

Company Registration No. 06749160 (England and Wales)

**HARBOROUGH TOWN TRADING LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2019**

# HARBOROUGH TOWN TRADING LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr L C Jones Mr A K Winston Mr M S Dougan
<b>Secretary</b>	Mr M S Dougan
<b>Company number</b>	06749160
<b>Registered office</b>	Bowden House 36 Northampton Road Market Harborough Leicestershire LE16 9HE
<b>Accountants</b>	Berry Accountants Ltd Bowden House 36 Northampton Road Market Harborough Leicestershire LE16 9HE

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# HARBOROUGH TOWN TRADING LIMITED

## CONTENTS

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	<b>Page</b>
Directors' report	1 - 2
Accountants' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 9

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# HARBOROUGH TOWN TRADING LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MAY 2019**

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The directors present their report and financial statements for the year ended 31 May 2019.

### Principal activities

The principal activity of the company continued to be that of a football club. Profits generated by the company from its bar and hire activities are donated to its parent charity company.

### Directors

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

Mr L C Jones  
Mr A K Winston  
Mr M S Dougan

### Results and dividends

Sales increased significantly in the period to £256,255 (2018 - £167,543) a direct result of increased commercial activities. The commercial arm of the club saw increased income from function room hire, sponsorship and bar and catering. The income from the existing all weather pitch remained consistent.

Gross profit also increased to £152,483 (2018 - £102,300) however the overall margin fell from 61% to 59%. The gross profit margin on the hire of the all weather pitch at 94% (2018 - 97%) is significantly higher than the margin achieved on any of the other income streams. The vast majority of sponsorship income relates to the cost of providing kit and uniforms for the teams and the increase is very welcome. The effect of the increasing sponsorship income versus the cost of kit and uniforms contributes to the lower margins achieved overall, but should be viewed in a negative manner. The bar and catering margins remained consistent at 32% .

Bar and catering sales increased by 45% whilst purchases increased by 54%. Casual staffing costs to run the bar and catering facility increased £3,243 reflecting the increased demand, however staff numbers remained consistent at an average of 12 (2018 - 12), This is welcome as the club generates work for existing members of the club and the general community.

Administration expenses increased by £52,844 in line with the increased turnover. Charitable donations of £83,300 (2018- £43,000) were made to the Community Trust.

Profit before donations for the year were £83,514 (2018 - £48,067).

Viewing the balance sheet, we are happy to report that the stock relating to the small amounts of beer, wines and spirits held has remained at a consistent level reducing any potential wastage.

Debtors have increased as the business model moves towards monthly billing for the hire of the facilities rather than dealing in weekly cash payments, these are well managed with no bad debts. Cash balances were reduced in the year £12,209 (2018- £22,584), largely as a result of donations to the Charity and payment of trade creditors which fell by some £9,678.

As stated in the previous year, the Directors are working hard to maintain the standard of the facilities now that the company is operating in a stable financial environment. We will continue to assess the list of capital spend that is required to maintain and improve our club, ensuring health and safety matters are prioritised.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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# HARBOROUGH TOWN TRADING LIMITED

## DIRECTORS' REPORT (CONTINUED) *FOR THE YEAR ENDED 31 MAY 2019*

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On behalf of the board

Mr L C Jones  
**Director**

16 December 2019

# HARBOROUGH TOWN TRADING LIMITED

## CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF HARBOROUGH TOWN TRADING LIMITED FOR THE YEAR ENDED 31 MAY 2019

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Harborough Town Trading Limited for the year ended 31 May 2019 set out on pages 4 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Harborough Town Trading Limited, as a body, in accordance with the terms of our engagement letter dated 25 September 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Harborough Town Trading Limited and state those matters that we have agreed to state to the Board of Directors of Harborough Town Trading Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Harborough Town Trading Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Harborough Town Trading Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Harborough Town Trading Limited. You consider that Harborough Town Trading Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Harborough Town Trading Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Berry Accountants Ltd**

16 December 2019

**Chartered Accountants**

Bowden House  
36 Northampton Road  
Market Harborough  
Leicestershire  
LE16 9HE

# HARBOROUGH TOWN TRADING LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2019

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	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	256,255	167,543
Cost of sales	(103,772)	(65,243)
	<hr/>	<hr/>
<b>Gross profit</b>	152,483	102,300
Administrative expenses	(153,716)	(100,872)
Other operating income	1,441	3,637
	<hr/>	<hr/>
<b>Operating profit</b>	208	5,065
Interest receivable and similar income	6	2
	<hr/>	<hr/>
<b>Profit before taxation</b>	214	5,067
Tax on profit	3	(676)
	<hr/>	<hr/>
<b>Profit for the financial year</b>	<u>1,485</u>	<u>4,391</u>

# HARBOROUGH TOWN TRADING LIMITED

## BALANCE SHEET

AS AT 31 MAY 2019

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	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	4		12,953		14,115
<b>Current assets</b>					
Stocks		750		750	
Debtors	5	6,794		4,845	
Cash at bank and in hand		12,209		22,584	
		<u>19,753</u>		<u>28,179</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(26,085)</u>		<u>(35,887)</u>	
<b>Net current liabilities</b>			(6,332)		(7,708)
<b>Total assets less current liabilities</b>			<u>6,621</u>		<u>6,407</u>
<b>Provisions for liabilities</b>			(325)		(1,596)
<b>Net assets</b>			<u>6,296</u>		<u>4,811</u>
<b>Capital and reserves</b>					
Called up share capital	7		1		1
Profit and loss reserves			6,295		4,810
<b>Total equity</b>			<u>6,296</u>		<u>4,811</u>

For the financial year ended 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 16 December 2019 and are signed on its behalf by:

Mr L C Jones  
**Director**

**Company Registration No. 06749160**



# HARBOROUGH TOWN TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MAY 2019**

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### 1 Accounting policies

#### Company information

Harborough Town Trading Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bowden House, 36 Northampton Road, Market Harborough, Leicestershire, LE16 9HE.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a small company. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Harborough Town Trading Limited is a wholly owned subsidiary of Harborough Town Community Trust and the results of Harborough Town Trading Limited are not included in the financial statements of Harborough Town Community Trust. Both the company and the group qualify as small and are entitled to exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods relates to bar and catering sales. Revenue is recognised on a receipts basis.

Revenue from the hire of property including pitches is recognised at the date of usage.

#### 1.3 Tangible fixed assets

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

# HARBOROUGH TOWN TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

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### 1 Accounting policies

(Continued)

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

Plant and machinery	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises direct purchase cost of goods purchased for resale.

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

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.7 Equity instruments

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.8 Taxation

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

##### **Current tax**

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

# HARBOROUGH TOWN TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2018 - 12).

### 3 Taxation

	2019	2018
	£	£
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,271)	676

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 June 2018	26,036
Additions	3,151
At 31 May 2019	29,187
<b>Depreciation and impairment</b>	
At 1 June 2018	11,921
Depreciation charged in the year	4,313
At 31 May 2019	16,234
<b>Carrying amount</b>	
At 31 May 2019	12,953
At 31 May 2018	14,115

# HARBOROUGH TOWN TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2019

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<b>5 Debtors</b>	<b>2019</b>	<b>2018</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	4,609	1,375
Other debtors	2,185	3,470
	<u>6,794</u>	<u>4,845</u>

<b>6 Creditors: amounts falling due within one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	6,866	16,544
Amounts owed to group undertakings	7,966	14,643
Taxation and social security	2,231	318
Other creditors	9,022	4,382
	<u>26,085</u>	<u>35,887</u>

<b>7 Called up share capital</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital Issued and fully paid</b>		
1 Ordinary of £1 each	1	1
	<u>1</u>	<u>1</u>

## **8 Related party transactions**

### **Transactions with related parties**

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

During the year the company donated £83,300 (2018 - £43,000) to Harborough Town Community Trust its parent company.

The following amounts were outstanding at the reporting end date:

<b>Amounts due to related parties</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Harborough Town Community Trust	7,966	14,643
	<u>7,966</u>	<u>14,643</u>

## **9 Parent company**

The company is controlled by Harborough Town Community Trust.

**HARBOROUGH TOWN TRADING LIMITED**

**DETAILED ACCOUNTS**

**FOR THE YEAR ENDED 31 MAY 2019**

**THE FOLLOWING PAGES  
DO NOT FORM PART OF THE STATUTORY ACCOUNTS**

# HARBOROUGH TOWN TRADING LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2019

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		2019		2018
	£	£	£	£
<b>Turnover</b>				
Income from hire of function rooms		12,565		8,919
Income from hire of AWP		106,475		71,464
Sponsorship income		20,254		16,934
Grant income		11,029		-
Income from bars & catering		101,601		70,226
Shop income		3,782		-
Advertising Boards		549		-
<b>Cost of sales</b>				
AWP Maintenance	6,644		2,022	
Kit, equipment & other costs	26,562		13,312	
Beers, wines and spirits	49,227		31,859	
Sundries for functions	2,396		2,350	
Staff wages ( Bar )	18,943		15,700	
		<u>(103,772)</u>		<u>(65,243)</u>
<b>Gross profit</b>	59.50%	152,483	61.06%	102,300
<b>Other operating income</b>				
Sundry income		1,441		3,637
<b>Administrative expenses</b>				
Water rates after invoice write off	224		1,614	
Power, light and heat	17,708		16,535	
Property repairs and maintenance	28,981		23,201	
Computer running costs	749		-	
Travelling expenses	406		331	
Professional subscriptions	41		-	
Legal and professional fees	5,300		5,548	
Charitable donations	83,300		43,000	
Bank charges	1,986		1,062	
Printing, stationery and telephone	3,430		1,245	
Advertising	3,624		2,770	
Entertaining	175		463	
Sundry expenses	1,445		437	
Disallowed input VAT	2,034		(38)	
Depreciation	4,313		4,704	
		<u>(153,716)</u>		<u>(100,872)</u>
<b>Operating profit</b>		208		5,065
<b>Interest receivable and similar income</b>				
Bank interest received	6		2	
		<u>6</u>		<u>2</u>

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# HARBOROUGH TOWN TRADING LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

*FOR THE YEAR ENDED 31 MAY 2019*

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	£	2019 £	£	2018 £
Profit before taxation	0.08%	<u>214</u>	3.02%	<u>5,067</u>

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