



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 31 December 2021

Somerset County Cricket Club Limited

Accounts for the Year to 31 December 2021

Officers

Brian Rose*	President
Gordon Baird*	Chairman
Richard Brice *	Vice Chairman
	Area Representative - Taunton
Andrew Hurry *	Director of Cricket
Gordon Hollins *	Chief Executive
Nick Farrant *	Honorary Treasurer
Keith Parsons *	
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
Geoff Vian	Area Representative – North Somerset & Bristol
Stephen Southwell	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 County Ground
St James Street
Taunton
TA1 1JT

Independent Auditors

Monahans
Blackdown House
Blackbrook Park Avenue
Taunton
TA1 2PX

Somerset County Cricket Club Limited

Accounts for the Year to 31 December 2021

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 affairs of the club and of the income and expenditure of the club for that period. In preparing these financial statements, the committee of management is required to:

- i select suitable accounting policies and then apply them consistently.
- ii make judgements and estimates that are reasonable and prudent.
- iii state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- iv prepare the financial statements on the going concern basis unless it is inappropriate to presume that the club will continue in operation.

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 is also responsible for ensuring that the assets of the club are safeguarded and for taking reasonable steps to ensure prevention and detection of fraud and other irregularities.

The Committee of Management is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Treasurer's Report

The 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, having made all necessary enquiries and given consideration as to the impact of the coronavirus pandemic and current global economic uncertainty and inflationary environment in the United Kingdom on the Club, that the accounts are prepared on a going concern basis.

The financial period presented in these accounts is for the financial year 01 January 2021 to 31 December 2021. The comparative period presented is for the 15-month period from 01 October 2019 – 31 December 2020 and is therefore not directly comparable.

Executive Summary

- If the 2020 Financial period was one of unprecedented pandemic-driven challenge and disruption, the year to 31 December 2021 was arguably more challenging in that various restrictions remained in place while the Club needed to re-open, re-build and re-visit many, if not all, of its operational structures. 2021 started and ended with further Covid-lockdowns which severely disrupted and restricted hospitality and catering both in these periods and with knock-on impacts across the year.
- We are pleased to report that the "COVID-19" forecasts and cash flow management plans have been successfully delivered following a series of often difficult decisions and the expertise, innovation and dedication of our leadership and executive team.
- The prior period figures disclosed in these financial statements are for the 15-month accounting period to 31 December 2020.
- Surplus for the period after taxation of £149,087 (2020: £23,934) including all impacts of the Covid-19 pandemic and resulting periods of closure of the Cooper Associates County Ground.
- Earnings Before 'Interest and charges' Tax and Depreciation ('EBITA') of £1,016,534 has been achieved for the year (£783,266 for the 15-month period to 31 December 2020).
- ECB funding during the period has been as originally budgeted and includes the receipt and £1.3million from the ECB in connection with "The Hundred" (The 2020 Financial Period also saw income of £1million relating to the 2019 Cricket World Cup).
- On a pro-rata basis, the budget for, and actual, "Cricket Costs" have increased to £2.5m (2020 pro-rata: £2.3m) as the Club continues to invest in its core objective.
- At the end of the financial year, as part of the post-Covid re-building phase, the Club, after a thorough appraisal and selection process, entered

into a catering partnership agreement with Baxter Storey the financial results of which will be seen over the course of 2022 and beyond.

- The net cash flow for the period was an inflow of £231,850 (2020: £643,644) which includes the impact of all loan draw-downs (£677,450) and repayments (£1,110,880).
- During 2020 the planned debt reduction had to be put on hold. During 2021 the Club successfully re-financed a significant proportion of the bank debt forming a new financing relationship with the local council (Somerset West & Taunton) on a commercial arms-length basis. As disclosed in note 9 to the financial statements the year end debt was £1.4m (2020: £2.4m) with Barclays Bank Plc and £1.2m (2020: £0.7m) with Somerset West & Taunton Council.
- The balance sheet remains strong at £9.8 million (2020: £9.6 million) and is stated after accounting for provisions in respect of required repairs and other ground and facilities upgrades of £180,500 and deferred tax provision of £627,911 (which includes the impact of the forthcoming uplift of Corporation Tax rate from 19% - 25%). Also included within the balance sheet are tangible fixed assets of £14 million (2020: £14.4 million).
- The officers of the club are satisfied that the going concern basis of preparation remains appropriate and, whilst recognising the challenges ahead and expected net cash outflow for the coming financial period, look forward to 2022 and beyond with confidence.

Financial Review

Finance performance for the period

I am pleased to be able to report a 2021 financial performance with a surplus of £464,285 before taxation (£111,064 for the fifteen-month period to 31 December 2020).

The financial year to 31 December 2021 was impacted by Covid-driven lockdowns - commencing in January with indoor hospitality and sports stadiums re-opening in May and restrictions lifted in July. This meant that the return of staff, catering partners, members and other visitors to the Cooper Associates County Ground had to be carefully and gradually managed; although a full fixture list in each of the First-Class and limited overs competitions was completed, culminating in the First XI reaching T20 Finals day in September. With further measures announced on 8th December as the Omicron variant spread rapidly, the usually lucrative pre-Christmas hospitality period was fundamentally impacted.

Despite these challenges 2021 has been a financially successful period for the Club in the context of the prevailing operating and economic environment. Earnings Before Interest, Tax, Depreciation and Amortisation of £1,016,534 (2020: £783,266) was achieved and the "COVID-19" forecasts and cash flow management plans have been successfully delivered following a series of often difficult decisions and the expertise, innovation and dedication of our leadership and executive team.

Income:

The combination of membership subscriptions and match receipts recovered to £1,325,596 (2020: £445,624) although this remained some way short of the receipts

recorded in the 12 months to September 2019 of £1,816,797, primarily due to some matches being played 'behind closed doors' or with a restricted capacity.

In the prior period the club was in receipt of a total of £835,971 of the Coronavirus Job Retention Scheme (CJRS) grants; during the early months of 2021 a further £104,288 was received during the period of closure.

Through the innovation and hard work of our commercial team the Club was able to secure £789,547 (2020: £242,717) of income in the year with key business partner and sponsor relationships retained, and even expanded, despite the ongoing uncertainty. The overall surplus generated by the commercial activities being £221,653 (2020: a loss, excluding relevant CJRS receipts, of £450,141 and 2019 profit of £98,529).

In light of the operational restrictions during the year the catering 'business' of the Club was fundamentally changed with a move, at first temporary, and by year end long term, to a commercial partnership model with independent events and hospitality providers supporting the Club. The challenges of operating a hospitality and events business during 2021 and into 2022 cannot be underestimated with staffing in particular a key challenge as well as supply costs. In light of the challenges the net catering division loss for the year of £61,376 (2020: loss of £466,735) represented a satisfactory financial result and the Club looks forward to working with our new catering partners Baxter Storey with whom we entered a partnership and profit sharing agreement in December 2021. By working with experts in catering, who can also bring to bear significant economies of scale and access to staff and management, the Club is able to both deliver enhanced member and visitor experience and plan for the future in the post-Covid era.

The largest stream of income for the Club was, and remains, that received (for various reasons) from the ECB. The £3,850,965 (being 54% of the total for the year – 2020: 68%, 2019: 33%) recognised in the period being made up as follows and was as originally budgeted:

	12 Months to 31 December 2021	15 Months to 31 December 2020	12 Months to 30 September 2019
CPA Funding	£2,387,889	£2,612,860	£2,605,768
Infrastructure Funds	£163,076	£300,000	-
Hundred Funds	£1,300,000	£1,300,000	-
Cricket World Cup	-	£1,000,000	-
Total ECB Funding	£3,850,965	£5,212,860	£2,605,768

Note that the ECB infrastructure funding was commuted to general funding.

Expenditure:

As members would expect the expenditure within the Club has been tightly managed over the course of 2021 as cash protection was key, although, with the re-opening of the Ground and matches returning, the cost base was always likely to change versus the prior period.

Total expenditure for the year of £6.7 million has increased versus the prior period on an annualised basis by 9.6% with key increases in cricket costs (11.9%), match expenses (235%) and venue operations (15.5%). Several new costs were necessary to deliver Government Covid requirements in sport stadia.

Also included in costs for the year is £247,344 of Ground Maintenance which includes a provision of £180,500 in respect of required repairs and maintenance to the ground facilities for which the Club had obligations to remedy as at year end but where works were not completed until after 31 December 2021. The ongoing maintenance of and investment in the Cooper Associates County Ground is of critical importance.

The taxation charge for the year is £315,198 of which £115,624 is current Corporation Tax and £199,574 of deferred tax (which is impacted by the future change in tax rate from 19% to 25%).

Balance Sheet:

Despite the challenges faced Somerset County Cricket Club continues to be in possession of a strong balance sheet with a net asset value of £9,833,700 (31 December 2020: £9,682,011).

The net current liabilities position of the Club of £238,271 (2020: £799,027; 2019: £834,633) is much improved and remains manageable within the trading terms of our counterparties and stakeholders and is, to an extent, a function of the timing of the balance sheet being drawn-up and included within current liabilities is £606,426 of deferred income which represents membership, hospitality, and grant income to be recognised as income after the balance sheet.

The cash position of the Club as of 31 December 2021 was £1.7million (2020: £1.5million) – this comparatively strong cash position arises despite the events of the 2 years to 31 December 2021 and is positively impacted by several key factors aside from the trading surplus movements described above. These include:

- o Funds relating to the 2022 financial year have been received in advance and are included within deferred income on the balance sheet as well as within cash. This includes both 2022 membership (£549,120) and 2022 hospitality income deposits (£23,973).
- o Debt management –. During 2020 the planned debt reduction had to be put on hold. During 2021 the Club successfully re-financed a significant proportion of the bank debt forming a new financing relationship with the local council (Somerset West & Taunton) on a commercial arms-length basis. As disclosed in note 9 to the financial statements the year end debt was £1.4m (2020: £2.4m) with Barclays Bank Plc and £1.2m (2020: £0.7m) with Somerset West & Taunton Council. The net cash outflow from financing activities in the year including debt repayment was £451,721 (2020: cash outflow of £592,045).

Summary, principal risks & uncertainties and outlook

The long-term 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. However, for the immediate future, the Club recognises that 2022 represents ongoing uncertainty, both in terms of the UK economic outlook and the finances of cricket in England & Wales and the expectation is for the year ahead to see a considerable cash outflow. The whole executive team, led by Gordon Hollins, and supported by Malcolm Derry in his capacity as consultant Finance Director, have delivered a strong balance sheet and, specifically, strong cash position despite

the events of 2020 and 2021, which leaves Somerset County Cricket Club well placed into 2022 with a significant element of those reserves expected to be utilised in respect of ground maintenance and development.

We recognise that there are principal risks and uncertainties inherent within the Club:

- *The lasting effects of the pandemic.* The Club recognises that, whilst the UK Government appears committed to resisting further lockdown restrictions, there can be no certainty as to the impact that further virus variants and lockdown restrictions, were they to arise, would have upon the Club. These impacts could include, but are not limited to: the restriction on the number of spectators that would be allowed to, or will feel able to, attend matches; the continued closure, or at least restriction, of catering and hospitality and resulting impacts on related commercial income; potentially reduced ability of the ECB to maintain funding levels at the current values and; the need to undertake further cash flow management measures especially now that CJRS has ended.
- *Economic uncertainty.* The war in Ukraine, inflationary pressures and lasting economic impacts of the pandemic mean that, at time of writing, there is a 'cost of living crisis' in the UK. The resulting pressure on household discretionary spend and also challenges with profitability of catering operations throughout the hospitality and leisure sector could have a significant and direct impact upon the financial performance of the Club.
- *The financial impact upon the Club of The Hundred competition* – We can have no certainty as to how this competition, might impact our Club during the years ahead. It is also noted that the Club, like the other First-Class Counties, was in receipt of £1,300,000 of funding from the ECB derived from The Hundred broadcast rights – a further two years of such funding is expected but thereafter there can be no certainty.
- *Professional cricket performance:* -The financial performance of the Club is substantially linked to ensuring both investment and sustainability in our squad.



Nick Farrant
Honorary Treasurer

Date 16th MAY 2022

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 31 December 2021 which comprise the Income and Expenditure Account, the Balance Sheet, the 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 Standard, 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 31 December 2021 and of its income and expenditure for the period 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 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 company 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, 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 Committee of Management's 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 for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Committee of Management with respect to going concern are described in the relevant sections of this report.

Other information

The Committee of Management is responsible for the other information. The other information comprises the information in the Treasurer's Report but does not include the financial statements and our Report of the Auditors thereon.

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

Independent Auditor's Report to the Members of Somerset County Cricket Club Limited

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 statement 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 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 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

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 Treasurer's Report.

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

- the company 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; or
- the income and expenditure account, any other accounts to which our report relates, and the balance sheet are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Committee of Management

As explained more fully in the Statement of Committee of Management's Responsibilities set out on page 2, the Committee of Management is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such control as the Committee of Management determine necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee of management is 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 Committee of Management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

Independent Auditor's Report to the Members of Somerset County Cricket Club Limited

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.

Based on our understanding of the company and the industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery, employment law, England & Wales Cricket Board requirements and Club regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements of the company. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Community Benefit Societies Act 2014 and taxation legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to reduce revenue or increase expenditure, and management bias in accounting estimates and judgemental areas of the financial statements such as the depreciation policy and valuation of debtors. Audit procedures performed by the audit engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- understanding and review of management's internal controls designed to prevent and detect irregularities, and fraud;
- review of the minutes of the Committee of Management's meetings;
- review of tax compliance;
- designing audit procedures to incorporate unpredictability;
- performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- review of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of the Committee of Management and third-party advisors about actual and potential litigation and claims;
- testing transactions entered into outside of the normal course of the company's business; and
- identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and the transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at

Independent Auditor's Report to the Members of Somerset County Cricket Club Limited

www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company'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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the company and the company's members, for our audit work, for this report, or for opinions we have formed.

Website

The maintenance and integrity of the Somerset County Cricket Club Limited website is the responsibility of management; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.



Fiona Westwood (Senior Statutory Auditor)
For and on behalf of Monahans
Statutory Auditors
Blackdown House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date..... 23 May 2022

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

INCOME & EXPENDITURE ACCOUNT

	Notes	Year 2021	15 Month Period 2020
Turnover		£6,977,992	£6,878,071
Income			
Subscriptions		£732,946	£448,007
Match Receipts		£592,650	-£2,383
Commercial		£789,547	£242,717
ECB Pool		£3,850,965	£5,212,860
Catering		£700,656	£614,385
Car Parking, Rents, Lettings etc		£136,734	£168,873
Interest Received	3	£1,175	£4,820
Miscellaneous Income		£4,607	£11,075
Concert		£40,245	£0
JRS Grant Scheme		£104,288	£835,971
Other Grant Income		£41,229	£0
Retail		£0	£59,065
Regional Academy & Pathway		£66,885	£54,837
Fundraising and Donations		£63,292	£59,033
		<u>£7,125,219</u>	<u>£7,709,260</u>
Expenditure			
Regional Academy & Pathway		£275,935	£270,552
Commercial		£567,894	£692,858
Catering		£762,032	£1,081,120
Retail		£0	£85,440
Cricket Costs		£2,547,191	£2,844,649
Ground Maintenance		£247,344	£286,712
Match Expenses		£352,733	£131,695
Business Services		£787,741	£947,665
Venue Operations		£540,796	£585,302
Concert		£27,019	£0
Finance Charges		£126,586	£176,462
Depreciation (add: Loss on Disposal and less: Grant Amortisation)		£425,663	£495,740
		<u>£6,660,934</u>	<u>£7,598,195</u>
Surplus for the Year before taxation	2	£464,285	£111,064
Taxation Charge	4	-£315,198	-£87,130
Surplus for the Year after Taxation		<u>£149,087</u>	<u>£23,934</u>

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

	Year 2021 £	15 Month Period 2020 £
Commercial		
Matchday Hospitality	£14,806	£0
Sponsorship and Advertising	£662,724	£252,074
Executive Boxes	£106,644	£0
Scorecards Deficit	£1,105	-£9,358
Miscellaneous Income	£4,268	£1
	<u>£789,547</u>	<u>£242,717</u>
Less Salaries and Administration Expenses	£567,894	£692,858
Surplus/Loss for the Year	<u>£221,653</u>	<u>-£450,141</u>
Catering		
Sales	£700,656	£614,385
Less Cost of Sales	£233,907	£205,255
Gross Profit	<u>£466,749</u>	<u>£409,130</u>
Less Salaries	£361,101	£758,782
Less Fosters Share	£41,076	£0
Less Overheads	£125,948	£117,083
Loss for the Year	<u>-£61,376</u>	<u>-£466,735</u>
Fund Raising, Donations and Pavilion Appeal		
Area Donations	£3,507	£1,100
Donations and Legacies	£59,785	£57,933
	<u>£63,292</u>	<u>£59,033</u>
Cricket Costs		
Salaries and Associated Costs	£2,254,763	£2,685,838
Womens Cricket	£0	£2,092
Clothing	£6,212	£4,092
Medical and Physio	£69,830	£110,168
Hotels and Travelling	£173,971	£42,373
Hotels and Travelling 2XI and Trialists	£42,415	£86
	<u>£2,547,191</u>	<u>£2,844,649</u>
Ground Maintenance		
Salaries and Expenses	£151,145	£186,393
Repairs and Upkeep	£96,199	£100,319
	<u>£247,344</u>	<u>£286,712</u>
Match Expenses		
Seating and Tentage	£52,779	£0
General Match Day Operational Costs	£106,451	£50,800
Stewarding and Security	£152,767	£75,237
Catering	£40,736	£5,658
	<u>£352,733</u>	<u>£131,695</u>

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

	Year 2021 £	15 Month Period 2020 £
Business Services		
Salaries, Pensions, Welfare and Training	£377,884	£456,992
Audit Fees	£10,117	£12,610
Professional Charges	£173,622	£211,302
Donations Payable	£500	£354
Postage, Printing and Stationery	£7,965	£12,986
Telephone	£21,934	£18,594
IT Expenditure	£94,694	£117,568
Bad Debts Provision	-£11,100	£11,275
Membership Mailings	£15,498	£0
Rates	£7,351	£22,680
Insurance	£76,875	£65,407
General Expenses	£12,401	£17,897
	<u>£787,741</u>	<u>£947,665</u>
Venue Operations		
Salaries	£88,272	£57,306
Electricity, Gas and Water	£152,646	£170,476
Ground Security	£10,497	£16,626
Alarm Systems	£6,870	£6,521
General Maintenance and Repairs	£282,511	£334,373
	<u>£540,796</u>	<u>£585,302</u>
Finance Charges		
Charges Payable	£36,159	£32,493
Interest Payable	£90,427	£143,969
	<u>£126,586</u>	<u>£176,462</u>
Depreciation		
Depreciation Charge	£318,847	£419,457
Impairment	£140,149	£117,950
Grant Amortisation	-£33,333	-£41,667
	<u>£425,663</u>	<u>£495,740</u>

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

BALANCE SHEET

	Notes	Year 2021	15 Month Period 2020
Fixed Assets	5	£14,039,103	£14,412,763
Current Assets			
Stocks	6	£1,032	£21,447
Debtors	7	£462,114	£154,259
Cash at Bank and In Hand		£1,734,830	£1,502,980
		<u>£2,197,976</u>	<u>£1,678,686</u>
Current Liabilities			
Creditors	8	£2,098,383	£1,996,859
Other Loans	10	£337,864	£480,855
		<u>£2,436,247</u>	<u>£2,477,714</u>
Net Current Liabilities		<u>-£238,271</u>	<u>-£799,027</u>
		£13,800,832	£13,613,736
Liabilities due after more than one year	9	£2,283,721	£2,595,054
Deferred Income		£875,000	£908,334
Provisions for liabilities	12	£808,411	£428,337
Net Assets		<u>£9,833,700</u>	<u>£9,682,011</u>
Members Funds			
General Fund			
Balance Brought Forward		£9,677,900	£9,653,966
Net Surplus for the year		£149,087	£23,934
Balance Carried Forward		£9,826,987	£9,677,900
Revaluation Reserve			
Balance Brought Forward		£0	£1,365,354
Reversal of Revaluation	1	£0	-£1,645,005
Reversal of Deferred Tax	1	£0	£279,651
Balance Carried Forward		£0	£0
Share Capital	14	£6,713	£4,111
		<u>£9,833,700</u>	<u>£9,682,011</u>


The financial statements were approved on behalf of the committee on 16th MAY 2022 by


 _____ (G. Howell)
 Secretary

Secretary



Committee Member - N. FARRANT

 R. Beice

Committee Member

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

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.

Key Accounting Judgements and sources of estimation uncertainty

In the application of the club's accounting policies management are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements that have a significant effect on the financial statements are in respect of going concern, as described in the below accounting policy, and the accounting treatment of freehold land and buildings.

The key estimate that has a significant effect on the amounts recognised in these financial statements is the depreciation charge. Estimation is required in respect of the depreciation rates used, residual value of the land (estimated as £1.82M in line with the 2017 valuation), and an assessment as to whether an indicator of permanent impairment has occurred.

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) Going Concern. The officers of the club are satisfied that the going concern basis of preparation remains appropriate and, whilst recognising the net current liabilities of £238,271 (2020: £799,027), together with the ongoing coronavirus pandemic and general economic uncertainty challenges ahead, the officers look forward to 2022 and beyond with confidence.

As described in the Treasurer's Report it is acknowledged that the lasting impacts of the pandemic are unknown and that there is now a "cost of living crisis" in the UK driven in part by the pandemic and in part by other global events and economic conditions. The officers of the club recognise that there can be no certainty as to the impact of these conditions, however, having prepared detailed financial forecasts for 2023, taking into consideration the significant cash balances available, the fact that the net current liability position as at 31 December 2021 includes over £600,000 of deferred income, the ongoing and confirmed ECB funding and having made all necessary enquires, are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

c) 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 20 to 125 years

d) 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.

e) 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.

f) 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 asset'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.

g) 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.

h) 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.

l) 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.

j) Recognition of Income. Membership subscriptions received in respect of the year ended December 2021 and ECB distributions scheduled for receipt within the year ended 31st January 2022, are considered to relate to the 2021 Season and have been included in the accounts consistent with the policy of the previous years. All other income is recognised in the period to which it accrues.

k) 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.

l) 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.

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

1. Summary of significant accounting policies continued

m) **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.

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

o) **Government grants.** Government grant income is accounted for under the accruals model and is recognised in the period in which it becomes receivable.

2. The surplus for the period is stated after charging:

	31 Dec 2021	15 Month Period 31 Dec 2020
Wages and salaries	£3,091,984	£4,062,671
Social security costs	£304,200	£422,472
Other pension costs	£235,758	£198,368
Auditors remuneration	£10,117	£12,610
	<u>£3,642,059</u>	<u>£4,706,121</u>

Staff Numbers

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

	31 Dec 2021	15 Month Period 31 Dec 2020
Employees	<u>108</u>	<u>120</u>

Key Management Personnel

Total remuneration in respect of key management for the period was £197,953 (2020: £225,160).

3. Interest receivable and payable and similar expenses

	31 Dec 2021	15 Month Period 31 Dec 2020
a) Interest receivable and similar income:		
Other	£1,175	£4,820
b) Interest payable and similar expenses:		
Bank loan interest	£49,538	£93,193
Other	£40,889	£50,776
	<u>£90,427</u>	<u>£143,969</u>

4. Taxation

Analysis of tax charge

The tax charge on the trading surplus for the period was as follows:

	31 Dec 2021	15 Month Period 31 Dec 2020
Current tax:		
UK corporation tax	£128,868	£54,521
Under/(Over) provision previous year	-£13,244	£0
Total current tax	<u>£115,624</u>	<u>£54,521</u>
Deferred tax:		
Origination and reversal of timing differences	£199,574	£32,609
Tax on surplus on trading activities	<u>£315,198</u>	<u>£87,130</u>

Factors effecting the tax charge

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

	31 Dec 2021	15 Month Period 31 Dec 2020
Profit on ordinary activities before tax	<u>£464,285</u>	<u>£111,064</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK 19% (2020 - 19%)	£88,214	£21,102
Effects of:		
Depreciation in excess of capital allowances	£41,483	£42,605
Expenses not deductible for tax purposes	£3,885	-£992
Profit exempt from tax	-£4,714	£204
Losses utilised	£0	-£8,398
Under/(Over) provision previous year	-£13,244	£0
Deferred tax	£199,574	£32,609
	<u>£315,198</u>	<u>£87,130</u>

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

5. Fixed Assets

	Plant & Fixtures	Freehold Land & Buildings	Total
Cost			
Brought Forward at beginning of Year	£685,618	£14,294,082	£14,979,700
Additions	£32,777	£52,560	£85,337
Impairments	-£127,177	-£122,298	-£249,475
Disposals	-£57,389	£0	-£57,389
Carried Forward at end of Year	<u>£533,829</u>	<u>£14,224,344</u>	<u>£14,758,173</u>
Depreciation			
Brought Forward at beginning of Year	£322,971	£243,966	£566,937
Charge in the year	£170,725	£288,272	£458,997
On Impairment	-£127,177	-£122,298	-£249,475
On Disposal	-£57,389	£0	-£57,389
Carried Forward at end of Year	<u>£309,130</u>	<u>£409,940</u>	<u>£719,070</u>
Net Book Value			
As at end of Year	<u>£224,699</u>	<u>£13,814,404</u>	<u>£14,039,103</u>
As at beginning of Year	<u>£362,647</u>	<u>£14,050,116</u>	<u>£14,412,763</u>

Included within Plant & Fixtures are items on hire purchase and finance lease with a NBV of £27,740 (2020: £48,731).

6. Stocks

	31 Dec 2021	15 Month Period 31 Dec 2020
Bar Stock	£0	£11,464
Other Stock	£1,032	£9,983
	<u>£1,032</u>	<u>£21,447</u>

7. Debtors

	31 Dec 2021	15 Month Period 31 Dec 2020
Trade Debtors	£151,927	£20,471
Other Debtors and Prepayments	£34,112	£20,085
ECB Pool	£276,075	£113,703
	<u>£462,114</u>	<u>£154,259</u>

8. Creditors

	31 Dec 2021	15 Month Period 31 Dec 2020
Trade Creditors	£84,745	£168,619
Other Creditors	£0	£1,280
Accruals and Deferred Income	£1,369,980	£1,085,720
Deferred Income (Grants)	£33,333	£33,333
Social Security and Other Taxes	£455,566	£632,495
Taxation	£128,868	£54,521
Hire Purchase (note 11)	£20,891	£20,891
	<u>£2,093,383</u>	<u>£1,996,859</u>

9. Liabilities Due After More Than One Year

	31 Dec 2021	15 Month Period 31 Dec 2020
Bank Loans	£1,181,360	£1,961,996
Hire Purchase (note 11)	£5,049	£25,941
Somerset West & Taunton Council	£1,097,312	£607,117
	<u>£2,283,721</u>	<u>£2,595,054</u>

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

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

10. Loans	31 Dec 2021	15 Month Period 31 Dec 2020
An analysis of the maturity of loans is given below:		
Amounts falling due within one year or on demand:		
Bank Loans	£186,511	£413,397
Somerset West and Taunton Borough Council	£151,353	£67,458
	<u>£337,864</u>	<u>£480,855</u>
Amounts falling due between one and two years:		
Bank Loans	£1,181,360	£427,208
Somerset West and Taunton Borough Council	£151,353	£67,458
	<u>£1,332,713</u>	<u>£494,666</u>
Amounts falling due between two and five years:		
Bank Loans	£0	£1,534,787
Somerset West and Taunton Borough Council	£454,060	£202,374
	<u>£454,060</u>	<u>£1,737,161</u>
Amounts falling due after five years:		
Repayable by instalments		
Somerset West and Taunton Borough Council	£491,899	£337,285
	<u>£491,899</u>	<u>£337,285</u>

11. Leasing agreements

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31 Dec 2021	15 Month Period 31 Dec 2020
	£	£
Net obligations repayable:		
Within one year	£20,891	£20,891
Between one and five years	£5,049	£25,941
	<u>£25,940</u>	<u>£46,832</u>
	Non-cancellable operating leases	
	31 Dec 2021	15 Month Period 31 Dec 2020
	£	£
Within one year	£80,891	£80,981
Between one and five years	£65,049	£145,941
	<u>£145,940</u>	<u>£226,922</u>

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

During the year a review was undertaken of financial contracts and has identified some operating leases that have previously not been disclosed. Commitments at current and prior period end are included above.

12. Provisions for Liabilities	31 Dec 2021	15 Month Period 31 Dec 2020
Deferred Taxation		
Accelerated Capital Allowances	£634,583	£428,337
Other timing differences	-£6,672	£0
	<u>£627,911</u>	<u>£428,337</u>
Other provisions		
Ground maintenance provision	£180,500	£0
Aggregate Amounts	<u>£808,411</u>	<u>£428,337</u>
	Deferred tax	Other provisions
	£	£
Balance at 1 January 2021	£428,337	0
Provided during the year	£199,574	£180,500
Balance at 31 December 2021	<u>£627,911</u>	<u>£180,500</u>

The deferred tax is provided for at 25% (2020: 19%) and comprises £627,911 (2020: £428,337) in respect of timing differences between depreciation and capital allowances.

The ground maintenance provision is recognised for expected maintenance of the ground. It is expected that these costs will be incurred in full in the next financial year and before the 2022 season begins.

13. Capital Commitments	31 Dec 2021	15 Month Period 31 Dec 2020
Contracted but not provided for in the financial statements	<u>£0</u>	<u>£52,560</u>

14. Share Capital	31 Dec 2021	15 Month Period 31 Dec 2020
6713 Ordinary shares of £1 each	<u>£6,713</u>	<u>£4,111</u>

15. Related party Transactions

During the period the club entered into transactions with a committee member at arm's length, the following took place:

	31 Dec 2021	15 Month Period 31 Dec 2020
Sales	£72,479	£40,572
Purchases	£6,418	£16,358

Amount due from the related party at the balance sheet date is £24,205 (2020: £5,788).

SOMERSET COUNTY CRICKET CLUB LIMITED
ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2021

CASHFLOW STATEMENT

	2021	15 Month Period 2020
Reconciliation of operating surplus to net cash inflow from operating activities		
Surplus before taxation	£464,285	£111,064
Depreciation charges	£318,847	£419,457
Grant amortisation	-£33,333	-£41,667
Impairment of fixed assets	£140,149	£117,950
Ground maintenance provisions (increase)	-£180,500	£0
Finance costs	£126,586	£176,462
Finance income receivable	-£1,175	-£4,820
Increase/(Decrease) in stock	£20,415	£49,022
(Increase)/Decrease in debtors	-£307,855	£593,398
Increase/(Decrease) in creditors	£394,128	£94,449
Net cash inflow from operating activities	<u>£941,547</u>	<u>£1,515,315</u>

Cashflow Statement

Net cash inflow from operating activities	£941,547	£1,515,315
Returns on Investments and servicing of finance		
Interest received	£1,175	£4,820
Interest paid	-£132,537	-£170,511
Taxation		
Taxation paid	-£41,277	£0
Cash flows from investing activities		
Payments to acquire tangible fixed assets	-£85,337	-£113,935
Disposal proceeds	£0	£0
Net cash from investing activities	<u>£683,571</u>	<u>£1,235,689</u>
Cash flows from financial activities		
Increase/(Decrease) in ordinary share capital	£2,602	-£2,521
Hire Purchase Repayments	-£20,893	-£26,114
Loans Advanced	£677,450	£0
Loan Repayments	-£1,110,880	-£563,410
Net cash from financial activities	<u>-£451,721</u>	<u>-£592,045</u>
Increase/(Decrease) in cash at bank, in hand and on deposit	<u>£231,850</u>	<u>£643,644</u>

Reconciliation of net cash flow to movement in net debt

(Decrease)/Increase in cash in period	£231,850	£643,644
Loan Repayments	£1,110,880	£563,410
Loan Advances	-£677,450	£0
Change in net debt	<u>£665,280</u>	<u>£1,207,054</u>
Net debt at 1 January 2021	-£1,546,987	-£2,754,041
Net debt at 31 December 2021	<u>-£881,707</u>	<u>-£1,546,987</u>

Analysis of changes in net debt

	At 1 Jan 2021 £	Cash Flows £	Other Changes £	At 31 December 2021 £
Cash in hand, at bank and on deposit	£1,502,980	£231,850		£1,734,830
Debt due within one year	-£480,855	£142,991		-£337,864
Debt due after one year	-£2,569,112	£290,439		-£2,278,673
Total	<u>-£1,546,987</u>	<u>£665,280</u>	£0	<u>-£881,707</u>