

**Somerset County Cricket Club Limited**

**Number 29995R**

**A Registered Society under the Co-Operative and Community Benefit  
Societies Act 2014**

**Accounts for the Year to 30 September 2019**

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2019**

#### Officers

Richard Parsons *	President - Resigned 28/01/19
Brian Rose*	President - Appointed 28/01/19
Charles Clark *	Chairman - Deceased (06/19)
Richard Brice *	Acting Chairman (06/19)
	Area Representative - Taunton
Andrew Hurry *	Director of Cricket
Andrew Cornish	Chief Executive
Malcolm Derry *	Honorary Treasurer - Resigned 28/01/19
Nick Farrant *	Honorary Treasurer - Appointed 01/04/19
Rosalie Fairbairn *	
Nick Engert *	
Peter Wanless *	
Christine Brewer	Area Representative – Bridgwater and West Somerset
Kevin Russell	Area Representative – Mid Somerset
David Foot	Area Representative – South Somerset & Dorset
Martin Parker	Area Representative – North Somerset & Bristol
John Scott	Area Representative – Weston-super-Mare
David Pope	Area Representative – Bath & Wiltshire
Eddie Dymond	Area Representative – Devon & Cornwall

\* - Member of Management Sub-Committee

#### Registered Office

The Cooper Associates County Ground  
St James's Street  
Taunton  
TA1 1JT

#### Auditors

MHA Monahans  
Rumwell Hall  
Rumwell  
Taunton  
TA4 1EL

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2019**

#### **Committee of Management's Responsibilities Statement**

The Co-operative and Community Benefit Societies Act 2014 require the committee of management to prepare financial statements for each financial year which give a true and fair view of the state of the club and of the income and expenditure of the club for the period. In preparing these financial statements, the committee of management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The committee of management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the club and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It has general responsibility for taking reasonable steps to safeguard the assets of the club and to prevent and detect fraud and other irregularities.

#### **Treasurer's Report**

The attached financial statements have been prepared in accordance with the Club Rules (as amended).

The Company is a registered society under the Co-Operative and Community Benefit Societies Act 2014.

The Committee confirm that the accounts are prepared on a going concern basis.

#### **Financial Review**

I am pleased to be able to report a 2019 financial performance with a surplus for the year before taxation of £301,145 compared to a 2018 surplus of £300,806 before taxation.

This report would, of course, be incomplete without paying tribute to the Club's chairman, great supporter and friend, Charles Clark who passed away in June. Our thoughts were, and remain with, Rebecca and the rest of their family. Regardless of the finances, the Club is a poorer place for this sad loss and those of others who have left us this year.

The financial results include the impact of hosting 3 ICC Cricket World Cup fixtures and the Women's Ashes Test Match, as well as the strong

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2019**

#### **Treasurer's Report continued**

performance of our own First XI including the Royal London One-Day Cup success and runners-up position in Division 1 of the Specsavers County Championship – all of which are tremendous tributes to our late chairman.

Away from the on-field matters the 2019 financial year has been, as has already been widely reported, one of both significant change and investment in the Club, the complexity of its operations, its management (at CEO, COO level) and its infrastructure.

The c£300k surplus, which has an underlying EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) of £593,861 (2018: £528,093) has been achieved whilst remaining committed to the key financial goals of the Club:

- o To meet our responsibilities in terms of debt management
- o To invest in the infrastructure of the Cooper Associates County Ground
- o To generate funds that will enable a significant investment in cricket

The goal set in previous years to operate within the Club's financial budgets (which are set towards the start of each financial year) was not achieved in the 2019 financial year principally because; a) the opportunity in respect of the ICC Cricket World Cup hosting (hospitality and catering) was not taken as fully as expected in financial terms (though it is noteworthy that the ground received outstanding visitor-experience reviews); b) the new retail offering (see below) was slower to develop than hoped; and c) expenditure in some areas – especially grounds maintenance and development for the benefit of members and visitors and support/administration costs- saw increases greater than those anticipated at the outset of the 2019 year. Moving forward, and having learned the lessons of 2019, the Club is combining a detailed strategy review amongst the senior management team with a detailed "bottom-up" budgeting process and looks forward to a robust and positive future.

#### **Income and Expenditure**

Total turnover for the year of £8,046,414 was £1,202,664 (17.6%) up on the prior year with the key drivers of the increase being as follows:

- o £766,446 arising from the hosting of the 3 ICC World Cup fixtures (which generated an income, net of direct expenditure, of £494,921). It should be noted that, due to the absence of certainty (as at 30 September 2019) of its value and timing, the County's ICC Cricket World Cup "profit-share", which will be received in the 2020 financial year, is not accrued for in these financial statements.

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2019**

#### **Treasurer's Report continued**

- Income received/recognised from the ECB of £2,605,768 was £318,368 on the prior year after appropriate release of and deferral to the balance sheet of income as well as cash receipts in the year. This includes the cricket prize funds received in the season
- Combined membership subscriptions and match receipts of £1,816,797 were £185,367 up on the prior year.

Commercial activities – including match day hospitality, sponsorship, executive boxes and advertising income – continue to make a positive contribution to the Club with turnover of £757,568 (2018: £717,316) and a net surplus for the year of £98,529 (2018: £159,865) after direct salaries and administrative expenses which saw an overall increase of £101,588 reflective of our investment in the commercial team and the systems they use. We feel that Somerset County Cricket Club continues to offer exceptional value to its commercial partners and enjoys a number of strong and long-lasting partnerships.

Similarly catering continues to contribute positively to the financial performance of the Club with turnover of £1,808,388 being largely in line with the prior year but, in common with many businesses in the South West hospitality and catering sector, with reduced margins as food and drink commodity and staffing costs continue to rise as we strive to maintain –and ideally improve– the experience for our members and visitors and efficiency of operations.

It will not have escaped the notice of those members and visitors to the Cooper Associates County Ground this year that the Club began operating its own retail store. In this first period of trading the shop recorded a modest net loss (£21,689) as is common with many start-up enterprises, however, and working in partnership with the Somerset County Sports Limited shop on site, the Club has learned the lessons and will be re-launching the shop for the 2020 financial year with a greater emphasis on our own branded replica kits and merchandise, lower cost base, and improved online retail functionality.

The Club has continued to invest in cricket with the total Cricket Costs rising, in accordance with the financial budget for the 2019 year, by £368,506 to £2,950,676. With salaries and associated costs from the professional playing and coaching staff rising to what we believe to be a sustainable, and competitive level amongst the other FCC's, of £2,677,773 for the year. Regional Academy expenditure remains largely in line with 2018 at £111,202.

The overall non-cricket expenditure (excluding expenditure directly attributable to the Cricket World Cup hosting, catering, retail and commercial activities) of £2,152,859 was £356,944 up on 2018. This

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2019**

#### **Treasurer's Report continued**

significant increase has been driven by the following matters arising during the year many of which will not be repeated to the same extent in future:

- o Necessary repairs to infrastructure such as those to the Ondaatje Stand and on the playing surface
- o Enhanced member and visitor experience including "Fan Village" on certain match-days, ground wide Wi-Fi
- o IT and telecommunications systems improvement
- o Increased utilities costs
- o Increased depreciation (net of grant amortisation) and finance costs commensurate with the grant and partially debt-funded ground investment activity during 2019
- o Investment in the administrative team through salaries and associated benefits costs in order to ensure we were and will be adequately resourced in light of the expanded and increasingly complex activities of the Club

The taxation charge for the year of £69,350 (2018: £54,823) is made up entirely (as set out in note 4 to the accounts) of a deferred tax movement relating to the variance between the treatment of investment in tangible fixed assets in the financial statements and, in accordance with legislation, the Corporation Tax computation. There is no Corporation Tax payment due to HMRC in respect of the 2019 financial year

#### **Balance Sheet**

The Club continues to be in possession of a strong balance sheet with a net asset value of £11,025,952 and this is a reflection of the £1,651,568 investment the Club has made in its infrastructure – in the 2018/19 financial year the floodlights and in previous recent years the development of the Somerset Pavilion.

The net current liabilities position of the Club of £834,633 (2018: £673,180) remains manageable within the trading terms of our counterparties and stakeholders and, to a large extent, is a function of the timing of the balance sheet being drawn-up and it is noted that consideration is being given to reviewing the accounting reference date of the Club.

The increase in net debt in the year is driven by the funding structure adopted in respect of the floodlight developments. We would look to settle the short-term bank loan in the 2020 financial year having re-assessed the original schedule for settlement during 2019.

#### **Summary, principal risks & uncertainties and future outlook**

The 2019 financial year was one of investment and change; original financial budgets set for the year were not met, however a very thorough

## Somerset County Cricket Club Limited

### Accounts for the Year to 30 September 2019

#### Treasurer's Report continued

review was undertaken during the summer as to the key drivers of this and an action plan developed and implemented in order to prepare us for the 2020 financial year and, importantly, learn the lessons in order to ensure that opportunities are maximised in future as we seek to match the successful performance of our cricketers with the financial performance of the Club.

The ambition of the Club remains to provide financial results that will enable us to further develop the Cooper Associates County Ground and other facilities, to reduce the levels of debt, to continue to invest in cricket, and to inspire the South West community within which we are proud to operate

We recognise that there are principal risks and uncertainties inherent within any business model and that the Club is no different in that respect.

- Rising salary costs -wage inflation amongst the cricketing and non-cricketing employees of the Club represents a principal risk where income cannot be increased. Allied to careful resource planning and recruitment, the Club continues to focus upon ensuring it offers the best possible employee benefits packages.
- Rising supply costs -most notably in the catering department- will continue to represent an issue for many businesses and we will focus upon cost and logistical efficiency of supply and reduction of wastage during the coming year.
- The loss of key management, staff and players- This remains a significant risk and, although we ensure the Club offers a full and appropriate range of benefits to our staff, we do recognise the need for, and have implemented, contingency plans where necessary. My thanks go to Malcolm Derry for the important interim role he has played since August.
- The need to maintain the highest possible standards of facilities for players, members and visitors at the Cooper Associates County Ground – aside from our people our ground is our greatest asset and it is vital that this is developed and maintained to the highest standard. Lack of investment could have a detrimental impact on the ability to generate income. To this end key projects will be undertaken in the new financial year – for example, and most immediately, the enhancement of the playing surfaces at Taunton Vale Sports Club, and
- the significant repair to parts of the Long Room balcony seating area on the Colin Atkinson Pavilion. However, any such expenditure needs to be carefully planned in the context of the operating results and cash flows.
-

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2019**

#### **Treasurer's Report continued**

- The financial impact upon the Club of The Hundred competition – we have clarity now in respect of the players "draft" and financial contributions due to the Club over the course of 2020, however what we can have no certainty of is how this new competition might impact our other incomes during the year. We are considering various scenarios for 2020 budgeting purposes.
- Professional cricket performance – We are proud of, and grateful for, our loyal membership however we do recognise that sustained under-performance of the First XI would impact attendances and potentially the strength of our brand. The financial performance of the club is therefore substantially linked to ensuring both investment and sustainably in our squad. We are pleased to report a successful period of player and coach contract negotiation/re-negotiation subsequent to the financial year end delivered by the Director of Cricket which has been achieved, to date, without significant cost increase.
- Wider economic and political uncertainty – We recognise that ongoing economic uncertainty places constraints upon the spending patterns of both individuals and businesses. Reflective of this our commercial team are working closely with our partner businesses to ensure that both sides understand and realise the value inherent in those partnerships. Understanding the challenges being experienced by the general population and considering the level of change in the 2020 season, the Club has decided to maintain the same membership pricing structure as was in place for 2019.

The outlook continues to remain positive with the Club receiving further financial injection in the 2020 financial year in respect of the 2019 ICC Cricket World Cup, the Club's share of funds arising from "The Hundred" competition and also the updated Country-Wide-Agreement with the ECB; We have secured an excellent squad for the foreseeable future; are currently undertaking the recruitment of both Chairman and CEO. The executive team, with the support of myself and other committee members, are building a detailed budget and a focussed business operational strategy for the next 5 years with a focus on our three key "pillars" of Cricket, Venue and Community.

**N Farrant**  
**Honorary Treasurer**



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOMERSET COUNTY CRICKET CLUB LIMITED**

### **Opinion**

We have audited the financial statements of Somerset County Cricket Club Limited (the 'company') for the year ended 30 September 2019 which comprise the Income and Expenditure Account, Other Comprehensive Income, Balance Sheet, Cash Flow Statement and notes to the financial statements, 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).

This report is made solely to the Club's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Club's members those matters we are required to state to them in an auditor's 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 Club and the Club's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the club's affairs as at 30<sup>th</sup> September 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

### **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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the club in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard to the financial statements, 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the committee of management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the committee of management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the club's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The committee of management are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the club has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation;
- the income and expenditure account, any other accounts to which our report relates, and the balance sheet are not in agreement with the club's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### **Responsibilities of the committee of management**

As explained more fully in the committee of management's responsibilities statement, the committee of management 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 they 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 committee of management are responsible for assessing the club'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 committee of management either intend to liquidate the club or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

*James Lewis*  
James Lewis BA FCA (Senior Statutory Auditor)  
For and on behalf of MHA Monahans  
Statutory Auditor  
Rumwell Hall  
Rumwell  
Taunton  
Somerset  
TA4 1EL

Date: 9/12/19

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**INCOME & EXPENDITURE ACCOUNT**

	Notes	2019 £	2018 £
<b>Turnover</b>		<u>8,046,414</u>	<u>6,843,740</u>
<b>Income</b>			
Subscriptions		1,013,739	938,160
Match Receipts		803,058	693,270
Commercial Income (net)		98,529	159,865
ECB Pool		2,605,768	2,287,400
Catering (net)		296,585	341,648
Car Parking, Rents, Lettings etc		175,687	216,671
Interest Received		1,718	5,906
Miscellaneous Income		26,931	18,954
Retail (net)		(21,689)	-
Cricket World Cup (net)		494,921	-
Fundraising and Donations		20,635	126,413
		<u>5,515,882</u>	<u>4,788,287</u>
<b>Expenditure</b>			
Regional Academy		111,202	109,396
Cricket Costs		2,950,676	2,582,170
Ground Maintenance		726,603	634,279
Match Expenses		463,918	392,467
Administration		625,842	495,734
Finance Charges		160,876	135,042
Depreciation (less: Profit on Disposal and Grant Amortisation)		175,620	138,393
		<u>5,214,736</u>	<u>4,487,481</u>
<b>Surplus for the Year before taxation</b>	2	301,145	300,806
Taxation Charge	4	(69,350)	(54,823)
<b>Surplus for the Year after Taxation</b>		<u>231,795</u>	<u>245,983</u>
<b>EBITDA</b>		<u>593,861</u>	<u>528,093</u>

There are no acquisitions or discontinued operations in the current or preceding year.

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Commercial</b>		
Matchday Hospitality	69,333	78,912
Sponsorship	367,709	358,223
Executive Boxes	127,833	105,000
Ground and Other Advertising	167,555	152,900
Scorecards Deficit	(4,108)	(4,530)
Miscellaneous Income	29,246	26,811
	<u>757,568</u>	<u>717,316</u>
Less Salaries and Administration Expenses	659,039	557,451
<b>Surplus for the Year</b>	<u>98,529</u>	<u>159,865</u>
<b>Catering</b>		
Sales	1,808,388	1,816,274
Less Cost of Sales	<u>570,581</u>	<u>567,387</u>
Gross Profit	1,237,807	1,248,887
Less Salaries	732,074	694,809
Less Overheads	<u>209,148</u>	<u>212,430</u>
<b>Surplus for the Year</b>	<u>296,585</u>	<u>341,648</u>
<b>Fund Raising, Donations and Pavilion Appeal</b>		
Area Donations	10,955	11,971
Donations and Legacies	<u>9,680</u>	<u>114,442</u>
	<u>20,635</u>	<u>126,413</u>
<b>Retail</b>		
Income	39,382	0
Less Salaries and Expenses	<u>61,071</u>	<u>0</u>
	<u>(21,689)</u>	<u>0</u>
<b>Cricket World Cup</b>		
Income	766,446	0
Less Expenditure	<u>271,525</u>	<u>0</u>
	<u>494,921</u>	<u>0</u>
<b>Regional Academy</b>		
Salaries and Administration Expenses	<u>111,202</u>	<u>109,396</u>
<b>Net Cost for the Year</b>	<u>111,202</u>	<u>109,396</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED****ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Cricket Costs</b>		
Salaries and Associated Costs	2,677,733	2,332,010
Womens Cricket	10,000	10,000
Clothing	3,013	2,810
Medical and Physio	86,844	72,921
Hotels and Travelling	135,889	128,831
Hotels and Travelling 2XI and Trialists	37,197	35,598
	<u>2,950,676</u>	<u>2,582,170</u>
<b>Ground Maintenance</b>		
Salaries and Expenses	161,857	153,439
Electricity, Gas and Water	183,046	145,919
Insurances	48,084	46,530
Rates	44,865	44,838
Repairs and Upkeep	288,751	243,553
	<u>726,603</u>	<u>634,279</u>
<b>Match Expenses</b>		
Seating and Tentage	35,120	31,000
General Match Day Operational Costs	187,081	116,356
Gatemen	176,814	186,342
Catering	64,567	56,918
Uniforms	336	1,851
	<u>463,918</u>	<u>392,467</u>
<b>Administration</b>		
Salaries, Pensions, Welfare and Training	425,563	368,302
Audit Fees	10,552	9,413
Professional Charges	31,106	45,114
Donations Payable	6,000	4,800
Postage, Printing and Stationery	13,685	8,838
Telephone	12,306	6,309
IT Expenditure	82,570	22,711
Bad Debts Written Off	-	-
General Expenses	44,060	30,247
	<u>625,842</u>	<u>495,734</u>
<b>Finance Charges</b>		
Charges Payable	42,062	40,242
Interest Payable	118,814	94,800
	<u>160,876</u>	<u>135,042</u>
<b>Depreciation</b>		
Depreciation Charge	192,787	138,393
Profit On Disposal	(500)	-
Grant Amortisation	(16,667)	-
	<u>175,620</u>	<u>138,393</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**OTHER COMPREHENSIVE INCOME**

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
<b>Surplus for the Year after Taxation</b>		231,795	245,983
<b>Other Comprehensive Income</b>			
Freehold land & buildings revaluation		-	-
Deferred tax on revaluation	4	-	32,900
		<u>-</u>	<u>32,900</u>
<b>Total Comprehensive Income for the year</b>		<u><u>231,795</u></u>	<u><u>278,883</u></u>


**SOMERSET COUNTY CRICKET CLUB LIMITED**

**ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**BALANCE SHEET**

	Notes	2019		2018	
		£	£	£	£
<b>Fixed Assets</b>	5		16,481,240		15,022,459
<b>Current Assets</b>					
Stocks	6	70,469		47,533	
Debtors	7	747,657		602,495	
Cash at Bank and In Hand		859,336		1,525,036	
		<u>1,677,462</u>		<u>2,175,064</u>	
<b>Current Liabilities</b>					
Creditors	8	1,842,464		2,371,888	
Other Loans	10	669,631		476,356	
		<u>2,512,095</u>		<u>2,848,244</u>	
<b>Net Current Liabilities</b>			(834,633)		(673,180)
			<u>15,646,607</u>		<u>14,349,279</u>
Liabilities due after more than one year	9		2,995,276		2,949,475
Deferred Income			950,000		-
Deferred Tax	12		675,379		606,029
<b>Net Assets</b>			<u>11,025,952</u>		<u>10,793,775</u>
<b>Members Funds</b>					
<b>General Fund</b>					
Balance Brought Forward		9,422,171		9,176,188	
Net Surplus for the year		231,795		245,983	
Balance Carried Forward			9,653,966		9,422,171
<b>Revaluation Reserve</b>					
Balance Brought Forward		1,365,354		1,332,454	
Deferred Tax		-		32,900	
Balance Carried Forward			1,365,354		1,365,354
Share Capital	14		6,632		6,250
			<u>11,025,952</u>		<u>10,793,775</u>

The financial statements were approved on behalf of the committee on 25th November 2019 by

  
.....

Secretary

  
.....

Committee Member

  
.....

Committee Member

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**1. Summary of significant accounting policies**

**General information and basis of preparation**

Somerset County Cricket Club Limited is a club registered under The Co-operative and Community Benefit Societies Act 2014 and is incorporated in England within the United Kingdom. The address of the registered office is given in the club information on page 1 of these financial statements.

The financial statements are presented in sterling which is the functional currency of the club.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**a) Accounting Convention.** The accounts have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**b) Tangible Fixed Assets.** Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and Fixtures - Over 5 years

Floodlights (inc in Freehold Land and Buildings) - Over 30 years

Freehold Land and Buildings - Over 50 years on the difference between cost and net realisable value.

Net realisable value, based in the RICS cost approach, is calculated annually and any impairment will be recognised in full in the Income & Expenditure Account.

**c) Stocks.** Stocks are valued at lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, cost of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**d) Debtors and creditors receivable / payable within one year.** Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

**e) Impairment.** Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the assets's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in income & expenditure unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**f) Provisions.** Provisions are recognised when the club has an obligation at the balance sheet date as a result of a past event, it is probable that the outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**g) Leases.** Assets obtained under hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of these obligations is charged to the Income and Expenditure account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals payable and receivable under operating leases are charged to the Income and Expenditure account on a straight line basis over the period of the lease.



**SOMERSET COUNTY CRICKET CLUB LIMITED**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**1. Summary of significant accounting policies continued**

**h) Taxation.** Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

**l) Recognition of Income.** Membership subscriptions received in respect of the year ended December 2019 and ECB distributions scheduled for receipt within the year ended 31st January 2020, are considered to relate to the 2019 Season and have been included in the accounts consistent with the policy of previous years. All other income is recognised in the period to which it accrues.

**j) Donations.** Donations received towards the cost of specific items of capital expenditure have been credited in the Balance Sheet against the cost of the Asset. The residual donations are credited to the Income and expenditure account.

**k) Share Capital.** Share Capital represents the number of qualifying members with a share allocated at £1 nominal value. As members join and leave the share capital is adjusted for the movement in effective share ownership.

**l) Deferred income.** Deferred income is represented for the grant received towards the cost of the floodlights. The grant is amortised over the same useful life of the floodlights, 30 years.

**j) Net Debt.** Net debt consists of the borrowings of the entity less any cash and cash equivalents.

**2. The surplus for the year is stated after charging:**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,666,232	3,270,733
Social security costs	431,905	315,534
Other pension costs	182,123	161,582
Auditors remuneration	<u>10,553</u>	<u>9,413</u>

**Staff Numbers**

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

	<b>2019</b>	<b>2018</b>
Employees	<u>174</u>	<u>166</u>

**Key Management Personnel**

Total remuneration in respect of key management for the year was £142,253 (2018: £97,716).

**3. Interest receivable and payable and similar expenses**

		<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
a) Interest receivable and similar income:	Other	1,718	5,906
b) Interest payable and similar expenses:	Bank loan interest	88,629	55,306
	Other	<u>30,185</u>	<u>39,494</u>
		<u>118,814</u>	<u>102,246</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**4. Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Analysis of tax charge</b>		
The tax charge on the trading surplus for the year was as follows:		
Current tax:		
UK corporation tax	-	14,625
Under/(Over) provision previous year	-	6,000
Total current tax	<u>-</u>	<u>20,625</u>
Deferred tax:		
Origination and reversal of timing differences	69,350	34,198
Tax on surplus on trading activities	<u>69,350</u>	<u>54,823</u>

**Factors effecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>301,145</u>	<u>300,806</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK 19% (2018 - 19%)	57,218	57,153
Effects of:		
Depreciation in excess of capital allowances	(141,537)	(39,015)
Expenses not deductible for tax purposes	492	1,333
Profit exempt from tax	(5,252)	(4,846)
Losses carried forward	89,080	-
Under provision previous year	-	6,000
Deferred tax	69,350	34,198
	<u>69,350</u>	<u>16,679</u>

**Tax effects relating to effects of other comprehensive income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Revaluation on Freehold Land and Buildings	<u>-</u>	<u>32,900</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

**5. Fixed Assets**

	Plant & Fixtures £	Freehold Land & Buildings £	Total £
<b>Cost</b>			
Brought Forward at beginning of Year	815,981	14,592,981	15,408,962
Additions	228,291	1,423,277	1,651,568
Revaluation	-	-	-
Disposals	(73,771)	-	(73,771)
Carried Forward at end of Year	<u>970,501</u>	<u>16,016,258</u>	<u>16,986,759</u>
<b>Depreciation</b>			
Brought Forward at beginning of Year	386,503	-	386,503
Charge in the year	162,686	30,101	192,787
Elimination on disposal	(73,771)	-	(73,771)
Carried Forward at end of Year	<u>475,418</u>	<u>30,101</u>	<u>505,519</u>
<b>Net Book Value</b>			
As at end of Year	<u>495,083</u>	<u>15,986,157</u>	<u>16,481,240</u>
As at beginning of Year	<u>429,478</u>	<u>14,592,981</u>	<u>15,022,459</u>

	2019 £	2018 £
Included within Freehold Land & Buildings is freehold land of	<u>1,820,000</u>	<u>1,820,000</u>

Included within Plant & Fixtures is items on hire purchase and finance lease with a NBV of £74,970 (2018: £70,461).

Cost or valuation at 30 September 2019 is represented by:

	Plant & Fixtures £	Freehold Land & Buildings £	Total £
Cost	495,083	14,341,152	14,836,235
Revaluation in 2016	-	93,460	93,460
Revaluation in 2017	-	1,551,545	1,551,545
	<u>495,083</u>	<u>15,986,157</u>	<u>16,481,240</u>

If Freehold land & buildings had not been revalued they would have been included at the following historical cost:

	2019 £	2018 £
Cost	<u>14,341,152</u>	<u>12,947,976</u>

Freehold Land & Buildings were valued on an open market basis on 30 September 2017 by Chesters Commercial Ltd, Chartered Surveyors. The members are of the opinion that the value at 30 September 2019 is not materially different to this valuation.

**6. Stocks**

	2019 £	2018 £
Bar Stock	21,635	23,935
Other Stock	48,834	23,598
	<u>70,469</u>	<u>47,533</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

<b>7. Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade Debtors	154,225	163,241
Other Debtors and Prepayments	63,498	52,506
ECB Pool	529,934	386,748
	<u>747,657</u>	<u>602,495</u>

<b>8. Creditors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade Creditors	206,327	183,546
Other Creditors	307,536	210,982
Accruals and Deferred Income	614,966	1,596,949
Deferred Income	33,333	-
Social Security and Other Taxes	658,886	349,894
Taxation	-	14,625
Hire Purchase (note 11)	21,416	15,892
	<u>1,842,464</u>	<u>2,371,888</u>

<b>9. Liabilities Due After More Than One Year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank Loans	2,286,035	2,188,198
Hire Purchase (note 11)	51,530	52,972
ECB	-	-
Taunton Deane Borough Council	657,711	708,305
	<u>2,995,276</u>	<u>2,949,475</u>

Bank loans and overdrafts are secured by a first charge on the land and buildings

<b>10. Loans</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
An analysis of the maturity of loans is given below:		
Amounts falling due within one year or on demand:		
Bank Loans	402,173	158,898
ECB	200,000	250,000
Taunton Deane Borough Council	67,458	67,458
	<u>669,631</u>	<u>476,356</u>

Amounts falling due between one and two years:		
Bank Loans	415,844	432,470
Taunton Deane Borough Council	67,458	67,458
	<u>483,302</u>	<u>499,928</u>

Amounts falling due between two and five years:		
Bank Loans	1,870,191	1,755,728
Taunton Deane Borough Council	202,373	202,373
	<u>2,072,564</u>	<u>1,958,101</u>

Amounts falling due after five years:		
Repayable by instalments		
Taunton Deane Borough Council	387,880	438,475
	<u>387,880</u>	<u>438,475</u>

<b>11. Leasing agreements</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Minimum lease payments fall due as follows:		
Net obligations repayable.		
Within one year	21,416	15,891
Between one and five years	51,530	52,971
	<u>72,946</u>	<u>68,862</u>

The hire purchase agreements and finance lease agreements are non-cancellable.  
The items on hire purchase and finance lease are secured on the assets in which they relate

**SOMERSET COUNTY CRICKET CLUB LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019****12. Provisions for Liabilities and Charges**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred Taxation	<u>675,379</u>	<u>606,029</u>
Balance at 1 October 2018	606,029	
Reversal of timing differences	69,350	
Movement on revalued freehold land & buildings		
Balance at 30 September 2019	<u>675,379</u>	

The deferred tax is provided for at 17% (2018: 17%) and comprises £395,728 (2018: £326,378) in respect of timing differences between depreciation and capital allowances and £279,651 (2018: £279,651) in respect of the potential deferred tax due on the revalued premises.

**13. Capital Commitments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Contracted but not provided for in the financial statements	<u>-</u>	<u>1,500,000</u>

There are no capital commitments at year end. In 2018 the commitment was in respect of the development of new floodlights around the ground.

**14. Share Capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
6632 Ordinary shares of £1 each	<u>6,632</u>	<u>6,250</u>

**15. Related party Transactions**

During the year the club entered into transactions with a committee member, the following took place:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Sales	55,906	66,097
Purchases	5,574	6,151

Amount due from the related party at the balance sheet date is £5,394 (2018: £7,791).

SOMERSET COUNTY CRICKET CLUB LIMITED

ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019

CASHFLOW STATEMENT

	2019		2018	
	£	£	£	£
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>				
Surplus before taxation		301,145		300,806
Depreciation charges		192,787		138,393
Grant amortisation		(16,667)		0
Profit on disposal of fixed assets		(500)		0
Finance costs		160,876		135,042
Finance income receivable		(1,718)		(5,906)
Increase/(Decrease) in stock		(22,936)		1,410
(Increase)/Decrease in debtors		(145,161)		63,172
Increase/(Decrease) in creditors		1,446,342		204,223
<b>Net cash inflow from operating activities</b>		<u>1,914,168</u>		<u>837,140</u>

Cashflow Statement

<b>Net cash inflow from operating activities</b>		1,914,168		837,140
<b>Returns on Investments and servicing of finance</b>				
Interest received		1,718		5,906
Interest paid		(160,876)		(135,042)
<b>Taxation</b>				
Taxation paid		(14,625)		(22,224)
<b>Cash flows from investing activities</b>				
Payments to acquire tangible fixed assets		(1,626,068)		(557,907)
Disposal proceeds		500		-
<b>Net cash from investing activities</b>		<u>114,817</u>		<u>127,873</u>
<b>Cash flows from financial activities</b>				
Increase/(Decrease) in ordinary share capital		382		623
Hire Purchase Repayments		(21,416)		(10,593)
Loans Advanced		850,000		2,510,000
Loan Repayments		(1,609,481)		(2,202,825)
<b>Net cash from financial activities</b>		<u>(780,515)</u>		<u>297,205</u>
<b>Increase/(Decrease) in cash at bank, in hand and on deposit</b>		<u>(665,698)</u>		<u>425,078</u>

Reconciliation of net cash flow to movement in net debt

<b>(Decrease)/Increase in cash in period</b>		(665,698)		425,078
Loan Repayments		1,609,481		2,202,825
Loan Advances		(850,000)		(2,510,000)
<b>Change in net debt</b>		<u>93,783</u>		<u>117,903</u>
<b>Net debt at 1 October 2018</b>		<u>(2,847,823)</u>		<u>(2,965,726)</u>
<b>Net debt at 30 September 2019</b>		<u>(2,754,040)</u>		<u>(2,847,823)</u>

Analysis of changes in net debt

	At 1 Oct 2018	Cash Flows	Other Changes	At 30 Sept 2019
	£	£	£	£
Cash in hand, at bank and on deposit	1,525,036	(665,698)	-	859,338
Debt due within one year	(1,492,247)	806,725	-	(685,522)
Debt due after one year	(2,880,612)	(47,244)	-	(2,927,856)
<b>Total</b>	<u>(2,847,823)</u>	<u>93,783</u>	<u>-</u>	<u>(2,754,040)</u>