



NORTHAMPTON
SAINTS
PLC

**ANNUAL REPORT
& ACCOUNTS
2018**



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DIRECTORS



JOHN WHITE

Chairman

John was appointed as chairman of Northampton Saints in 2017, having joined the board of directors in November 2012. He has spent all his working life in the house building industry, both locally and nationally. John was group chairman and group chief executive of Persimmon Plc for 18 years, until he retired from the board in April 2011. From 2013-17 he held the position of group chairman of McCarthy and Stone, the UK retirement housing specialist. In December 2017 he was appointed chairman of Miller Homes, the national home-builder. He is a life-long supporter of Saints, and had a brief period as a player at Franklin's Gardens before injury ended his career



COLIN POVEY

Deputy Chairman

Colin joined the board in 2001 and became deputy chairman in 2017. He has extensive business experience having spent time working in the UK and overseas for listed companies. He was chief executive of Carlsberg UK at their national headquarters in Northampton, and as chief executive of Warwickshire County Cricket Club he oversaw the redevelopment of the world-famous Edgbaston stadium. Colin is currently non-executive chairman of England Netball and is also a former international sportsman, having both played and coached water polo for Great Britain



KEITH BARWELL OBE

Non-executive director

Keith has supported Saints since his school-days. He spent most of his working life in the newspaper industry and helped the club when the game turned professional. Keith is also the founder of 78 Derngate Trust, which restored the Charles Rennie Mackintosh building. He was made an Officer of the British Empire in 2009 for his services to Northampton. He is currently the club president



NICK BEAL

Non-executive director

Nick is a Chartered Financial Planner and managing director of local financial advisers David Williams IFA, which he joined in 2000. His rugby career started with High Wycombe, where he played for three seasons before joining Saints. Nick became a full-time rugby player when the game turned professional in 1995, playing over 280 games across 12 seasons for Saints and earning 15 caps for England. A member of England's World Cup-winning Sevens team in 1993, Nick also toured with the British and Irish Lions and represented the Barbarians



MARK DARBON

Chief executive

Mark took up his position as chief executive of Northampton Saints in July 2017. Originally from the East Midlands, Mark has amassed a considerable amount of global experience working for some major companies, including Diageo, Tough Mudder, and – latterly – as chief executive of Madison Sports Group, organisers of the breakthrough Six Day Cycling Events. As head of Olympic Park operations Mark was a key figure in the delivery of the outstanding London Olympics in 2012



ELLA BEVAN

Non-executive director

Ella was appointed to the Northampton Saints board of directors in November 2012. On leaving Loughborough University she worked as a school teacher and was Head of PE at Northampton High School. In 2009 Ella left teaching to take a more active role in the Barwell family businesses, Bradden Estates Management, and the Saints. As well as being a lifelong Saints supporter, Ella is also a keen hockey player



JULIA CHAPMAN

Finance director & company secretary

Julia joined Saints as finance director and company secretary in September 2017 from Travis Perkins Plc. After qualifying as a Chartered Accountant with PriceWaterhouseCoopers she had roles with IBM and Legal and General before working in various finance roles with Home Retail Group Plc



JON DROWN

Non-executive director

Jon joined the board in October 2000. Since graduating from university until his retirement at the end of 2017, Jon specialised in corporate finance, treasury, tax and pensions in FTSE 100 quoted companies such as Diageo plc, BPB plc, Rexam Plc and most recently Compass Plc where he was Head of Group Treasury. Since retiring, Jon has focussed on his local interests. Jon chairs the Northampton Saints Foundation trustee board, is a governor of Northampton School for Boys and holds a number of other local non-executive positions



TONY HEWITT

Non-executive director

Tony has over 40 years' experience in the commercial property market and holds a number of non-executive appointments. Tony has been involved with the club since 1988 and joined the board of Northampton Rugby Football Club Ltd when the game turned professional in 1995. He played a leading role in the ground development and the share offer for Northampton Saints Plc. He was chairman of the club between 2013 and 2017



MATT SMITH

Non-executive director

Matt is a Chartered Accountant and the Finance Director for Selfridges. He has held a number of senior finance roles within large UK and International companies, including Debenhams Plc, where he was Chief Financial Officer, Home Retail Group Plc, where he was finance director of Argos, and a director at KPMG. He has been a life-long supporter of Saints and a Season Ticket Holder for 20 years

EXECUTIVE TEAM

In addition to CEO Mark Darbon and Finance Director Julia Chapman, the Executive team is comprised of the following:



CHRIS BOYD

Director of rugby

Chris Boyd joined Northampton Saints at the start of August 2018 as the Club's new Director of Rugby. Chris arrived from the Wellington-based Hurricanes and is one of the most decorated head coaches in world rugby with over 30 years of coaching experience. Prior to the Hurricanes, Chris has undertaken senior coaching roles at Wellington Lions, South African franchise Sharks, the 'Baby Blacks' (New Zealand's under-20s side) and for Tonga's 2011 Rugby World Cup campaign. As well as being a keen cricket and fishing fan, Chris is also a trained pharmacist



NICKY BROWNE

HR Director

Nicky was appointed as HR Director in September 2017. After running her own education and training business for 10 years, Nicky worked as Head of People at Worcester Warriors before joining Saints. As well as HR, Nicky is qualified in Psychology and Teaching. Growing up in South Africa, Nicky has always enjoyed and actively supported rugby



TIM PERCIVAL

Marketing & communications director

Tim was appointed marketing and communications director in September 2017. Prior to joining Saints, Tim worked for two years as communications manager for the England Rugby Team at the Rugby Football Union. He has held a number of senior communications and marketing roles in professional sport, including Wasps RFC where he was a key figure in the club's relocation to the Ricoh Arena



LEE GIBBONS

Commercial director

Lee was appointed as Commercial Director in February 2018. Joining Northampton Saints after nine years at adidas, Lee had spent the last five years running their Sports Marketing division in the UK and Ireland, and prior to that the sport brand's sponsorship of London 2012. Prior to adidas, Lee worked at the Global Sports Marketing agency IMG, consulting for numerous brands, leveraging their partnership with some of the biggest properties in sport



CHAIRMAN'S REPORT

The 2017/18 season certainly provided some challenges both on and off the field, but nonetheless was a hugely enjoyable first year for me as Chairman of this great Club.

I took on the role of Chairman looking forward to playing a full part in leading the Club, which I have supported all my life, whilst recognising that some things needed to change. During the last 12 months I'm confident we've achieved a lot and taken big strides forward in every area of the business – however there is still more to do.

On the playing side, we have undergone a period of change that I am confident will allow us to reclaim our place as one of the powerhouses of English rugby. We said goodbye to former director of rugby Jim Mallinder after a decade in which the Club enjoyed huge success – this was not an easy decision, but it was one that was taken in the best interest of Northampton Saints. We wish him the best of luck at the RFU in his new role there. We also wish Dorian West every success in the future after departing from the forwards coach position. Dorian had a massive impact on many of the Club's forwards and his efforts and successes in taking players to international standard should not be forgotten.

It became clear that as well as the coaching set-up, our playing squad also needed an element of restructuring. We bade a very fond farewell to a number of our players, but I'd like to pay tribute to three in particular in Stephen Myler, Ben Foden and Christian Day. They served this Club wonderfully, with over 800 appearances in Black, Green and Gold between them.

It would also be remiss of me not to mention Rob Horne, who tragically was forced to retire after picking up a career-ending injury in our historic victory over Leicester Tigers. The Club continues to do everything we can to support Rob and his family.

Despite all of these adjustments, we are delighted with both the playing squad and coaching structure now in place. We formally welcome our new director of rugby, Chris Boyd, in August. Chris' CV speaks for itself – he is a proven winner – and he stood out as the outstanding candidate during our recruitment process. Chris will have a legion of exciting new players at his disposal for next season; British & Irish Lions Dan Biggar and James Haskell, Australia international Taquele Naiyaravoro, World Cup winner Ben Franks and the list goes on. The squad has been trimmed in size but improved in quality and depth, so we are thrilled heading into the new campaign. Last but not least, a restructured coaching set-up will provide the squad with the platform to perform on the field. Highly-rated coaches Sam Vesty, Matt Ferguson and our own Phil Dowson have joined Alan Dickens in Chris Boyd's set-up to create a young, English coaching team that shows huge potential.

Staying with playing matters, despite our frustrating results in the Premiership there were plenty of silver linings on the field. We once again claimed the Premiership Rugby A League title with an exciting young squad, and our Academy continues to thrive and produce players of first-team quality – James Grayson, Alex Mitchell, Reece Marshall and Ehren Painter all made their Premiership debuts, while the likes of Fraser Dingwall and Toby Trinder starred for England Under-20s.

Our community department also continues to do a wonderful



John White

job. Our Wheelchair Rugby outreach programme hit new heights this year and recently played in their first ever competitive league. Record numbers came through our rugby camps with over 1,500 children participating at Stowe, Franklin's Gardens, Bedford and all over the region. We also cultivated an exciting new partnership with Redrow Homes for our junior 7s competition, all the while servicing and delivering community programmes and coaching across hundreds of schools and colleges throughout Northamptonshire and the surrounding counties.

Away from the field, Mark Darbon has settled into his role as chief executive very well and has led the club impressively over the last 12 months. We recognised we needed to restructure our commercial department to achieve our organisational aims and maintain our hard-earned reputation across the rugby world. We have welcomed a highly-capable, experienced and passionate executive team, with marketing and communications director Tim Percival, commercial director Lee Gibbons, and human resources director Nicky Browne all joining finance director Julia Chapman. I am confident that we have the right people in place, both on and off the field, to bring success to Saints.

When I took over as Chairman 12 months ago, I committed to improving the matchday experience for our supporters. We have made significant progress in a number of areas, from improvements to the big screen to a reduction in food and drink



The Wanderers retained their Premiership Rugby A-League title for a second straight season



Saints piled over for a dramatic penalty try to secure an unforgettable late win over Gloucester at the start of 2018

prices, but we accept more can be done and that remains a key target for us in 2018/19.

There's no denying we are operating in a tough financial environment; these challenges are facing all 12 Premiership clubs due to the substantial increase in playing costs in recent years. The recent £3 million loan approved from our major shareholders shows the need for careful financial planning and strong decision making.

Therefore to ensure we remain competitive on the field, we are firmly focused on improving our income as a Club by maximising existing revenue streams and looking for new and innovative ways of generating additional revenue. Our conferencing and events team are putting in the hard yards to ensure Franklin's Gardens becomes a world-class multi-purpose venue, and the highly successful Lionel Richie concert this summer – which saw over 17,500 people pass through our gates – was a key example of this.

We also announced earlier this summer that we were delighted with our selection to host a match at Twickenham this coming season. The Club received countless requests from supporters for a fitting way in which they could both bid farewell to Rob Horne and support him financially. This fixture against Leicester Tigers is a superb way to do that, and coupled with the financial incentive for the Club to trial Twickenham's new East Stand development, it was an opportunity we could not ignore.

I must finish by thanking the Board, the Club's hardworking staff, the playing squad, our sponsors and especially our loyal supporters who have stuck by the club in a challenging year. Saints would not be the Club it is without all of these key contributors, and I look forward to seeing us make further progress next season.

John White
Chairman



STRATEGIC REPORT

PRINCIPAL ACTIVITY

The principal activity of the Group is the playing and development of rugby, along with the operation of the stadium as a conference and events venue.

BUSINESS REVIEW

Both on and off the pitch this was a year of evolution at Northampton Saints.

The Club endured a frustrating season in the Premiership with a series of defeats during the winter months resulting in a ninth-place finish and missing out on qualification for the European Champions Cup. That run of form led to the very difficult decision in December to part ways with director of rugby Jim Mallinder, who steered the Club to vast success over the course of his ten-year tenure. But our technical coaching consultant Alan Gaffney steadied the ship alongside interim head coach Alan Dickens, and since the turn of the year the Club has appointed a new director of rugby and restructured the coaching team. Chris Boyd will lead an ambitious and talented group of English coaches in Sam Vesty, Phil Dowson, Matt Ferguson and Alan Dickens next season – we are thrilled with the set-up and confident these are the coaches to lead the Club back up the Premiership table.

Off the pitch, we recognised the need to re-focus our Commercial operations on revenue growth, to return the Club to a sustainable financial footing in the future. We concluded the recruitment of a new executive team as well as a number of other new faces in key roles throughout the organisation.

The process of restructuring – which is now complete – has not been without its challenges and came at a cost. However, with this now behind us, we believe the Club is in a much stronger position to meet the demands of the future, whether that be on-pitch performance or financial sustainability. We have a renewed sense of purpose, optimism and determination as we enter the new season.

From a financial perspective, 2018 was a challenging year; we reported a loss before tax of £2.79m (2017 loss before tax of £1.23m). In 2017 we realised £1.49m profit from the sale of an intangible asset which was not repeated in 2018. In both years we incurred exceptional costs associated with the restructuring of the business – £0.53m in 2018 and £0.65m in 2017. After adjusting for these items, our underlying loss before tax was worse by £0.18m against last year. Whilst turnover increased by 2.3%, operating costs increased by 3.1%. The main driver of this was player salary costs; in order to remain competitive, we kept pace with the increase in the maximum expenditure allowed under the salary framework, which increased to £6.4m in 2018 from £6.0m in 2017.

We have maintained a strong balance sheet with £16.98m of net assets at 31st May 2018. However, we moved from a prior-year positive cash position of £2.21m to an overdraft of £0.70m at the year end. Our overdraft facility has been renewed, and since the year end our major shareholders have extended a loan of £1.95m to Northampton Rugby Football Club Ltd, on top of the

£1m invested in new shares in 2017. This is a strong indication of the shareholders' continued support for the Club and confidence in the new management team's plans for the future.

In spite of the financial challenges, there have been some notable commercial successes in the year. We have renewed sponsorship deals with GRS, Spirit Hyundai, Church's Shoes and Kubota, re-christened the 'Carlsberg Stand', and entered into new partnerships with Redrow Homes, Opro, Mirus IT, Slurp and Tomkins, Knight & Sons. On 1st June we also successfully staged our first major concert at Franklin's Gardens, featuring Lionel Richie, and are already in discussions about more large-scale events in the future.

We have continued to work on improving the experience of our supporters, sponsors and customers – whether that be through more timely and open communications, improvements to the bar infrastructure, revamped menus for box-holders, or new ways of driving value for our commercial partners. We will continuously strive to deliver a better experience for all our stakeholders throughout the coming year.

The Club continues to deliver exceptional community outreach throughout the Northamptonshire region and surrounding counties. Over 1,500 young players participated in our rugby camps throughout the year, a new record for the Club, while our Wheelchair Rugby team and junior 7s tournaments also hit new heights. We have also seen a substantial rise in the number of girls attending our community camps, introduced for the first time a girls-only residential rugby camp at Stowe, and our coaches have delivered significantly more sessions to age-group girls' rugby teams all over the region. Moreover, the creation of the Northampton Saints Foundation will create an infrastructure of people and resources that allows the Club to educate, inspire and support young people in our community like never before.

Despite not achieving what we wanted to on the pitch, our match attendances, ticket sales and season ticket renewals have remained strong, with our marketing and communications activity driving an increase in engagement across all of the Club's communication channels. Season tickets are selling well for the 2018/19 season with around 8,000 sold already.

GOVERNANCE

The club is run on a day-to-day basis by the Executive team in accordance with delegated authority limits defined by the board of directors. The board of directors meets formally at least 10 times a year.

The Remuneration Committee, chaired by Colin Povey, oversees matters relating to staff remuneration and meets at least twice per year. The Audit Committee, chaired by Matt Smith, oversees matters relating to financial reporting, accounting and internal controls and meets at least once per year.

A Nomination Committee meets as required to oversee the appointment of senior executives. The composition of the committee may vary depending on the role.



Work in the community remained a strong pillar of the Club

KEY PERFORMANCE INDICATORS

The Group measures its financial performance using the following measures:

- Growth in turnover. At £17.13m, turnover for 2018 was up 2.3% on last year.
- Maintaining a profitable business. The Group reported a loss before tax of £2.79m for 2018.
- Maintaining a strong balance sheet. The Group had net assets of £16.98m at 31 May 2018.
- Number of season ticket holders and gate receipts. Total season ticket and gates revenue was down by 2% on last year.
- The ability to spend up to the amount allowed within the Premiership Rugby salary framework. Total expenditure on players has increased year on year in line with the increase in the salary framework.

PRINCIPAL RISKS AND UNCERTAINTIES

- The health and wellbeing of the players. This is managed by the Club employing the best coaches, medical and conditioning staff to maintain players in peak physical condition, and adhering strictly to injury protocols.

- The need to attract and retain key coaching and playing staff.
- The requirement for Premiership Rugby, the RFU and other clubs to play their part in maintaining compelling rugby competitions to ensure rugby is a successful and flourishing sport.
- Ensuring Franklin's Gardens remains a safe matchday environment.
- The maintenance of the salary framework at a level which enables a well-run rugby club business to spend the amount required to stay competitive without undermining its financial viability.
- The ability for Premiership Rugby and the RFU to maintain and grow revenue distributions to the Premiership clubs.
- Ensuring the Group is able to secure adequate resources to underpin its long-term financial viability.
- The ability of the Group to return to a sustainable, profitable financial footing.

This report was approved by the board on 14 August 2018 and signed on its behalf.

Mark Darbon
Chief Executive Officer



The Club is run on a day-to-day basis by the executive team





New director of rugby Chris Boyd alongside Phil Dowson and Sam Vesty



Rob Horne won the Players' and Supporters' Player of the Season, but was also tragically forced to retire through injury

PLAYING REPORT

The 2017/18 season was full of challenges for Northampton Saints. But a campaign filled with highs and lows was also punctuated by individual achievements and impressive performances that gives us huge optimism heading into next year.

We did not achieve the level of success the Club has become accustomed to, but we still secured another piece of silverware as the Wanderers side lifted the Premiership Rugby A League trophy for the second successive year. And in a year of transition for coaches, players and staff at the Club, our Aviva Premiership performances improved during the second half of the season.

Both director of rugby Jim Mallinder and forwards coach Dorian West left the Club over the course of the campaign after delivering huge success for Saints in their ten-year tenure. These were incredibly difficult decisions for the board to make, but the time was right for us to make a change, and both Jim and Dorian leave with our best wishes for the future. Alongside Technical Consultant Alan Gaffney, Alan Dickens stepped up to take the lead of the first team in difficult circumstances, and stabilised both performances and results to ensure our safety in the league.

We also saw a significant restructuring of the playing group at the end of the season, with 17 players moving on to pastures new. They all made significant contributions during their time at Franklin's Gardens, but in particular the likes of Stephen Myler, Christian Day, Ben Foden and George North leave Northampton with over 900 cumulative appearances to their names and have earned their place in our pantheon of Club legends.

After five rounds of Premiership action we were top of the pile, however a narrow defeat away at Gloucester took all the momentum out of our season. From there life was very difficult for us until the turn of the year and a thrilling last-minute victory over Gloucester in the reverse fixture at Franklin's Gardens. Those results summed up our season somewhat; seven games were lost by less than one score – including narrow defeats to top-four sides Exeter Chiefs, Newcastle Falcons and Wasps among others. This shows not only how competitive the Premiership is, but also that we were not as far off a more successful season as our final league position (ninth) might suggest.

A very difficult European Champions Cup group did not help our momentum either. Getting drawn against the previous year's champions and runners-up in Saracens and Clermont respectively was always going to be a big challenge, however the brilliant victory over Clermont at Franklin's Gardens was one for the history books and a highlight of the season.

Winning the A League is a fantastic accomplishment for us and one that should not be underestimated. There are only five competitions that you can win in any one season, and



Saints celebrated a first double over Leicester in 15 years with a stunning win at Welford Road - their first there since 2007

our up-and-coming players once again did themselves and the Club proud to win nine out of ten league matches, before playing excellent rugby against Exeter in the final in front of several thousand raucous Franklin's Gardens supporters.

The Academy is clearly still in excellent shape. We restructured early in the season with Dusty Hare and Paul Diggin both moving on, and Simon Sinclair and Mark Hopley taking on roles of manager and head coach respectively. They continue to produce top-quality talent; James Grayson, Fraser Strachan, Fraser Dingwall, Toby Trinder, Ehren Painter, and Devante Onojaife all played consistent international rugby at Under-20s level during the Six Nations and recent World Championship, as well as spearheading that A League campaign.

Other highlights this term included reaching an Anglo-Welsh Cup semi-final that was narrowly lost in Bath and, of course, securing the first double-success over Leicester Tigers since 2005. However, nothing exemplified our season of highs and lows more than that away win at Welford Road. While it was probably our finest win of the season, it came at a cost with the glow of that triumph quickly extinguished when the Club learned of the extent of the injury to Rob Horne.

Rob's subsequent retirement from rugby hit everybody hard, but our entire staff – in particular head of medical Matt Lee and team manager Paul Shields – has been absolutely first-class in supporting him. Rob was a magnificent player for Saints in the short time he was in Northampton, and the impact he made was clear as he won both the Players' and Supporters' Player of the Season awards at our end-of-season dinner.

On an individual basis there were several achievements that deserve to be recognised.

Dylan Hartley led England through another autumn international campaign and Six Nations, while Courtney Lawes continued to shine for the Red Rose after touring New Zealand with the Lions last summer. Harry Mallinder and Teimana Harrison were both also called up for England training squads over the course of the season, plus Piers Francis was selected to

tour South Africa earlier this summer. Meanwhile George North (Wales), Api Ratuniyarawa (Fiji), Campese Ma'afu (Fiji), Ahsee Tuala (Samoa), and Nafi Tuitivake (Tonga) all also represented their countries with distinction.

Jamie Gibson also enjoyed an impressive season and was not only nominated for the Premiership Player of the Season gong, but also named alongside Rob Horne in the league's team of the year and voted Player of the Season by the Saints Supporters Club.

Moving forward we are confident that we are in an excellent position to progress. Our new director of rugby Chris Boyd has been very impressive since he signed on, travelling over from New Zealand during his weeks off from the Hurricanes and working overtime to ensure his new-look coaching team were in place and thoroughly briefed for preseason. Our new appointments in attack coach Sam Vesty and scrum coach Matt Ferguson have settled in well alongside forwards coach Phil Dowson and Alan Dickens, who has returned to the defence coach role.

Moreover, a host of world-class signings will grace Franklin's Gardens next term. Dan Biggar (Wales and British & Irish Lions international), James Haskell (England international), Taquele Naiyaravoro (Australia international), Ben Franks (two-time World Cup winner), and Andrew Kellaway (Australia Under-20s international) have all joined our ranks alongside Dom Barrow, Andy Symons, Will Davis, Charlie Davies, and Matt Worley. Paul Shields again deserves high praise for his role in keeping the recruitment process moving forwards during our changes in coaching.

Thanks must go to our supporters for their unwavering support in a challenging year, but I am confident they will have plenty more to shout about next season.

Mark Darbon
Chief Executive

14 August 2018



DIRECTORS' REPORT

THE DIRECTORS PRESENT THEIR REPORT TOGETHER WITH AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018.

DIRECTORS

The directors who served during the year were:

J White
(Chairman) (R)

C Povey
(Deputy Chairman) (R – chair, A)

M Darbon
(Chief Executive Officer) (appointed 1 August 2017)

K Barwell OBE
(Non-Executive)

N Beal
(Non-Executive)

E Bevan
(Non-Executive) (R, A)

J Chapman
(Finance Director)

S Cunningham
(Non-Executive) (resigned 18 June 2018)

J Drown
(Non-Executive) (R, A)

B Facer
(Commercial Director) (resigned 7 September 2017)

A Hewitt
(Non-Executive)

M Smith
(Non-Executive) (A – chair)

EXECUTIVE TEAM

M Darbon
(Chief Executive Officer)

C Boyd
(Director of Rugby)

N Browne
(HR Director)

J Chapman
(Finance Director & Company Secretary)

L Gibbons
(Commercial Director)

T Percival
(Marketing & Communications Director)

A – Audit Committee; R – Remuneration Committee

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £2,813,992 (2017: loss £980,663). The directors do not recommend the payment of a dividend.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

During the period and up to the date of this report, the group maintained liability insurance and third-party indemnification provisions for its directors, under which the group has agreed to indemnify the directors to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with the execution of their powers, duties and responsibilities as directors of the group.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic report, the Directors' report and the consolidated 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 laws, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). 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 and profit or loss of the Group 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 Group 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 the Group 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 the Group and hence for taking



Tom Collins scored a fantastic try to seal an early season home win over Leicester

reasonable steps for the prevention and detection of fraud and other irregularities.

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

FINANCIAL RISK MANAGEMENT

The group has exposures to two main areas of risk - liquidity risk and customer credit exposure. To a lesser extent the group is exposed to interest rate risk.

LIQUIDITY RISK

The objective of the Group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the company has credit facilities available. The Group is in position to meet its commitments and obligations as they come due.

CUSTOMER CREDIT EXPOSURE

The Group may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The Group is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong ongoing customer relationships and by credit insurance.

INTEREST RATE RISK

The Group borrows from its lenders using either overdrafts or term loans whose tenure depends on the nature of the asset and management's view of the future direction of interest rates.

EMPLOYEE INVOLVEMENT

The Directors recognise the benefits which arise from keeping employees informed of the group's progress and plans and through their participation in the group's performance. The group is therefore committed to providing its employees with information on a regular basis, to consulting with them on a regular basis so that their views and/or concerns may be taken into account in taking decisions which may affect their interests, and to encouraging their participation in schemes through which they will benefit from the group's progress and profitability.

The group aims to foster a working environment in which all employees are treated with courtesy and respect and seeks at all times to provide opportunities to develop and reach their full potential.

DISABLED EMPLOYEES

The group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

POST BALANCE SHEET EVENTS

On 2 July 2018 Northampton Rugby Football Club Limited approved a loan note instrument constituting up to £3.0 million 2% fixed rate unsecured loan notes repayable 30 September 2022. Northampton Rugby Football Club Limited issued £1.95 million of the 2% fixed rate unsecured loan notes on 2 July 2018 to the Group's major shareholders.

DISCLOSURE OF INFORMATION TO AUDITOR

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

AUDITOR

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14 August 2018 and signed on its behalf.

Julia Chapman
Director



INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHAMPTON SAINTS PLC

We have audited the financial statements of Northampton Saints PLC (the 'parent Company') and its subsidiary (the 'Group') for the year ended 31 May 2018, which comprise the Consolidated Profit and Loss Account, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows, the Consolidated and Company Statements of Changes in Equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 May 2018 and of the Group's loss 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

WHO WE ARE REPORTING TO

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 an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTER 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Directors' responsibilities statement set out on page 12, 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Fiona Baldwin ACA
Senior Statutory Auditor

For and on behalf of Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Milton Keynes

14 August 2018



CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR YEAR ENDED 31 MAY 2018

	Note	2018 £	2017 £
Turnover	4	17,126,878	16,740,929
Cost of sales		(11,206,722)	(11,399,988)
Gross profit		5,920,156	5,340,941
Administrative expenses		(7,978,318)	(7,202,215)
Exceptional administrative expenses	12	(530,859)	(647,711)
Operating loss	5	(2,589,021)	(2,508,985)
Profit on disposal of intangible assets		-	1,489,867
Interest receivable and similar income	9	-	31
Interest payable and similar expenses	10	(198,687)	(211,208)
Loss before tax		(2,787,708)	(1,230,295)
Tax on loss	11	(26,284)	249,632
Loss for the financial year		(2,813,992)	(980,663)
Loss for the year attributable to:			
Owners of the parent		<u>(2,813,992)</u>	<u>(980,663)</u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the consolidated profit and loss account.

The notes on pages 23 to 43 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 31 MAY 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	13	152,706	314,830
Tangible assets	15	20,598,591	21,049,093
Investments	16	6,483,161	6,483,161
		<u>27,234,458</u>	<u>27,847,084</u>
Current assets			
Stocks	17	187,038	160,316
Debtors: amounts falling due within one year	18	2,470,316	2,530,813
Cash at bank and in hand	19	4,520	2,205,820
		<u>2,661,874</u>	<u>4,896,949</u>
Creditors: amounts falling due within one year	20	(6,270,875)	(6,057,669)
Net current liabilities		(3,609,001)	(1,160,720)
Total assets less current liabilities		23,625,457	26,686,364
Creditors: amounts falling due after more than one year	21	(4,967,199)	(5,241,869)
Provisions for liabilities			
Deferred taxation	24	(1,674,813)	(1,647,058)
		<u>(1,674,813)</u>	<u>(1,647,058)</u>
Net assets		16,983,445	<u>19,797,437</u>
Capital and reserves			
Called up share capital	25	5,195,750	5,195,750
Share premium account	26	4,841,600	4,841,600
Profit and loss account	26	6,946,095	9,760,087
		<u>16,983,445</u>	<u>19,797,437</u>

Company registration number 04064363

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 August 2018.

J Chapman
Director

The notes on pages 23 to 43 form part of these financial statements.



COMPANY BALANCE SHEET

AS AT 31 MAY 2018				
	Note	2018 £	2017 £	
Fixed assets				
Investments	16	9,127,072	9,127,072	
		<u>9,127,072</u>	<u>9,127,072</u>	
Current assets				
Debtors: amounts falling due within one year	18	1,000,000	1,000,000	
Total assets less current liabilities		10,127,072	10,127,072	
Net assets		<u>10,127,072</u>	<u>10,127,072</u>	
Capital and reserves				
Called up share capital	25	5,195,750	5,195,750	
Share premium account	26	4,841,600	4,841,600	
Profit and loss account brought forward		89,722	89,722	
Profit for the year		-	-	
Profit and loss account carried forward		89,722	89,722	
		<u>10,127,072</u>	<u>10,127,072</u>	

The parent company made no profit or loss during the year (2017: £Nil).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 August 2018.

Company registration number 04064363

J Chapman
Director

The notes on pages 23 to 43 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 31 MAY 2018				
	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 June 2017	5,195,750	4,841,600	9,760,087	19,797,437
Comprehensive income for the year				
Loss for the year	-	-	(2,813,992)	(2,813,992)
Total comprehensive income for the year	-	-	(2,813,992)	(2,813,992)
At 31 May 2018	<u>5,195,750</u>	<u>4,841,600</u>	<u>6,946,095</u>	<u>16,983,445</u>
FOR YEAR ENDED 31 MAY 2017				
	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 June 2016	4,695,750	4,341,600	10,740,750	19,778,100
Comprehensive income for the year				
Loss for the year	-	-	(980,663)	(980,663)
Total comprehensive income for the year	-	-	(980,663)	(980,663)
Shares issued during the year	500,000	500,000	-	1,000,000
At 31 May 2017	<u>5,195,750</u>	<u>4,841,600</u>	<u>9,760,087</u>	<u>19,797,437</u>

The notes on pages 23 to 43 form part of these financial statements.



COMPANY STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 31 MAY 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2017	5,195,750	4,841,600	89,722	10,127,072
Total transactions with owners	-	-	-	-
At 31 May 2018	5,195,750	4,841,600	89,722	10,127,072

FOR YEAR ENDED 31 MAY 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2016	4,695,750	4,341,600	89,722	9,127,072
Contributions by and distributions to owners				
Shares issued during the year	500,000	500,000	-	1,000,000
Total transactions with owners	500,000	500,000	-	1,000,000
At 31 May 2017	5,195,750	4,841,600	89,722	10,127,072

The notes on pages 23 to 43 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 MAY 2018

	2018 £	2017 £
Cash flows from operating activities		
Loss for the financial year	(2,813,992)	(980,663)
Adjustments for:		
Amortisation of intangible assets	151,816	141,320
Depreciation of tangible assets	754,171	774,861
Loss on disposal of tangible and intangible assets	26,021	14,909
Interest paid	198,687	211,208
Interest received	-	(31)
Taxation charge	26,284	(249,632)
(Increase)/decrease in stocks	(26,722)	61,260
Decrease in debtors	60,497	314,627
(Decrease)/increase in creditors	(517,980)	173,264
Corporation tax received	-	153,054
Net cash generated from operating activities	(2,141,218)	614,177
Cash flows from investing activities		
Purchase of intangible fixed assets	(2,000)	(124,633)
Sale of intangible assets	1,451	-
Purchase of tangible fixed assets	(318,835)	(492,828)
Interest received	-	31
Hire purchase interest paid	(11,633)	(15,260)
Net cash from investing activities	(331,017)	(632,690)



CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR YEAR ENDED 31 MAY 2018

	2018	2017
	£	£
Cash flows from financing activities		
Issue of ordinary shares	-	1,000,000
Repayment of other loans	(220,000)	(220,000)
Repayment of/new finance leases	(30,020)	(47,839)
Interest paid	(187,054)	(198,699)
Net cash used in financing activities	(437,074)	533,462
Net (decrease)/increase in cash and cash equivalents	(2,909,309)	514,949
Cash and cash equivalents at beginning of year	2,205,820	1,690,871
Cash and cash equivalents at the end of year	(703,489)	2,205,820
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	4,520	2,205,820
Bank overdrafts	(708,009)	-
	(703,489)	2,205,820

The notes on pages 23 to 43 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

1. General information

Northampton Saints PLC is a public limited entity registered in England and Wales. Its registered head office is located at Franklin's Gardens, Weedon Road, Northampton, Northamptonshire, NN5 5BG. The principal activity of the group is the playing and development of rugby, along with the operation of the stadium as a conference and events venue.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 June 2014.

2.3 Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.



2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The Group recognises revenue when:

- The amount of revenue can be reliably measured
- It is probable that future economic benefits will flow to the entity; and
- Specific criteria have been met for each of the group activities

Revenue received for specific events, including match day tickets, bar sales, conferences and courses is recognised when the relevant match or event takes place.

Revenue from seasonal sales, including season tickets, executive boxes and VIP packages, is recognised over the season to which it relates.

For income streams that relate to more than one season, such as sponsorship, advertising and branding, revenue is attributed to each season according to the terms of the contract.

Central income is recognised in the season to which it relates unless contingent upon specific criteria or a future event, in which case it is recognised when the criteria are achieved or the event takes place.

Deferred income

Deferred income other than grants represents amounts received in relation to sponsorship, season tickets and hospitality. Deferred income is released to the profit and loss account in the season to which the income relates and typically is over a period of between 1 and 4 years.

2.5 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software

Software is amortised on a straight line basis over a 3 year useful economic life.

Transfer fees paid for player registrations

The costs of acquired player registrations are capitalised as intangible assets and amortised over the period of the players' contracts, with appropriate adjustments for any impairments assessed to have taken place.

Gains and losses

Gains and losses on disposal of player registrations are determined by comparing the fair value of the consideration receivable, net of any transaction costs, with the carrying amount and are recognised separately in the Profit and Loss Account within profit of disposal of players' registrations. Where a part of the consideration receivable is contingent on specified conditions, this amount is recognised in the Profit and Loss Account on the date the conditions are met.

2. Accounting policies (continued)

Purchased goodwill

Purchased goodwill represents the surplus arising on the acquisition of the net assets of Northampton Rugby Football Club Limited.

The Group adopted a policy of amortising the cost over its estimated useful life of 20 years. No reduction in useful life under FRS 102 has been implemented as the remaining useful life of the goodwill is within the 10 year requirement.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Profit and loss account during the period in which they are incurred.

Finance costs are capitalised to the extent that they relate to long term construction in progress.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	2% straight line
Leasehold Property	Over the remaining term of the lease
Ground improvements	20% on reducing balance
Property improvements	10% on reducing balance
Motor vehicles	33.33% on reducing balance
Furniture, fixtures and fittings	20% on reducing balance
Office equipment	20% - 33.33% straight line

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

2.7 Operating leases: lessee

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

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments other than loans are measured at fair value at each Balance sheet date using a valuation technique with any gains or losses being reported in the Profit and loss account.



2. Accounting policies (continued)

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and loss account.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not 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 known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.12 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.

2.13 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Finance leases: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

2. Accounting policies (continued)

2.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.16 Interest income

Interest income is recognised in the Consolidated profit and loss account using the effective interest method.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.



2. Accounting policies (continued)

2.19 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

Termination benefits are expensed at the point when the Group can no longer withdraw the offer of those benefits.

2.20 Financial instruments

The Group only enters into basic financial instruments 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 normal 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2. Accounting policies (continued)

2.20 Financial instruments (continued)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

3.1 Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include revenue recognition, valuation of investments, the recoverability of stock and deferred taxation.

3.2 Judgements in applying accounting policies

The directors must judge whether all of the conditions required for revenues to be recognised in the Profit and Loss Account for the financial year have been met.

3.3 Key sources of estimation

There are key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that carry a risk of causing adjustment to the carrying value of assets and liabilities within the next reporting period, these include:

- (i) P Share investment carrying value – note 16
- (ii) Recoverability of stock – note 17
- (iii) Recognition of deferred tax – note 11

4. Turnover

An analysis of turnover by class of business is as follows

	2018	2017
	£	£
Rugby income	4,039,845	4,112,293
Premiership Rugby and RFU income	5,865,941	5,060,983
Commercial income	7,221,092	7,567,653
	<u>17,126,878</u>	<u>16,740,929</u>

Analysis of turnover by country of destination:

	2018	2017
	£	£
United Kingdom	<u>17,126,878</u>	<u>16,740,929</u>



NOTES TO THE FINANCIAL STATEMENTS

5. Operating loss

The loss on ordinary activities before taxation is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets	754,172	774,861
Amortisation of intangible assets, including goodwill	151,817	141,320
Other operating lease rentals	<u>42,600</u>	<u>34,361</u>

6. Auditor's remuneration

	2018	2017
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	2,300	2,300
The auditing of accounts of subsidiaries of the Group	<u>29,064</u>	<u>28,147</u>

Fees payable to the Group's auditor and its associates in respect of:

Other services relating to taxation	<u>3,590</u>	<u>3,480</u>
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7. Employees

Staff costs, including executive directors' remuneration, were as follows:

	Group 2018	Group 2017
	£	£
Wages and salaries	10,266,223	9,483,257
Social security costs	1,206,025	1,077,471
Cost of defined contribution scheme	113,004	136,045
	<u>11,585,252</u>	<u>10,696,773</u>

The parent company had no employees remunerated during the year. Any directors of the parent company who were paid during the year were remunerated by Northampton Rugby Football Club Limited.

The average monthly number of employees, including the executive directors, during the year was as follows:

	2018	2017
	No.	No.
Sports and rugby players	89	92
Administration, commercial and match day staff	189	180
	<u>278</u>	<u>272</u>

8. Directors' remuneration

	2018	2017
	£	£
Directors' emoluments	400,953	451,699
Company contributions to defined contribution pension schemes	16,118	39,339
Compensation for loss of office	-	280,636
	<u>417,071</u>	<u>771,674</u>

None of the non-executive directors received any remuneration in 2018 (2017: Nil)

During the year retirement benefits were accruing to 3 directors (2017: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £242,188 (2017: £486,018).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,061 (2017: £26,014).



NOTES TO THE FINANCIAL STATEMENTS

9. Interest receivable

	2018 £	2017 £
Other interest receivable	-	31

10. Interest payable and similar charges

	2018 £	2017 £
Other loan interest payable	187,054	195,948
Finance leases and hire purchase contracts	11,633	15,260
	<u>198,687</u>	<u>211,208</u>

11. Taxation

	2018 £	2017 £
--	-----------	-----------

Corporation tax

Adjustments in respect of previous periods

	(1,471)	(4,750)
--	---------	---------

Total current tax

	<u>(1,471)</u>	<u>(4,750)</u>
--	----------------	----------------

Deferred tax

Origination and reversal of timing differences

	27,755	(143,672)
--	--------	-----------

Changes to tax rates

	-	(105,337)
--	---	-----------

Adjustments in respect of prior periods

	-	4,127
--	---	-------

Total deferred tax

	<u>27,755</u>	<u>(244,882)</u>
--	---------------	------------------

Taxation on (loss) on ordinary activities

	<u>26,284</u>	<u>(249,632)</u>
--	---------------	------------------

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19% (2017: 19.83%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	<u>(2,787,708)</u>	<u>(1,230,295)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.83%)	(529,665)	(243,968)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	14,324	14,917
Permanent differences	58,818	61,437
Short term timing difference leading to a decrease in taxation	48,055	(81,395)
Deferred tax not recognised	436,223	-
Adjustments to tax charge in respect of previous periods	(1,471)	(4,750)
Adjustments to tax charge in respect of previous periods deferred tax	-	4,127
Total tax charge/ (credit) for the year	<u>26,284</u>	<u>(249,632)</u>

Factors that may affect future tax charges

The tax losses carried forward total £3.6m (2017: £1.0m).

There is an unrecognised deferred tax asset of £436,223 (2017: £Nil).

The amount of the net reversal of deferred tax expected to occur next year is £53,522 credit relating to timing differences.

During the prior year, the main rate of UK corporation tax has reduced from 20% to 19% with effect from 1 April 2017, and the rate will reduce further to 17% from 1 April 2020. These changes have been substantively enacted at the Balance Sheet date. Temporary differences have been measured using the enacted tax rates that are expected to apply when the liability is settled or the asset realised.



NOTES TO THE FINANCIAL STATEMENTS

12. Exceptional items

	2018 £	2017 £
Restructuring costs	<u>(530,859)</u>	<u>(647,711)</u>

The restructuring costs in the current year relate to the reorganisation of management and staff.

The restructuring costs in the prior year relate to a change of catering partner and restructure of the board.

13. Intangible assets

Group	Software	Player registrations	Goodwill	Total
Cost	£	£	£	£
At 1 June 2017	47,569	192,467	1,239,472	1,479,508
Additions	2,000	-	-	2,000
Disposals	(22,550)	(30,010)	-	(52,560)
At 31 May 2018	<u>27,019</u>	<u>162,457</u>	<u>1,239,472</u>	<u>1,428,948</u>
Amortisation				
At 1 June 2017	21,548	92,061	1,051,069	1,164,678
Charge for the year	7,653	88,253	55,911	151,817
On disposals	(10,243)	(30,010)	-	(40,253)
At 31 May 2018	<u>18,958</u>	<u>150,304</u>	<u>1,106,980</u>	<u>1,276,242</u>
Net book value				
At 31 May 2018	<u>8,061</u>	<u>12,153</u>	<u>132,492</u>	<u>152,706</u>
At 31 May 2017	<u>26,021</u>	<u>100,406</u>	<u>188,403</u>	<u>314,830</u>

Amortisation of intangible fixed assets is included in administrative expenses.

14. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements. The profit after tax of the parent Company for the year was £Nil (2017: £Nil).

15. Tangible fixed assets

Group

Cost	Freehold property, new buildings and ground improvement	Furniture, fixtures and fittings, motor vehicles and office equipment	Total
£	£	£	£
At 1 June 2017	24,131,214	3,349,679	27,480,893
Additions	93,820	225,016	318,836
Disposals	-	(38,458)	(38,458)
At 31 May 2018	<u>24,225,034</u>	<u>3,536,237</u>	<u>27,761,271</u>
Depreciation			
At 1 June 2017	4,178,042	2,253,758	6,431,800
Charge for the year on owned assets	465,338	288,834	754,172
Disposals	-	(23,292)	(23,292)
At 31 May 2018	<u>4,643,380</u>	<u>2,519,300</u>	<u>7,162,680</u>
Net book value			
At 31 May 2018	<u>19,581,654</u>	<u>1,016,937</u>	<u>20,598,591</u>
At 31 May 2017	<u>19,953,172</u>	<u>1,095,921</u>	<u>21,049,093</u>

The parent company (Northampton Saints Plc) has no tangible fixed assets.

Included within freehold property, new buildings and ground improvements is:

- land at cost of £1,417,857 (2017: £1,417,857) which is not depreciated.
- capitalised finance costs of £374,333 (2017: £382,132), which relates to the construction of the assets which were completed in 2016.



NOTES TO THE FINANCIAL STATEMENTS

15. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2018	2017
	£	£
Freehold	<u>19,581,653</u>	<u>19,953,172</u>

The net book value of assets held under finance leases, included above, are as follows:

	2018	2017
	£	£
Fixtures and fittings	<u>194,420</u>	<u>214,488</u>

Depreciation charged on assets held on finance leases in the year totaled £42,898 (2017: £53,622).

16. Fixed asset investments

Group

	Investments in PRL
	£
Cost or valuation	
At 1 June 2017	<u>6,483,161</u>
At 31 May 2018	<u>6,483,161</u>
Net book value	
At 31 May 2018	<u>6,483,161</u>
At 31 May 2017	<u>6,483,161</u>

The investment above relates to an investment in Premiership Rugby Limited. In accordance with other clubs in the sector, Northampton Saints PLC has valued its investment in Premier Rugby Limited ("PRL") 'P Ordinary Shares', which provide an income stream for all clubs. The value in use calculation assumes a discount rate of 6% and a life cycle of eight years and was agreed by the PRL Board as a consistent method to be used by all shareholder clubs. The directors have valued the investment in the current year based on the value in use calculation approved by the PRL Board. This has resulted in a valuation of £6,483,161 (2017: £6,483,161).

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Northampton Rugby Football Club Limited	Ordinary	100%	The playing and development of rugby along with the operation of the stadium as a conference and events venue
Saints Rugby Limited	Ordinary	100%	Dormant

The aggregate of the share capital and reserves as at 31 May 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Loss
	£	£
Northampton Rugby Football Club Limited	12,508,123	(2,738,604)
Saints Rugby Limited	<u>100</u>	<u>-</u>
Company		
		Investments in subsidiary companies
		£
Cost		
At 1 June 2017		<u>9,127,072</u>
At 31 May 2018		<u>9,127,072</u>
Net book value		
At 31 May 2018		<u>9,127,072</u>
At 31 May 2017		<u>9,127,072</u>



NOTES TO THE FINANCIAL STATEMENTS

17. Stocks

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Shop stock	<u>187,038</u>	<u>160,316</u>	<u>-</u>	<u>-</u>

Stock recognised in cost of sales during the year as an expense was £600,917 (2017: £728,403).

An impairment loss of £105,465 (2017: £159,430) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

18. Debtors

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Trade debtors	524,944	727,326	-	-
Amounts owed by group undertakings	-	-	1,000,000	1,000,000
Other debtors	760,007	826,776	-	-
Prepayments and accrued income	1,185,365	976,711	-	-
	<u>2,470,316</u>	<u>2,530,813</u>	<u>1,000,000</u>	<u>1,000,000</u>

An impairment loss of £30,114 (2017: £18,996) was recognised against trade debtors.

19. Cash and cash equivalents

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Cash at bank and in hand	4,520	2,205,820	-	-
Less: bank overdrafts	(708,009)	-	-	-
	<u>(703,489)</u>	<u>2,205,820</u>	<u>-</u>	<u>-</u>

20. Creditors: Amounts falling due within one year

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Bank overdrafts	708,009	-	-	-
NBC loan	220,000	220,000	-	-
Trade creditors	449,617	636,503	-	-
Corporation tax	-	1,471	-	-
Social security and other taxation	688,499	1,345,989	-	-
Obligations under finance leases	62,763	51,694	-	-
Other creditors	20,603	33,779	-	-
Accruals and deferred income	4,121,384	3,768,233	-	-
	<u>6,270,875</u>	<u>6,057,669</u>	<u>-</u>	<u>-</u>

Interest on bank overdraft is charged at 1.7% (2017: 1.7%) over the Bank of England rate.

The interest on the loan is charged at 3.97%. The loan is repayable over the period until 2039.

Secured loans

The loan is secured by a fixed charge over the Freehold Property of Franklin's Gardens, Weedon Road, land North of Edge Mobbs Way and land SouthWest of St James Road, Northampton.

21. Creditors: Amounts falling due after more than one year

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
NBC loan	4,400,000	4,620,000	-	-
Net obligations under finance leases	105,014	146,103	-	-
Accruals and deferred income	462,185	475,766	-	-
	<u>4,967,199</u>	<u>5,241,869</u>	<u>-</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS

22. Loans

Analysis of the maturity of loans is given below:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Amounts falling due within one year				
NBC loan	220,000	220,000	-	-
	<u>220,000</u>	<u>220,000</u>	<u>-</u>	<u>-</u>
Amounts falling due 1-2 years				
NBC loan	220,000	220,000	-	-
	<u>220,000</u>	<u>220,000</u>	<u>-</u>	<u>-</u>
Amounts falling due 2-5 years				
NBC loan	660,000	660,000	-	-
	<u>660,000</u>	<u>660,000</u>	<u>-</u>	<u>-</u>
Amounts falling due after more than 5 years				
NBC loan	3,520,000	3,740,000	-	-
	<u>3,520,000</u>	<u>3,740,000</u>	<u>-</u>	<u>-</u>
	<u>4,620,000</u>	<u>4,840,000</u>	<u>-</u>	<u>-</u>

23. Finance leases

Minimum lease payments under finance leases fall due as follows:

	Group 2018 £	Group 2017 £
Within one year	62,763	51,694
Between 1-2 years	67,094	55,550
Between 2-5 years	37,919	90,553
	<u>167,776</u>	<u>197,797</u>

24. Deferred taxation Group

2018

£

At beginning of year	(1,647,058)
Charged to profit or loss	(27,755)
At end of year	<u>(1,674,813)</u>

The provision for deferred taxation is made up as follows:

	Group 2018 £	Group 2017 £
Accelerated capital allowances	(619,189)	(590,932)
Tax losses carried forward	176,254	176,254
Short term timing differences	2,017	1,515
Capital gains	(1,233,895)	(1,233,895)
	<u>(1,674,813)</u>	<u>(1,647,058)</u>

25. Share Capital

2018

2017

£

Authorised

10,625,000 Ordinary shares of £0.50 each

5,312,500

5,312,500

Authorised, allotted, called up and fully paid

10,391,500 Ordinary shares of £0.50 each

5,195,750

5,195,750

26. Reserves

Share premium account

Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit & loss account

This reserve includes all current and prior period retained profits and losses.

27. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £113,004 (2017: £136,045). Contributions totalling £Nil (2017: £8,912) were payable to the fund at the Balance Sheet date and are included in other creditors



NOTES TO THE FINANCIAL STATEMENTS

28. Commitments under operating leases

At 31 May 2018 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £
Land and buildings		
Not later than 1 year	<u>47,760</u>	<u>47,040</u>
	Group 2018 £	Group 2017 £
Other operating leases		
Not later than 1 year	35,032	37,337
Later than 1 year and not later than 5 years	75,725	106,697
	<u>110,757</u>	<u>144,034</u>

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

29. Related party transactions

The group has taken advantage of the exemption in FRS 102 section 33 from disclosing transactions with all wholly owned members of the group headed by Northampton Saints PLC.

Northampton Rugby Football Club Limited made an interest free loan of £5,000 to Northampton Saints Foundation on 10 November 2017 for the purpose of providing startup capital to the charity. The loan is due for repayment at a date to be mutually agreed between the parties within 1 year.

	2018 £	2017 £
N Beal (David Williams Independent Financial Advisors) Sales made by group	21,071	13,098
N Beal (David Williams Independent Financial Advisors) Amounts owed to group	-	216
J White Sales made by group	7,101	6,752
J White Amounts owed to group	162	2,770
J Drown (Porterhouse Developments) Purchases made by the group	-	94,988
A Hewitt Sales made by group	1,100	-
Key management personnel compensation	<u>460,044</u>	<u>835,193</u>

Sales and purchases between the Group and the directors or companies associated with the directors were at arm's length. Sales were principally tickets, hospitality and advertising, and purchases were repairs and maintenance services.

30. Post balance sheet events

On 2 July 2018 Northampton Rugby Football Club Limited approved a loan note instrument constituting up to £3,000,000 2% fixed rate unsecured loan notes repayable 30 September 2022. Northampton Rugby Football Club Limited issued £1,950,000 of the 2% fixed rate unsecured loan notes on 2 July 2018 to the Group's major shareholders.

31. Controlling party

The company does not have a parent undertaking. There is no overall controlling party.

32. Financial instruments

	Group 2018 £	Group 2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	6,483,161	6,483,161
Financial assets that are debt instruments measured at amortised cost	2,271,387	2,407,714
	<u>8,754,548</u>	<u>8,890,875</u>

Financial liabilities

Financial liabilities measured at amortised cost	<u>(6,339,916)</u>	<u>(6,384,616)</u>
--	--------------------	--------------------

Financial assets measured at fair value through profit or loss comprise the investment in Premiership Rugby Limited.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise loans, trade creditors, other creditors, finance lease creditors and accruals.



NOTICE OF ANNUAL GENERAL MEETING 2018

Notice is hereby given that the eighteenth Annual General Meeting of Northampton Saints plc will be held at Franklin's Gardens, Weedon Road, Northampton on Tuesday 18 September 2018 at 7:30pm to transact the following business:-

ORDINARY BUSINESS

To consider and, if thought fit, pass the following resolutions all of which will be proposed as Ordinary Resolutions:

Resolution 1

To receive and consider the accounts for the year ended 31 May 2018, together with the reports of the directors and auditors thereon.

Resolution 2

To re-appoint as a director Mr K Barwell who retires in accordance with Article 21.2.b of the Company's Articles of Association.

Resolution 3

To re-appoint as a director Mr C Povey who retires in accordance with Article 21.2.b of the Company's Articles of Association.

Resolution 4

To re-appoint Grant Thornton UK LLP as auditors and to authorise the directors to determine their remuneration.

By order of the Board

Julia Chapman
Secretary

14 August 2018

Notes:

- 1 Any member entitled to attend and vote at the Meeting may appoint a proxy to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed for use if desired.
- 2 To be entitled to attend and vote at the Meeting (and for the purpose of determining the number of votes a member may cast) members must be entered on the Register of Members of the Company by 5pm on 13th September 2018.
- 3 To be effective, forms of proxy together with any power of attorney or authority (if any) under which they are signed (or a duly certified copy of the power or authority) must be deposited at Franklin's Gardens not less than 48 hours before the time for holding the Meeting. Completion and return of a form of proxy will not prevent a member from attending the Meeting and voting in person should he wish to do so.

EXPLANATORY NOTES

The Annual General Meeting is a meeting of shareholders which the Company is required by law to hold each year.

There are four resolutions to be considered and voted on by the shareholders at the Annual General Meeting which all relate to "Ordinary Business".

ORDINARY BUSINESS

Resolution 1 – Report and Accounts

The directors of the Company are required to present to the meeting the Directors' Report and Financial Statements for the period ended 31 May 2018 and the Independent Auditor Report on the Financial Statements.

Resolutions 2 and 3 – Re-election of Directors

Under the Company's Articles of Association, a proportion of the Directors are required to retire by rotation and are entitled to seek re-election. The Directors retiring this year are K Barwell and C Povey. Resolutions 2 and 3 propose their re-election as Directors.

Resolution 4 – Re-appointment of Auditors

The Company must appoint auditors to hold office until the end of the next meeting at which the Financial Statements are presented. This resolution proposes the re-appointment of Grant Thornton UK LLP and authorises the Directors to determine their remuneration.

FORM OF PROXY

Annual General Meeting to be held on Tuesday 18 September 2018 at Franklin's Gardens, Weedon Road, Northampton.

I/We,

of (address)

being a member of Northampton Saints plc, hereby appoint or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company and at any adjournment thereof.

Please indicate how you wish your votes to be cast by placing an "X" in the spaces provided below. The resolutions are as indicated in the Notice of Meeting contained in the Report and Accounts of the Company. If this Form of Proxy is signed and returned without any indication as to how the Proxy shall vote, he will exercise his discretion both as to how he votes and whether or not to abstain from voting on all resolutions at the Meeting.

		For	Against
Resolution 1	Report and Accounts		
Resolution 2	Re-appointment of Mr K Barwell		
Resolution 3	Re-appointment of Mr C Povey		
Resolution 4	Re-appointment of the auditors		

Signature(s) or Common Seal (see notes 2 and 3 below)

.....
.....
.....

Dated:2018

Notes:

- 1 You are entitled to appoint a Proxy of your own choice, who need not be a member of the Company, by inserting the name and address of such proxy in the space provided. Should the space be left blank, the Proxy will be exercised by the Chairman of the meeting.
- 2 In the case of a Company, this Form of Proxy must be executed under its common seal or under the hand of a duly authorised officer or attorney or other person authorised to sign.
- 3 In the case of joint holders, only one need sign but the vote of the senior who tenders the vote, whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority is determined by the order in which the names of the holders stand in the register of members. If the person signing is not the first named holder, it will be helpful to give the name of the first named.
- 4 To be valid, forms of proxy together with any power of attorney or other authority under which it is signed, or a copy of such authority notarially certified, must be lodged at Franklin's Gardens, Weedon Road, Northampton NN5 5BG not later than 48 hours before the time fixed for the Meeting. Completion and return of a form of proxy will not prevent the holder from attending the Meeting and voting in person should he wish to do so.



Second Fold

PLEASE
AFFIX
STAMP

Northampton Saints PLC
Franklin's Gardens
Weedon Road
Northampton
NN5 5BG



First fold

Third fold inside flap

REGISTERED OFFICE

Franklin's Gardens
Weedon Road
NORTHAMPTON
NN5 5BG

COMPANY REGISTRATION NO.

04064363

PROFESSIONAL ADVISORS

Auditor

Grant Thornton UK LLP
Victoria House
4th Floor
199 Avebury Boulevard
Milton Keynes
MK9 1AU

Bankers

Barclays Commercial Bank
Ashton House
497 Silbury Boulevard
MILTON KEYNES
MK9 2LD



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COMPANY REGISTRATION NO | 04064363
WWW.NORTHAMPTONSAINTS.CO.UK