REGISTERED NUMBER: SC003264 (Scotland)

Report of the Directors and

Financial Statements

for the Year Ended 31 May 2023

for

Greenock Morton Football Club Limited

Contents of the Financial Statements
for the Year Ended 31 May 2023

Greenock Morton Football Club Limited

Company Information
for the Year Ended 31 May 2023

DIRECTORS:	Mr G Ritchie Mr G Barr Mr M Harkins Mr R Gourdie Mr S Robinson
REGISTERED OFFICE:	Cappielow Park Sinclair Street Greenock Renfrewshire PA15 2TY
REGISTERED NUMBER:	SC003264 (Scotland)
AUDITORS:	Messrs. Henderson & Company Chartered Accountants Statutory Auditor 73 Union Street Greenock PA16 8BG

Report of the Directors
for the Year Ended 31 May 2023

The directors present their report with the financial statements of the company for the year ended 31 May 2023.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 June 2022 to the date of this report.

Mr G Ritchie
Mr G Barr
Mr M Harkins

Other changes in directors holding office are as follows:

Mr A Gray - resigned 17 October 2022
Mr G McLennan - resigned 27 April 2023
Mr R Gourdie - appointed 14 August 2022
Mr S Robinson - appointed 27 April 2023

Mr S Farmer ceased to be a director after 31 May 2023 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Messrs. Henderson & Company, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mr M Harkins - Director

23 February 2024

Report of the Independent Auditors to the Members of Greenock Morton Football Club Limited

Opinion
We have audited the financial statements of Greenock Morton Football Club Limited (the 'company') for the year ended 31 May 2023 which comprise the Income Statement, Balance Sheet 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).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 May 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

Material uncertainty relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Report of the Independent Auditors to the Members of
Greenock Morton Football Club Limited

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the nature of the company and the industry and the company's control environment. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operation of the company such as the Companies Act 2006, taxation legislation, employment and health and safety legislation and other relevant legislation. We assessed the extent of compliance with laws and regulations identified through making enquiries of management, inspecting legal correspondence and correspondence with HMRC.

We considered management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management bias and override of controls. To address these risks we performed analytical procedures to identify any unusual or unexpected relationships, tested journal entries to identify unusual transactions and assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias. We reviewed financial statement disclosures and tested balances to supporting documentation.

Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through out the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Robert J Henderson

Robert Henderson (Senior Statutory Auditor)
for and on behalf of Messrs. Henderson & Company
Chartered Accountants
Statutory Auditor
73 Union Street
Greenock
PA16 8BG

23 February 2024

Income Statement
for the Year Ended 31 May 2023

	Notes	2023 £	2023 £	2022 £	2022 £
TURNOVER			1,627,682		1,270,826
Team expenses		1,139,103		1,175,720	
Administrative expenses		600,280		638,414	
			1,739,383		1,814,134
			(111,701)		(543,308)
Other operating income			182,208		304,866
OPERATING PROFIT/(LOSS) and PROFIT/(LOSS) BEFORE TAXATION			70,507		(238,442)
Tax on profit/(loss)			-		-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			70,507		(238,442)

The notes form part of these financial statements

Balance Sheet
31 May 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible assets	5		108,265		122,284
CURRENT ASSETS					
Debtors	6	95,528		92,689	
Cash at bank		274,670		172,134	
		370,198		264,823	
CREDITORS					
Amounts falling due within one year	7	275,089		249,036	
NET CURRENT ASSETS			95,109		15,787
TOTAL ASSETS LESS CURRENT LIABILITIES			203,374		138,071
ACCRUALS AND DEFERRED INCOME			22,527		27,731
NET ASSETS			180,847		110,340
CAPITAL AND RESERVES					
Called up share capital			1,004,455		1,004,455
Share premium			1,159,228		1,159,228
Retained earnings			(1,982,836)		(2,053,343)
SHAREHOLDERS' FUNDS			180,847		110,340

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

The financial statements were approved by the Board of Directors and authorised for issue on 23 February 2024 and were signed on its behalf by:

Mr M Harkins - Director

**Notes to the Financial Statements
for the Year Ended 31 May 2023**

1. STATUTORY INFORMATION

Greenock Morton Football Club Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern
The board of directors review the financial position of the company on an ongoing basis and update budgets to include variations as they arise. The board are satisfied that there will be adequate funding in place to cover all known liabilities as they fall due until the end of the 2023/24 season.

The directors will prepare forecasts for the 2024/25 season based on expected income levels for the season and player budgets will be set accordingly. The directors will continue to review the forecasts on an ongoing basis to ensure that costs are minimized and that the company's liquidity position remains stable.

The directors are therefore of the opinion that the going concern basis is applicable.

Revenue recognition
Turnover is measured at the fair value of the consideration received or receivable for services supplied, net of discounts and Value Added Tax.

Gate and other match day revenues are recognised over the period of the football season as games are played. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. Broadcasting revenues are recognised over the duration of the football season. Fees for live coverage or highlights are recognised when earned.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 10% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate or if there is an indication of significant change since the last reporting date.

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2. **ACCOUNTING POLICIES - continued**

Taxation

The tax expense for the year comprises current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount for deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recoverd.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Pension costs

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statements of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

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2. ACCOUNTING POLICIES - continued

Debtors
Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty or notice of more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to know amounts of cash with insignificant risk of change in value.

Financial instruments
The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured initially and subsequently at the undiscounted amount of the cash or other consideration expected to be paid or received. However , if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Creditors
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 31 (2022 - 41).

4. OPERATING PROFIT/(LOSS)

The operating profit (2022 - operating loss) is stated after charging:

	2023	2022
	£	£
Depreciation - owned assets	24,223	24,360

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5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 June 2022	764,057	6,000	11,020	781,077
Additions	847	-	9,357	10,204
At 31 May 2023	764,904	6,000	20,377	791,281
DEPRECIATION				
At 1 June 2022	645,980	6,000	6,813	658,793
Charge for year	21,327	-	2,896	24,223
At 31 May 2023	667,307	6,000	9,709	683,016
NET BOOK VALUE				
At 31 May 2023	97,597	-	10,668	108,265
At 31 May 2022	118,077	-	4,207	122,284

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	89,448	88,636
Other debtors	6,080	4,053
	95,528	92,689

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	75,586	104,318
Taxation and social security	52,987	54,885
Other creditors	146,516	89,833
	275,089	249,036

Included in other creditors at 31 May 2023 is £79,171 (2022 - £87,677) of deferred income relating to the 2023/24 season.

8. ULTIMATE CONTROLLING PARTY

GMFC Property Limited hold 3,607,528 ordinary shares of 25p each in Greenock Morton Football Club Limited, this being 89.79% of the company's issued share capital. GMFC Property Limited is a wholly owned subsidiary of Morton Club Together Limited. Morton Club Together Limited is a company limited by guarantee which was created to facilitate the transfer to fan ownership and does not have an ultimate controlling party.