

Programme Notes v Stevenage

Unusually for GTFC the season is drifting towards an uneventful end with no involvement in either the battle for promotion or to avoid relegation. It is therefore probably a good time to reflect on this season and look forward to next. There is no doubt that progress has been made this season in terms of the quality of the football on show and some of the performance have been great to watch but inconsistency has stopped us from being promotion contenders. The positive side to this is that a good number of players will still be here next season and we will not be rebuilding from scratch as we have done in previous seasons. With a relatively young squad they are only to going to improve with more experience and good coaching and so with some key additions to add to the core squad we think we can look forward with optimism but like everything else a key factor will be finance.

The board have already said that they are looking to increase the playing budget for next season as having gained more information about other club's spend it is apparent, we are not competitive enough. This won't be easy however as all club's having to work under strict guidelines set down by the EFL as part of financial fair play.

Under the rules of Salary Cost Management Protocol (SCMP) the playing budget for next season can only be 50% of turnover, (down from 55% this season) and this compares to 60% for league 1 clubs. For this calculation it is important to understand the definition of turnover. It includes the following:

- 1) Match day income
- 2) Net Commercial Income
- 3) TV and merit payments
- 4) Net profit from transfers actually received in the year
- 5) Donations or Equity receipts (not loans)

The last item is very important as it is how some clubs are able to spend more on players than their attendances would normally allow. A prime example of this is our friends down the road at Scunthorpe who have just reported losses of £3m on a turnover of only £4m. In our own division the best example is Forest Green Rovers whose playing budget is significantly higher than ours all funded by the owner. As frustrating as this is neither of these are sustainable

on a long-term basis and we think we can rightly be proud that over recent seasons we have been self-sufficient even if it has meant us having a lower playing budget than some of our rivals. It has certainly steered us down the route of looking to develop more from within and the progression of the academy is another thing we can all rightly be proud of.

In practical terms the way the system works is that the club must submit a forecast of turnover and playing budget at the start of the season and then spend up to that level. The projection is then updated in December to allow for actual turnover and any updated forecasts which means that if things have been going better than plan more budget can be opened up for the second part of the season but conversely if things have been worse then the playing budget needs to be cut. The EFL can, and do, impose a transfer embargo if the projected spend looks like it may go over the limit of 50%, they don't need to wait until it happens.

As mentioned, the board are grappling with this at the moment but with no sign of any new investors it is a difficult task. As ever the supporters and sponsors have a huge part to play in helping secure a decent budget for the manager and hopefully when season tickets go on sale at the end of the season fans will once again respond positively.

Enjoy the match and let's hope for three points.

UTM

Mariners Trust Board.