



**Grimsby
Town
Football
Club plc**

REGISTERED OFFICE:
BLUNDELL PARK,
CLEETHORPES,
N.E. LINCOLNSHIRE
DN35 7PY

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Chairman:
P.W. Furneaux.

Directors:
M. Chapman, J. Elsom,
J. Fenty, M. Rouse.

Manager:
P. Groves.

Chief Executive:
I. Fleming.

Commercial Manager:
T. Richardson.



JARVIS

THE GRIMSBY TOWN FOOTBALL CLUB PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MAY, 2003

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Details of Incorporation

Incorporated in England on 20th June, 1891
under Company Number 34760

Registered Office

Blundell Park,
Cleethorpes,
DN35 7PY.

Chairman

P.W. Furneaux

Directors

M. Chapman
J. Elsom
J.S. Fenty
M.R.D. Rouse

Company Secretary

I. Fleming

Auditors

Weaver Wroot,
Chartered Certified Accountants,
Burlington House,
28 Dudley Street,
Grimsby,
DN31 2AB.

Solicitors

Beetenson & Gibbon,
Town Hall Square,
Grimsby,
DN31 1HX.

Bankers

Lloyds TSB plc,
Commercial Banking Service Centre,
8th Floor,
6-7 Park Row,
Leeds
LS1 1NX.

Notice is hereby given that the one-hundred and twelfth ANNUAL GENERAL MEETING of the company will be held at The Executive Lounge, Blundell Park, Cleethorpes on Monday, 22nd December, 2003 at 7.00 p.m. to transact the following business:

1. To confirm the Minutes of the one hundred and eleventh Annual General Meeting.
2. To receive the Report of the Directors and Financial Statements for the year ended 31st May, 2003.
3. To elect Directors.
4. To re-appoint Weaver Wroot as the company's auditors and authorise the Directors to fix their remuneration.

BY ORDER OF THE BOARD,

**I. Fleming
Company Secretary**

**10th November, 2003
Blundell Park,
Cleethorpes.**

Note

A member entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on their behalf. Such proxy need not be a member of the company. To be valid, proxies must be lodged at the Registered Office of the company not later than 48 hours prior to the time appointed for the Meeting.

The Register of Members will be closed from 8th December, 2003 and will remain so until after the Meeting.

The directors present their Report and Financial Statements for the year ended 31st May, 2003.

Principal activity

The company's principal activity continues to be that of a professional football club together with related and ancillary activities.

Review of the business

A summary of the results for the year is given on page 7 of the attached financial statements.

The directors do not recommend the payment of a dividend.

The financial results for the year reflect the continuing difficulty of financing the company following the demise of ITV Digital and the significant reduction in income from television and broadcasting. Despite a difficult season, income from gate receipts and season ticket sales remained static, the reduction in match receipts arising from an early exit from the Cup Competitions. The company continues to receive support from all of its sponsors, income from the new sponsor, Jarvis, will be reflected in the 2004 financial statements. Continued financial support provided by the directors has resulted in the increase in commercial income during the year.

As reported last year the Board was required to implement stringent financial measures to enable the company to continue trading following the loss of income from ITV Digital. Although the company's operating expenses have been considerably reduced, at 31st May, 2003 the company still had continuing financial commitments based on the income from the television agreement.

The Board must ensure that the company can continue to operate within its available financial resources and as a consequence in the foreseeable future the Board anticipates that there will continue to be periods of time when the company is likely to experience funding difficulties to meet its financial commitments. The directors will continue to use their best endeavours to secure financial support and assistance as necessary by various means to enable the company to continue operating.

Directors and disclosable interests

The beneficial interests of the directors who held office at the end of the year, and those of their families, in the ordinary shares of the company on 1st June 2002, (or later date of appointment) and 31st May, 2003 which have been notified by each director pursuant to Section 324 of the Companies Act were as follows:

	2003	2002
	Ordinary shares in units of £1	Ordinary shares in units of £1
J.S. Fenty	62,289	4,795
P.W. Furneaux	500	500
M.R.D. Rouse	46,820	3,025
M. Chapman	500	500
J. Elsom	500	500

By rotation J.S.Fenty and M.R.D. Rouse will be retiring at the Annual General Meeting but being eligible offer themselves for re-election.

Share capital

At an Extraordinary General Meeting held on 10th April, 2003 the Directors were empowered to issue shares for a period of five years. Applications amounting to £37,250 were received by 31st May, 2003, this amount being included in Deferred Income Note 11 on page 18 of the attached financial statements. Since 1st June, 2003 applications amounting to £43,100 have been received and therefore between 1st June, 2003 and 31st October, 2003 1,607 £50 shares have been issued.

Political and charitable donations

The company's charitable donations for the year amounted to £2,174 (2002 £3,071). There were no political contributions (2002 £Nil).

Payment to suppliers

The company does not have a standard policy for payment of suppliers but seeks the best possible terms appropriate to the transaction, giving consideration to quality, price and terms of payment. The company will continue to honour any contractual and other legal obligations to pay creditors on dates agreed in contracts and purchase orders. The cost of acquiring players' registrations and associated transactions are such that the calculation of the number of creditor days would be distorted, therefore the company has calculated creditor days excluding these amounts. The number of creditor days was 52 (2002: 35)

Employment, health and safety and environmental policies

It is the company's policy that there should be no discrimination against any person on the grounds of race, sex, religion or otherwise.

In accordance with the company's equal opportunity policy, disabled people are given the same consideration as others when they apply for a job. Depending on their skills and abilities, they enjoy the same career prospects and scope for realising their potential as other employees. If an existing employee becomes disabled, reasonable steps are taken to retain them in employment.

Within the bounds of commercial confidentiality, staff are kept reasonably informed of matters that affect the progress of the company and are of interest to them as employees.

The company maintains its own health and safety and environmental policies covering its activities. Adherence to these policies is monitored on a regular basis.

Auditors

In accordance with section 385 of the Companies Act 1985 a resolution to reappoint Weaver Wroot as auditors will be put to the Members at the Annual General Meeting.

THIS REPORT WAS APPROVED BY THE BOARD OF DIRECTORS ON 10th NOVEMBER, 2003.

BY ORDER OF THE BOARD

**I. FLEMING
Company Secretary**

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

We have audited the financial statements on pages 7 to 20.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

In forming our opinion we have considered the adequacy of the disclosures in Note 1, of the financial statements concerning the continued financial support to the company by its bankers and directors. In view of the significance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this report.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st May, 2003 and of its loss and cashflows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**10th November, 2003
Grimsby**

**WEAVER WROOT
Chartered Certified Accountants
Registered Auditors**

**THE GRIMSBY TOWN
FOOTBALL CLUB PLC**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MAY, 2003**

				2003	2002
	Note	Operations excluding player trading £	Player trading £	Total £	Total £
Turnover	2	3,836,889	-	3,836,889	6,357,570
Operating expenses	3	(3,718,632)	(192,098)	(3,910,730)	(5,195,422)
		<hr/>	<hr/>	<hr/>	<hr/>
Operating profit (loss)		118,257	(192,098)	(73,841)	1,162,148
Profit (loss) on disposal of players' registrations		-	-	-	(78,000)
		<hr/>	<hr/>	<hr/>	<hr/>
Profit (loss) before interest and taxation		118,257	(192,098)	(73,841)	1,084,148
		<hr/> <hr/>	<hr/> <hr/>		
Net interest payable	5			(25,663)	(11,391)
				<hr/>	<hr/>
(Loss) profit on ordinary activities before taxation	3			(99,504)	1,072,757
Taxation	6			-	-
				<hr/>	<hr/>
(Sustained loss) retained profit for the year				(99,504)	1,072,757
(Accumulated losses) brought forward				(961,038)	(2,033,795)
				<hr/>	<hr/>
(Accumulated losses) carried forward				(1,060,542)	(961,038)
				<hr/> <hr/>	<hr/> <hr/>

The company made no recognised gains or losses in 2003 or 2002 other than the (loss) profit for the year.

The accompanying notes are an integral part of these financial statements.

**THE GRIMSBY TOWN
FOOTBALL CLUB PLC**

**BALANCE SHEET
AS AT 31st MAY, 2003**

	Note	2003 £	2002 £
Fixed assets			
Intangible assets	7	192,110	255,208
Tangible assets	8	421,529	433,788
Current assets			
Stocks on hand	9	24,149	41,158
Debtors	10	299,330	380,638
Cash and bank balances		1,986	880
		-----	-----
		325,465	422,676
Creditors (amounts falling due within one year)	11	(1,762,746)	(1,835,810)
		-----	-----
Net current (liabilities)		(1,437,281)	(1,413,134)
		-----	-----
Total assets less current liabilities		(823,642)	(724,138)
		=====	=====
Capital and reserves			
Called up share capital	12	236,900	236,900
Profit and loss account		(1,060,542)	(961,038)
		-----	-----
Shareholders' funds		(823,642)	(724,138)
		=====	=====

The financial statements were approved by the Board of Directors on 10th November, 2003

)	
P.W. FURNEAUX)	
)	DIRECTORS
J.S. FENTY)	
)	

**THE GRIMSBY TOWN
FOOTBALL CLUB PLC**

**CASHFLOW STATEMENT
FOR THE YEAR ENDED 31st MAY, 2003**

	2003 £	2002 £
Net cash inflow (outflow) from operating activities	775,949	(503,383)
Returns on investments and servicing of finance		
Interest received	729	1,721
Interest paid	(26,392)	(13,112)
Net cash (outflow) inflow from returns on investments and servicing of finance	(25,663)	(11,391)
Taxation		
Corporation tax received (paid)	-	-
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(12,625)	(4,410)
Disposal of tangible fixed assets	-	16,150
Purchase of players' registrations	(117,250)	(157,500)
Disposal of players' registrations	-	-
Net cash (outflow) inflow from capital expenditure and financial investment	(129,875)	(145,760)
Net cash inflow (outflow) before financing	620,411	(660,534)
Financing		
New finance agreements	-	-
Repayment of finance agreements	-	(21,878)
New loans	-	550,000
Repayment of loans	(550,500)	-
Net cash (outflow) inflow from financing	(550,500)	528,122
Increase (decrease) in cash	69,911	(132,412)

A. Reconciliation of profit (loss) on ordinary activities before taxation to net cash (outflow) inflow from operating activities

	2003	2002
	£	£
(Loss) profit on ordinary activities before taxation	(99,504)	1,072,757
Interest paid	26,392	13,112
Interest received	(729)	(1,721)
Amortisation of players' registrations	180,348	239,584
Depreciation charge	24,884	26,795
Loss on disposal	-	7,600
(Increase) decrease in stocks	17,009	9,775
(Increase) decrease in debtors	81,308	(24,300)
Increase (decrease) in creditors	546,241	(1,924,985)
	<hr/>	<hr/>
Net cash inflow (outflow) from operating activities before disposal of players' registrations	775,949	(581,383)
Net loss (profit) on disposal of players' registrations	-	78,000
	<hr/>	<hr/>
Net cash inflow (outflow) from operating activities	775,949	(503,383)
	<u>=====</u>	<u>=====</u>

B. Analysis of changes in net debt

	1st June	Cash	Other	31st May
	2002	flows	non-cash	2003
	£	£	changes	£
Cash and bank balances	880	1,106	-	1,986
Bank overdraft	(490,558)	68,805	-	(421,753)
	<hr/>	<hr/>	<hr/>	<hr/>
	(489,678)	69,911	-	(419,767)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Debt due within one year				
Finance agreements	(650,500)	550,500	-	(100,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	(1,140,178)	620,411	-	(519,767)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

C Reconciliation of net cashflow to movement in net debt

	2003	2002
	£	£
Increase (decrease) in cash in year	69,911	(132,412)
Cash (inflow) outflow from (increase) decrease in loans and finance agreements	550,500	(528,122)
	-----	-----
Change in net debt resulting from cashflows/ Movement in net debt in the year	620,411	(660,534)
Net debt at 1st June, 2002	(1,140,178)	(479,644)
	-----	-----
Net debt at 31st May, 2003	(519,767)	(1,140,178)
	=====	=====

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements.

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain land and buildings and in accordance with applicable accounting standards.

Turnover

Turnover represents all income arising from the ordinary activities of the company and excludes transfer fees receivable and Value Added Tax. Match receipts are shown after deduction of levies paid to the Football League, the Football Association and amounts due to visiting clubs.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation net of depreciation and provisions for impairment. No depreciation has been provided on freehold land and buildings, as Blundell Park continues to be valued in the financial statements at an amount equivalent to the likely net disposal proceeds. Depreciation in respect of other tangible fixed assets is provided for at the following rates on a straight line basis calculated to write-off the cost or valuation, less any estimated residual value, of each asset over its useful economic life.

Motor vehicles	25%
Computer equipment	33%
Fixtures, fittings and equipment	15%

Costs of ongoing capital projects are held as capital works in progress on the balance sheet and are transferred to the appropriate fixed asset categories upon completion.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price with provision being made for obsolete, slow moving or defective items, where appropriate.

Player trading

The costs associated with the acquisition of players' registrations are capitalised as intangible assets. These costs are fully amortised in equal annual instalments over the period of the players' contracts including any agreed extensions. Players' registrations are written down for impairment when the amortised value exceeds the amount recoverable through use or sale. Future costs which may become due are recognisable within the original cost of acquisition if, in the opinion of the directors, it is probable that these costs will be incurred. Where similar circumstances arise from the disposal of players' registrations, these future receipts are not recognised as part of the proceeds of disposal until such time as the events upon which these receipts are dependent, are known to have occurred. No value is recognised in the financial statements for players developed within the company.

Signing on fees

Signing on fees are charged to the profit and loss account in the accounting period when they become due under the terms of the players' initial contract. Instalments due in the future are not provided for but are noted as contingent liabilities. Signing on fees paid as a consequence of the transfer of a player's registration are included in the profit or loss on disposal of players' registrations.

Deferred income

Deferred income comprises amounts received from sponsorship and season ticket income, which is released to the profit and loss account on a straight line basis over the period to which it relates.

Taxation

The charge for taxation is based upon the results for the year and takes into account taxation deferred through timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised without discounting in respect of these timing differences which have arisen but not reversed by the balance sheet date except as otherwise required by FRS19.

Leases

Assets held under finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful economic life. The capital element of future lease obligations are recorded as liabilities, the interest element being charged to the profit and loss account evenly over the period of the lease.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The company contributes to defined contribution pension schemes for certain employees, the assets of which are held separately from those of the company in independently administered funds. Pension costs represent contributions payable by the company in the year.

Grants

Grants received in respect of expenditure on safety work which is charged to the profit and loss account are dealt with in the profit and loss account in the year of receipt. Grants received in respect of safety work of a capital nature are treated as deferred income and released to the profit and loss account by instalments over the expected useful economic life of the related assets.

1. Going concern

The company has traded at a loss during the year and net assets remain in deficit at 31st May, 2003. The company's ability to continue to operate remains dependent upon financial support from its bankers and directors. Financial projections indicate that the company's bank facilities may be exceeded during the current season. In order to obtain football league grants the directors have provided written confirmation that they will continue to provide sufficient working capital for the company to meet its financial obligations. Therefore, the directors are not aware of any reason to suggest that the company should not be able to finance its operations and other obligations for at least twelve months from the date of approval of these financial statements and therefore to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments which would result from an inability to secure continued financial support which may be required to enable the company to continue as a going concern.

2. Turnover

Turnover all of which arises from the company's principal activity can be analysed into its main components as follows:

	2003	2002
	£	£
Match receipts	1,191,565	1,398,344
Television and broadcasting	1,129,651	3,834,369
	-----	-----
Football	2,321,216	5,232,713
	=====	=====
Sponsorship	1,243,346	809,321
Retailing and merchandising	137,409	171,442
Catering	134,918	144,094
	-----	-----
Commercial	1,515,673	1,124,857
	=====	=====
Total	3,836,889	6,357,570
	=====	=====

3. (Loss) profit on ordinary activities before taxation

	2003	2002
	£	£
Analysis of operating expenses		
Staff costs (Note 4)	3,087,317	4,151,000
Depreciation of tangible fixed assets		
Owned	24,884	26,795
Loss on disposal of tangible fixed assets	-	7,600
Amortisation of intangible fixed assets	180,348	239,584
Other operating charges	701,623	851,148
Other operating income	(83,442)	(80,705)
	-----	-----
	3,910,730	5,195,422
	=====	=====

3. (Loss) profit on ordinary activities before taxation (continued)

	2003	2002
	£	£
(Loss) profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration:		
Audit	5,000	5,000
Other services	10,000	15,000
Operating lease payments	4,594	6,344
	=====	=====

4. Particulars of Directors' and Employees' remuneration

In accordance with the company's Articles of Association directors are reimbursed for expenses but receive no remuneration in their capacity as directors.

The average number of persons employed by the company during the year was as follows:

	2003	2002
Full-time	62	68
Part-time	20	24
Match day staff	214	211
	—	—
	296	303
	===	===

Aggregate cost of employment being as follows:

	2003	2002
	£	£
Wages and salaries	2,723,450	3,685,127
Social Security costs	267,393	372,765
Other pension costs	20,193	20,841
Expenses and other costs	76,281	72,267
	—————	—————
	3,087,317	4,151,000
	=====	=====

Outstanding pension contributions at 31st May, 2003 amounted to £19,342 (2002 £37,934).

5. Net interest payable

	2003	2002
	£	£
Payable		
Bank overdraft	26,392	9,764
Finance agreements	-	3,348
	<hr/>	<hr/>
	26,392	13,112
Receivable		
Bank and short-term deposits	(729)	(1,721)
	<hr/>	<hr/>
	25,663	11,391
	=====	=====

6. Taxation

The effective rate of tax for the year is less than the rate of Corporation tax for small companies of 19% (2002: 19%) due to the utilisation of available Corporation tax losses.

	2003	2002
	£'000's	£'000's
(Loss) profit on ordinary activities before taxation	(99)	1,073
	==	=====
(Loss) profit on ordinary activities multiplied by the Small Companies rate of Corporation tax	(19)	204
Effects of:		
Expenses not deductible for tax purposes	2	2
Income not chargeable to tax	(12)	(11)
Depreciation etc. for the year in excess of capital allowances	(2)	(3)
Amortisation etc. of intangible assets for the year in excess of capital allowances	-	5
Tax losses incurred (utilised) in the year	27	(193)
	==	===
Corporation tax charge for the year	(4)	4
	=	==

The company has unrecognised deferred tax assets in respect of tax losses and accelerated capital allowances. The assets have not been recognised as the likelihood of the company recovering these assets in the foreseeable future is considered to be remote. Unrelieved Corporation tax losses at 31st May, 2003 amounted to £3.0m.

7. Intangible fixed assets

	Players' registrations £
Cost	
At 1st June, 2002	367,500
Additions	117,250
Disposals	-

At 31st May, 2003	484,750
	=====
Amortisation	
At 1st June, 2002	112,292
Provided during year	180,348
Disposals	-

At 31st May, 2003	292,640
	=====
Net book value	
31st May, 2003	192,110
	=====
31st May, 2002	255,208
	=====

8. Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1st June, 2002	1,346,146	308,210	9,710	1,664,066
Additions	-	12,625	-	12,625
Disposals	-	-	(9,710)	(9,710)
	-----	-----	-----	-----
At 31st May, 2003	1,346,146	320,835	-	1,666,981
	=====	=====	=====	=====
Depreciation				
At 1st June, 2002	969,146	251,422	9,710	1,230,278
Provided during the year	-	24,884	-	24,884
Disposals	-	-	(9,710)	(9,710)
	-----	-----	-----	-----
At 31st May, 2003	969,146	276,306	-	1,245,452
	=====	=====	=====	=====
Net book value				
31st May, 2003	377,000	44,529	-	421,529
	=====	=====	=====	=====
31st May, 2002	377,000	56,788	-	433,788
	=====	=====	=====	=====

9. Stocks on hand

	2003	2002
	£	£
Goods for resale	24,149	41,158
	=====	=====

10. Debtors

	2003	2002
	£	£
Due within one year		
Trade debtors	28,346	31,366
Other debtors	81,042	154,096
Prepayments	15,725	20,959
Capital works in progress	174,217	174,217
	-----	-----
	299,330	380,638
	=====	=====

Capital works in progress relate to costs associated with the proposed new stadium development. Should the development not proceed these costs will require writing off to the profit and loss account.

11. Creditors (amounts falling due within one year)

	2003	2002
	£	£
Bank overdraft	421,753	490,558
Trade creditors	137,762	123,057
Players' registrations	102,500	50,000
Other taxation creditors	492,989	198,414
Other creditors	93,016	40,707
Accruals	86,083	163,056
Deferred income	328,643	119,518
Loans from Directors and companies in which they have an interest	100,000	650,000
Other loans	-	500
	-----	-----
	1,762,746	1,835,810
	=====	=====

Bank overdraft is secured by way of an unlimited debenture creating a fixed and floating charge over all of the company's assets and undertakings supported by personal guarantees from directors.

12. Share capital

	2003	2002
	£	£
Authorised		
2,850 ordinary shares of £100 each	285,000	285,000
5,100 ordinary shares of £50 each	255,000	255,000
1,600 ordinary shares of £25 each	40,000	40,000
20,000 ordinary shares of £1 each	20,000	20,000
	<hr/>	<hr/>
	600,000	600,000
	=====	=====
Issued and fully paid		
1,702 ordinary shares of £100 each	170,200	170,200
134 ordinary shares of £50 each	6,700	6,700
1,600 ordinary shares of £25 each	40,000	40,000
20,000 ordinary shares of £1 each	20,000	20,000
	<hr/>	<hr/>
	236,900	236,900
	=====	=====

13. Reconciliation of movements in shareholders' funds

	2003	2002
	£	£
(Sustained loss) retained profit for the year	(99,504)	1,072,757
Shareholders' funds at 1st June, 2002	(724,138)	(1,796,895)
	<hr/>	<hr/>
Shareholders' funds at 31st May, 2003	(823,642)	(724,138)
	=====	=====

14. Capital commitments

There are no capital commitments authorised by the Board either contracted for or not contracted for.

15. Contingencies and commitments

There are potential liabilities in respect of certain players should they be transferred at a fee in excess of that paid by the company. Due to the variable nature of these payments it is not possible to calculate the maximum potential liability.

The following payments are committed to be paid in 2004 under operating leases:

	2003	2002
	£	£
Land and buildings		
Expiring within one year	- 1,500	
Expiring between two and five years	1,750	-
	<hr/>	<hr/>
Other		
Expiring within one year	-	3,094
	====	====

Motor vehicles are made available to the company as part of various sponsorship agreements.

16. Related party transactions

During the year sponsorship has been provided by the directors and companies in which they have an interest amounting to £666,429. There were no amounts outstanding at 31st May, 2003.

During the year goods have been purchased from and expenses reimbursed to directors and companies in which they have an interest amounting to £22,529. There were no amounts outstanding at 31st May, 2003.

Loans from directors and companies in which they have an interest are disclosed in Note 11. The balance at 1st June, 2002 was the maximum liability during the year.

All transactions with related parties are disclosed on an aggregate basis.

17. Post balance sheet events

There have been no material post balance sheet events that require disclosure in these financial statements.

THE GRIMSBY TOWN FOOTBALL CLUB PLC

MINUTES OF THE 111th ANNUAL GENERAL MEETING HELD AT THE INN ON THE PARK, CLEETHORPES ON 19th DECEMBER, 2002

The Chairman opened by welcoming everyone to the 111th Annual General Meeting and commenced the Meeting by asking all present to take as read the Notice of the Meeting. The Notice was adopted unanimously.

The Chairman then sought agreement to appoint the company's auditors, Weaver Wroot, as tellers should a poll vote be necessary during the Meeting. There were no objections and he then asked Mr. W.J. King of Beetenson & Gibbon, the company's Solicitors, to outline the procedure for voting and entitlement of those present at the Meeting to speak.

The Chairman then moved on to item 1 of the agenda, the Minutes of the 110th Annual General Meeting held on 27th September, 2001. These having been circulated were taken as read and adopted unanimously.

The Chairman then moved on to item 2 of the agenda, the report of the directors and financial statements for the year ended 31st May, 2002 together with the accompanying auditor's report. He asked Mr. S. Marley of Weaver Wroot, the company's auditors, to address the Meeting. Mr. Marley explained that the format of the financial statements had changed this year following instructions from the Football Authorities as they wished to ensure that all Football Club's presented their financial statements on the same basis. He provided a summary of the main changes from previous years and significant items in the financial statements for the year ended 31st May, 2002. The Chairman asked the Meeting if there were any questions on the financial statements. There were none and he then asked for a proposer and seconder. Mr. M.R.D. Rouse proposed, Mr. W.J. King seconded the resolution, which was carried unanimously.

The Chairman then moved to item 3 of the agenda, the election of directors. He introduced two new Board members, Mr. M. Chapman and Mr. J. Elsom, who were both co-opted on to the Board during the year. Both Mr. Chapman and Mr. Elsom addressed the Meeting and invited questions from the shareholders regarding their proposed election as directors. He asked for a proposer and seconder for the election of Mr. Chapman as a director. Mr. W.H. Carr proposed, Mr. D. Carr seconded the resolution, which was carried unanimously and Mr. Chapman was duly elected a director of the company. He then asked for a proposer and seconder for the election of Mr. Elsom as a director. Mr. W.J. King proposed, Mr. C. Carr seconded the resolution, which was carried unanimously and Mr. Elsom was duly elected a director of the company.

He then handed the Chair to Mr. J.S. Fenty for his own re-election as a director. Mr. Fenty asked for a proposer and seconder for the election of Mr. Furneaux as a director. Mr. M.R.D. Rouse proposed, Mr. W.H. Carr seconded the resolution and Mr. Furneaux was duly re-elected a director of the company.

Mr. Fenty then handed the Chair back to Mr. Furneaux who moved on to the last item on the agenda the reappointment of Weaver Wroot as auditors to the company and authority for the Board to fix their remuneration. He asked the Meeting for their agreement to the re-election of Weaver Wroot as auditors, who were unanimously reappointed auditors, and the Board was given authority to fix their remuneration.

There being no further business the Chairman thanked everyone for their attendance at the 111th Annual General Meeting and declared the Meeting closed at 10.55 a.m.

THE GRIMSBY TOWN FOOTBALL CLUB PLC

MINUTES OF AN EXTRAORDINARY GENERAL MEETING HELD ON 10TH APRIL 2003

The Chairman opened by welcoming everyone to the meeting and informing the Shareholders that there were two items of business to be dealt with. He informed the meeting that if any Shareholder wished to ask any questions on the resolutions, or if they wished to have any matter explained further, either the Board or the company's Professional Advisors would answer any questions.

A Shareholder requested that the business to be conducted by the meeting be explained to him, in non-technical terms. Mr. W. J. King, the company's Solicitor, outlined the business covered by the resolutions that were to be considered by the Shareholders. He explained that the first set of resolutions were to amend the company's Memorandum and Articles of Association, in accordance with the rules of the Football Association, as this was a requirement for all member clubs of the Football Association. The second set of resolutions related to the Board of Directors seeking authority from the Shareholders to be empowered to allot shares at their discretion.

A number of Shareholders addressed questions to the Board of Directors in respect of the Club's current financial position, the Board's intentions for the allotment of shares and various matters associated thereto. The meeting was informed that the Club's financial position remained similar to that outlined at the Annual General Meeting, and in response to a Shareholder's enquiry, it was pointed out that the shares at present were in effect, worthless. The meeting was informed that in respect of the shares, the purpose of the meeting was to seek the necessary authority from the Shareholders, before the Board could consider the best way of making shares available to those who are interested. A heated exchange of comments then ensued between various Shareholders and the Directors.

The Chairman then requested that if there were no further questions specific to the two sets of proposals, that the meeting should proceed by voting on the resolutions. Accordingly, he sought a Proposor and Seconder for the resolutions relating to the amendments to the company's Memorandum and Articles of Association. This was proposed by Mr. M. R. D. Rouse and seconded by Mr. W. J. King. The resolutions were carried unanimously on a show of hands. He then sought a Proposor and Seconder for the resolutions relating to the authority to allot shares. This was proposed by Mr. M. R. D. Rouse and seconded by Mr. W. H. Carr and was carried unanimously on a show of hands. A vote of thanks was given by the Directors to the Shareholders for supporting the resolutions, at which point the Chairman declared the meeting closed.