

Company Registration No. 06749160 (England and Wales)

HARBOROUGH TOWN TRADING LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

HARBOROUGH TOWN TRADING LIMITED

COMPANY INFORMATION

Directors	Mr L C Jones Mr A K Winston Mr M S Dougan Ms S J Brewin	(Appointed 16 October 2020)
Secretary	Mr M S Dougan	
Company number	06749160	
Registered office	Bowden House 36 Northampton Road Market Harborough Leicestershire LE16 9HE	
Accountants	Berry Accountants Ltd Bowden House 36 Northampton Road Market Harborough Leicestershire LE16 9HE	
Business address	124 Northampton Road Market Harborough Leicestershire LE16 9HF	

HARBOROUGH TOWN TRADING LIMITED

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HARBOROUGH TOWN TRADING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2020

The directors present their report and financial statements for the year ended 31 May 2020.

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.

Fair review of the business

The income account for the year ended 31 May 2020 is presented on page 5. The impact of the COVID-19 pandemic and restrictions imposed by the UK government are significant to the years results and the main points are covered below.

Overall turnover decreased in the year to £240,412 (2019 - £256,255). This was as a result of government restrictions imposed due to COVID-19 which saw falls in bar sales, function room hire, all weather pitch hire and sponsorship income. However turnover also includes a grant of £35,000 from Grantscape which was used to fund the refurbishment of the bar, create a physiotherapy room and pay for improved CCTV.

Gross profits also decreased to £140,364 (2019 - £152,483) although the overall margin reduced only slightly due to the grant received from Grantscape. Bar margins on fell as a result of wastage incurred when the bar was forced to close. The directors furloughed the staff affected by the bar closure and the furlough claims received in the year amounted to £2,627 and are reported in other operating income.

Overall Administration expenses decreased by £9,608 and they included the following costs. The renovation of the bar and other improvements at a total £56,897 (2019- £28,981). Charitable donations of £7,000 (2019- £83,300) were made to the Community Trust and in addition the company donated £12,500 (2019 - £Nil) to Harborough Town FC Limited. The company is committed to pay £10,000 per annum for the use of the new 4G all weather pitch and in the current year the rent charge was £9,167 (2019 - £Nil).

The profits for the year before the charitable donations were £19,969 (2019 - £83,514).

Viewing the company's Net asset position on the balance sheet on page 6 shows that stock relating to the small amounts of beer, wines and spirits remained low and trade debtors remained at a consistent level and no debts were suffered during the year. Cash balances increased in the year £53,942 (2019- £12,209) as a result of successfully applying for a bounce back loan of £50,000.

The impact of COVID-19 and the restrictions imposed by the government continue to cause severe reductions in turnover. The directors have taken advantage of all available support and are committed to providing a safe environment for all users and staff. The directors will also continue to assess the list of capital spend that is required to maintain and improve the club, ensuring health and safety matters are prioritised.

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

Ms S J Brewin

(Appointed 16 October 2020)

HARBOROUGH TOWN TRADING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

Small companies exemption

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

On behalf of the board

Mr L C Jones
Director

1 February 2021

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 2020

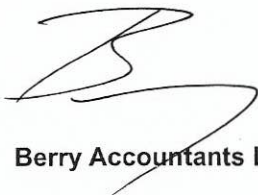
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Harborough Town Trading Limited for the year ended 31 May 2020 set out on pages 4 to 12 from the company's accounting records and from information and explanations 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 loss 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
Chartered Accountants

1 February 2021

Bowden House
36 Northampton Road
Market Harborough
Leicestershire
LE16 9HE

HARBOROUGH TOWN TRADING LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MAY 2020

	Notes	2020 £	2019 £
Turnover		240,411	256,255
Cost of sales		(100,048)	(103,772)
		<hr/>	<hr/>
Gross profit		140,363	152,483
Administrative expenses		(144,108)	(153,716)
Other operating income		4,059	1,441
		<hr/>	<hr/>
Operating profit		314	208
Interest receivable and similar income		13	6
Interest payable and similar expenses		(124)	-
		<hr/>	<hr/>
Profit before taxation		203	214
Tax on profit	3	(1,361)	1,271
		<hr/>	<hr/>
(Loss)/profit for the financial year		<u>(1,158)</u>	<u>1,485</u>

HARBOROUGH TOWN TRADING LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4		20,873		12,953
Current assets					
Stocks		750		750	
Debtors	5	8,403		6,794	
Cash at bank and in hand		53,687		12,209	
		<u>62,840</u>		<u>19,753</u>	
Creditors: amounts falling due within one year	6	(21,036)		(26,085)	
Net current assets/(liabilities)			41,804		(6,332)
Total assets less current liabilities			<u>62,677</u>		<u>6,621</u>
Creditors: amounts falling due after more than one year	7		(55,853)		-
Provisions for liabilities			(1,686)		(325)
Net assets			<u>5,138</u>		<u>6,296</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			5,137		6,295
Total equity			<u>5,138</u>		<u>6,296</u>

For the financial year ended 31 May 2020 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.

HARBOROUGH TOWN TRADING LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the board of directors and authorised for issue on 1 February 2021 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 2020

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 Going concern

Management has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern. The impact of COVID-19 on future performance and therefore on the measurement of some assets and liabilities or on liquidity might be significant and might therefore require disclosure in the financial statements, but management has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

1.3 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.

HARBOROUGH TOWN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

(Continued)

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.

1.4 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.

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.

1.5 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.

1.6 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.

1.7 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.

1.8 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.

1.9 Taxation

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

HARBOROUGH TOWN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

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.

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	15	12

3 Taxation

	2020 £	2019 £
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HARBOROUGH TOWN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

3 Taxation

(Continued)

	2020	2019
	£	£
Deferred tax		
Origination and reversal of timing differences	1,361	(1,271)

4 Tangible fixed assets

Plant and
machinery
etc
£

Cost	
At 1 June 2019	29,187
Additions	12,999
At 31 May 2020	42,186
Depreciation and impairment	
At 1 June 2019	16,234
Depreciation charged in the year	5,079
At 31 May 2020	21,313
Carrying amount	
At 31 May 2020	20,873
At 31 May 2019	12,953

Plant and machinery with a carrying amount of £7,031 (2019 - £nil) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	4,435	4,609
Other debtors	3,968	2,185
	8,403	6,794

HARBOROUGH TOWN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	4,740	6,866
Amounts owed to group undertakings	11,207	7,966
Taxation and social security	-	2,231
Other creditors	5,089	9,022
	<u>21,036</u>	<u>26,085</u>

7 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	50,000	-
Other creditors	5,853	-
	<u>55,853</u>	<u>-</u>

8 Operating lease commitments

Lessee

Harborough Town Trading Limited have entered a lease agreement with Harborough Town Community Trust to lease the 4G AWP for £10,000 p.a.

9 Events after the reporting date

The restrictions imposed by the UK government in response to the COVID-19 pandemic continue to impact on the revenues of Harborough Town Trading Limited. All government grants available were taken and the directors have reduced overheads where possible.

The consequence of restrictions on the economy as a whole and future demand for the companies services are unknown. No adjustment has been made in these accounts and the effects cannot currently be quantified.

10 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 £7,000 (2019 - £83,300) to Harborough Town Community Trust its parent company.

HARBOROUGH TOWN TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

10 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2020	2019
Amounts due to related parties	£	£
Harborough Town Community Trust	12,207	7,966
	<u>12,207</u>	<u>7,966</u>

11 Parent company

The company is controlled by Harborough Town Community Trust.

HARBOROUGH TOWN TRADING LIMITED

DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2020

**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 2020

	£	2020 £	£	2019 £
Turnover				
Income from hire of function rooms		10,029		12,565
Income from hire of AWP		82,428		106,475
Sponsorship income		14,466		20,254
Grant income		35,500		11,029
Income from bars & catering		92,554		101,601
Shop income		5,434		3,782
Advertising Boards		-		549
Cost of sales				
AWP Maintenance	5,106		6,644	
Kit, equipment & other costs	23,187		26,562	
Beers, wines and spirits	43,997		49,227	
Sundries for functions	999		2,396	
Staff wages (Bar)	26,187		18,943	
Staff welfare	572		-	
		(100,048)		(103,772)
Gross profit	58.38%	140,363	59.50%	152,483
Other operating income				
Government grants receivable and released	2,627		-	
Sundry income	1,432		1,441	
		4,059		1,441
Administrative expenses				
Rent re operating leases	9,167		-	
Water rates	294		224	
Power, light and heat	26,114		17,708	
Property repairs and maintenance	56,898		28,981	
Computer running costs	1,883		749	
Travelling expenses	291		406	
Professional subscriptions	1,288		41	
Legal and professional fees	2,438		5,300	
Charitable donations	19,765		83,300	
Bank charges	4,103		1,986	
Printing, stationery and telephone	4,540		3,430	
Advertising	2,296		3,624	
Entertaining	326		175	
Sundry expenses	1,668		1,445	
Disallowed input VAT	7,959		2,034	
Depreciation	5,078		4,313	
		(144,108)		(153,716)
Operating profit		314		208

HARBOROUGH TOWN TRADING LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

	£	2020 £	£	2019 £
Interest receivable and similar income				
Bank interest received	13		6	
	<u> </u>	13	<u> </u>	6
Interest payable and similar expenses				
Hire purchase interest payable		(124)		-
		<u> </u>		<u> </u>
Profit before taxation	0.08%	<u>203</u>	0.08%	<u>214</u>
