been fully amortised, the additional consideration has been fully amortised to the income statement in the year.

PLYMOUTH ARGYLE FOOTBALL CLUB LIMITED

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Long- term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Football centre pitches £	Assets under construction £	Total £
COST								
At 1 July 2022	8,484,146	1	1,180,415	114,609	3,223,924	-	954,548	13,957,643
Additions	760,166	88,747	41,450	52,654	366,982	179,750	623,262	2,113,011
Transfers between classes	808,859	-	-	-	333,266	-	(1,142,125)	-
At 30 June 2023	<u>10,053,171</u>	<u>88,748</u>	<u>1,221,865</u>	<u>167,263</u>	<u>3,924,172</u>	<u>179,750</u>	<u>435,685</u>	<u>16,070,654</u>
DEPRECIATION								
At 1 July 2022	453,400	-	146,251	48,487	1,629,676	-	-	2,277,814
Charge for the year on owned assets	176,267	796	58,930	29,630	621,265	20,971	-	907,859
At 30 June 2023	<u>629,667</u>	<u>796</u>	<u>205,181</u>	<u>78,117</u>	<u>2,250,941</u>	<u>20,971</u>	<u>-</u>	<u>3,185,673</u>
NET BOOK VALUE								
At 30 June 2023	<u>9,423,504</u>	<u>87,952</u>	<u>1,016,684</u>	<u>89,146</u>	<u>1,673,231</u>	<u>158,779</u>	<u>435,685</u>	<u>12,884,981</u>
At 30 June 2022	<u>8,030,746</u>	<u>1</u>	<u>1,034,164</u>	<u>66,122</u>	<u>1,594,248</u>	<u>-</u>	<u>954,548</u>	<u>11,679,829</u>

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

13. TANGIBLE FIXED ASSETS (CONTINUED)

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

	2023 £	2022 £
Freehold	9,423,504	8,030,746
Long leasehold	87,952	1
	<u>9,511,456</u>	<u>8,030,747</u>

14. STOCKS

	2023 £	2022 £
Finished goods and goods for resale	695,872	287,505
	<u>695,872</u>	<u>287,505</u>

15. DEBTORS

	2023 £	2022 £
Trade debtors	955,495	472,625
Prepayments and accrued income	300,909	461,341
Tax recoverable	27,812	27,812
	<u>1,284,216</u>	<u>961,778</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other loans	40,200	39,800
Trade creditors	2,670,498	715,764
Other taxation and social security	567,362	346,750
Obligations under finance lease and hire purchase contracts	15,032	13,815
Other creditors	561,210	622,982
Accruals and deferred income	3,845,096	2,653,029
	<u>7,699,398</u>	<u>4,392,140</u>

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 loans	72,967	138,456
Net obligations under finance leases and hire purchase contracts	22,602	14,676
	<u>95,569</u>	<u>153,132</u>

18. LOANS

Analysis of the maturity of loans is given below:

	2023 £	2022 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Other loans	40,200	39,800
AMOUNTS FALLING DUE 1-2 YEARS		
Other loans	72,967	138,456
	<u>113,167</u>	<u>178,256</u>

Within other loans, £40,200 (2022: £80,000) relates to a Coronavirus Support Loan provided by the English Football league in the 2021. No interest is charged on this loan.

The other loan of £72,967 (2022: £98,256) is the pension loan deficit for the clubs defined benefit scheme, which is no longer running. Interest is charged in relation to unwinding the discount rate. Movements for changes in assumptions and the contribution schedule are calculated each year and the liability updated accordingly.

19. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Within one year	15,032	13,812
Between 1-5 years	22,602	14,676
	<u>37,634</u>	<u>28,488</u>

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

20. SHARE CAPITAL

	2023 £	2022 £
ALLOTTED, CALLED UP AND FULLY PAID		
21,219,301 (2022: 21,219,301) Ordinary shares of £1.000000 each	21,219,301	21,219,301
5,305,000 (2022: 0) A Ordinary shares of £0.754005 each	3,999,997	-
	25,219,298	21,219,301

On 2 August 2022, the Company issued 5,305,000 'A' Shares to Argyle Green, LLC, in exchange for payment of £3,999,997.

21. RESERVES

Share premium account

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss account

Cumulative profit and loss net of distributions to owners.

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

22. BUSINESS COMBINATIONS

Plymouth Argyle Football Club Limited acquired the trade and assets of Goals Plymouth from Northwind 5S Limited, on 23 December 2022 for a consideration of £3,039,744. The business combination has been accounted for under the acquisition method. No adjustments were required to the asset values on acquisition.

ACQUISITION OF TRADE AND ASSETS FROM NORTHWIND 5S LIMITED

RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

	Fair value £
FIXED ASSETS	
Tangible	306,250
TOTAL IDENTIFIABLE NET ASSETS	<u>306,250</u>
Goodwill	2,733,494
TOTAL PURCHASE CONSIDERATION	<u>3,039,744</u>
CONSIDERATION	
	£
Cash	<u>3,039,744</u>
CASH OUTFLOW ON ACQUISITION	
	£
Purchase consideration settled in cash, as above	<u>3,039,744</u>

23. 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 £74,385 (2022: £38,828). Contributions totaling £28,528 (2022: £23,348) were payable to the fund at the reporting date and are included in creditors.

The Company is also a member of the multi-employer Football League Limited Pension and Life Assurance defined benefit scheme. It is not possible to identify its share of the assets and liabilities, and therefore to allocate any actuarial surplus or deficit on a consistent basis; consequently contributions are expensed in the profit and loss account as they become payable. The assets of the scheme are held separately from those of the company in an independently administered fund. A liability of £98,265 (2022: £120,961) was payable at the reporting date and is included in creditors. A pension cost charge of £Nil (2022: £47,190) has been included in the profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**
24. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	89,002	2,894
Later than 1 year and not later than 5 years	337,665	2,170
Later than 5 years	4,954,855	-
	5,381,522	5,064

Following the acquisition of the Goals Soccer Centre trade and assets, the Company has entered into a lease for the related land and buildings. The lease had a remaining term of 65 years at the year end date and rent is payable at £82,975 per annum.

25. RELATED PARTY TRANSACTIONS

No related party transactions or balances exist for the year ended 30 June 2023.

Key management personnel

The directors, who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be the key management personnel. Their remuneration is disclosed in note 9.

26. POST BALANCE SHEET EVENTS

On 3 May 2023, the Company entered into a share subscription agreement with its investors for funding of up to approximately £11,000,000 by way of a rights issue of 14,588,762 'A' Shares. The first tranche of the share issue completed on 2 November 2023, the second tranche will be completed on 31 March 2024.

27. CONTROLLING PARTY

The ultimate controlling party is Mr S Hallett.