

# **Brighton & Hove Albion Holdings Limited**

Report and Financial Statements

Year Ended

30 June 2022

Company Number 02849319

# Brighton & Hove Albion Holdings Limited

## Report and financial statements for the year ended 30 June 2022

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### Directors

A G Bloom (Chairman)  
P J Barber (CEO and Deputy Chairman)  
R A Bloom  
D L Chapman  
R F Comer  
A S Franks  
P W Godfrey  
M L Sugarman  
M J Walder  
P J Mullen  
L W Cooper

### Secretary and registered office

R F Comer, American Express Community Stadium, Village Way, Brighton, BN1 9BL

### Company number

02849319

### Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

# Brighton & Hove Albion Holdings Limited

## Chairman's statement for the year ended 30 June 2022

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The period for these accounts relates to 2021/22, our fifth consecutive season in the Premier League, and the season in which we were delighted to welcome back fans to the American Express Community Stadium following the lifting of Covid restrictions. As we emerged from the global COVID-19 pandemic, and the many challenges that presented to individuals everywhere and to our sport, having our fans back in the stadium was a tremendous boost to us all.

On the pitch we enjoyed our club's highest top-flight finish in 121 seasons, as Graham Potter led the team to an excellent ninth-place in the Premier League. The season's run-in was particularly impressive as the team picked up eye-catching results at Arsenal and Spurs, before an emphatic home victory over Manchester United.

The Board and I are extremely appreciative of the role Graham and his staff played in helping us further evolve in the Premier League and make significant steps towards our long-term vision of establishing the men's first team as regular top-ten finishers. I take this opportunity to place on record our thanks to Graham, and other key staff who departed to Chelsea, for the excellent job they undertook here.

The accounts include the two substantial transfer fees received: for Ben White's sale to Arsenal in the summer window, and for Dan Burn's sale to Newcastle United in the January window. Neither were players we wanted to lose, but we respected the different reasons why both wanted to make their respective moves - and we were satisfied that, in both cases, we secured significant fees representing our valuation of each player. Also included in these accounts is the compensation received from Newcastle United for our former technical director Dan Ashworth's move to the north east in February 2022.

This set of accounts does not include the fees received for Yves Bissouma's move to Tottenham Hotspur or Marc Cucarella's transfer to Chelsea, or the compensation for Graham and other staff leaving us for Chelsea. These will be included in the 2022/2023 accounts.

Following Graham's departure, we welcomed Roberto De Zerbi as our men's first-team head coach. Roberto arrived with an excellent track record and impressive spells in Italy and Ukraine. He was our first choice, and having made such a positive impression during our initial talks, he was the only person we spoke to concerning the role. It's fair to say Roberto has made a big impact already, and we are thrilled with the work he's done in a relatively short space of time.

David Weir replaced Dan Ashworth as technical director and David has continued Dan's good work seamlessly, while also bringing his own personality and skill set to the position. David has overseen a number of appointments, including Mike Cave joining from Fulham as his assistant and the recent promotion of Sam Jewell to head of recruitment, following Paul Winstanley's departure.

Our women's team finished in a creditable seventh position. However, this season did not start as we had hoped, and Hope Powell made the decision to step down as our head coach. I would like to place on record my thanks to Hope for the work she did to drive the club forward, on and off the pitch. A trailblazer throughout her career, she raised the standards as the women's first-team turned professional and later moved into purpose-built training facilities at the American Express Elite Football Performance Centre.

Jens Scheuer joined us as our new women's head coach in December, having formerly been with Bayern Munich. We hope that he will build on our solid foundations as we push on to our longer-term, top-four vision.

Overall, these accounts show a good profit for the period, and this is really encouraging that in a season where we impressed on the field, we also delivered good results off it. Alongside our top-ten/top-four vision, we also want to be sustainable, so this is an encouraging set of results and bodes well for the future.

Of course this would not be possible without the diligence and professionalism of our board of directors, executive team, and entire staff. I would like to thank them for their tremendous support and incredible hard work. Our staff are brilliantly led by our chief executive and deputy chairman Paul Barber.

Paul continues to deliver first-class leadership in his capacity as chief executive, and in his decade-plus with us his management of the club has been outstanding. It was no surprise to me when his achievements throughout his 25-year career working in professional football were formally recognised by HRH King Charles with the award of an OBE as part of the New Year's honours list.

# Brighton & Hove Albion Holdings Limited

## Chairman's statement for the year ended 30 June 2022 (*continued*)

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### Community and supporters

Our fans have again been exceptional at home and on the road, as we have returned to the pre-pandemic regularity of sold-out Amex matches. Our excellent form on the pitch, coupled with the increased profile of a number of our overseas stars — not least World Cup winner Alexis Mac Allister — is attracting more global fans than ever before. To all our fans, thank you for your ongoing support.

Our season-ticket renewals continue to be high for both this accounting period and for the current renewal phase ahead of next season. We want to ensure the Amex matchday experience remains one of the best in the Premier League, and we are continuing to innovate and improve. Our further investments in this area will see the new Tunnel Club open next season, an enhanced pre-turnstile fanzone, and an upgraded in-stadium sound system.

I would also like to thank American Express, Nike, Snickers UK and Sodexo Live, and all our loyal partners. Our partners assist the club in its endeavours in so many ways, and we remain hugely grateful for their unfailing commitment. It is not something we take for granted.

Albion in the Community (AIRC), our official charity, remains one of the leading football charities in the UK, with a reputation for delivering pioneering, innovative, and impactful programmes across Sussex.

The charity reaches more than 20,000 people annually, having been active for more than 30 years, providing programmes to support children and families who are facing some of the greatest challenges locally due to poverty and hardship. Sadly, these challenges have increased due to the pandemic and cost-of-living crisis.

By harnessing the transformational power of football to change young lives, the charity has been there for our community through these difficult times, providing football sessions, educational workshops and targeted support to improve wellbeing.

AIRC is helping 5,000 people on a weekly basis at 350 regular sessions across 25 towns and cities. Some families have been helped with food parcels, Ukrainian refugees have been supported to integrate into the community and children have been taught essential literacy, numeracy and other vital life skills.

We are so proud of the work done by AIRC and how the power of football continues to be used to change lives meaningfully within our local communities.

### Looking ahead

We continue to live by our club's core values - act with integrity, treat people well, exceed expectations, aim high and never give up, and make it special. Our values are non-negotiable and I have no doubt they have served us well through recent challenging years. During the current season they have helped us navigate calmly through the turbulence and upheaval of losing a number of key personnel at inconvenient times.

On the pitch, while our first priority must always be securing our status in the Premier League, we have made genuine and what I hope is sustainable progress on our vision we first outlined in the summer of 2019.

**Our vision is to be a top-ten Premier League club, and a top-four club in the Women's Super League.**

**We will achieve this by working together with smart recruitment in all areas, a productive academy, world-class facilities, and a sustainable budget - underpinned by our core values and supported by our fantastic fans and world-class partners.**

We will continue to work hard every day to reach our goals as we aim to deliver positive results and entertaining football for our long-standing and loyal supporters. As chairman of our great club, nothing gives me greater pleasure than some of the moments and memories we've shared in this recent period. While there will be more challenges ahead, we continue to move forward with spirit, togetherness and confidence, and we hope that the efforts of everyone continue to make us all proud of the Albion.



Tony Bloom  
Chairman

Date: 1<sup>st</sup> March 2023

# Brighton & Hove Albion Holdings Limited

## Strategic report for the year ended 30 June 2022

### Introduction

The principal activity of the group continues to be that of a professional football club as a member of the Football Association and the Premier League.

### Business review

	2022 £'000	As Restated 2021 £'000
Turnover	174,461	145,919
Other operating income	985	8,230
Cost of sales	(4,035)	(11,021)
Administrative and operational costs	(23,928)	(15,291)
	<hr/>	<hr/>
Operating profit before football costs and depreciation	147,483	127,837
Depreciation	(7,765)	(6,181)
Player trading	8,849	(49,149)
Football costs	(126,376)	(122,878)
	<hr/>	<hr/>
Operating profit/(loss) before interest and taxation	22,191	(50,371)
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### Financial highlights

- Turnover increase: 19.9% (excluding £6.5m (2021: £5.8m – as restated) of revenue from the New Monks Farm development project)
- Administrative and operational cost increase: 56.5%
- Operating profit before football costs and depreciation increase: 15.37%
- Player trading results move to a profit of £8.8m from a loss of £49.1m
- Football costs increase: 2.8%
- Operating loss of £50.4m has become a profit of £22.2m

The financial results for the year ended 30 June 2022 reflect the fifth season in which Brighton & Hove Albion Football Club Senior Men's team competed in the Premier League, this time finishing in 9th position (2021: 16th position). The financial results reflect this higher league position, together with a first full season back in front of full crowds following previous seasons being significantly impacted by the global Covid-19 pandemic. This led to an increase in matchday income, broadcasting income was largely unaffected other than positional variances and the 2020-21 season benefitting from revenue following the delayed conclusion of the 2019-20 season. The overall football cost base has increased slightly, mainly due to positional bonuses for the higher league position. Administrative and operational costs have seen a large increase due to full crowds being allowed back in for the whole season and the associated spend required. Net player trading has seen significant movement, due to the high value disposals of certain squad members and with player amortisation and impairment consistent year on year, moving from a loss of £49.1m to a profit of £8.8m, being an increase of £58.0m. Significant player sales have taken place since the year end and the profit on player disposal will be reflected in the 2022-23 accounts.

These results also reflect the Brighton & Hove Albion Football Club Senior Women's team who compete in the FA Women's Super League, finishing in 7<sup>th</sup> position (2021: 6<sup>th</sup> position). Investment into the Women's team has increased to £2.8m (2021: £2.2m).

# Brighton & Hove Albion Holdings Limited

## Strategic report for the year ended 30 June 2022 (*continued*)

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### Financial highlights (*continued*)

The results for the year include revenue from the New Monks Farm residential and commercial development of £6.5m (2021: £5.8m – as restated) and other operating income of £1.0m (2021: £5.8m – as restated) with attributable costs of sales of £2.8m (2021: £10.0m), contributing £4.7m (2021: £1.6m) to the results for the year.

The key financial highlights are as follows:

- *Turnover*  
Matchday income returned to similar pre-pandemic levels of £20.6m from £0.5m. Due to the Covid-19 pandemic all games in the 2020-21 season were played behind closed doors, whereas in the 2021-22 season there were no restrictions, and matches attracted an average attendance of 30,943. Broadcasting income increased from £123.0m to £126.2m. The final six games of the 2019-20 season were played in July 20, meaning a proportion of the broadcasting income for the 2019-20 season is reflected in the 2020-21 accounts artificially increasing the comparative number. Merit place income from Broadcasters was higher in the 2021-22 season due to the 9th place finish versus a 16th place finish in 2020-21. Commercial income also saw an increase as fans came back to The Amex with Commercial income increasing from £8.3m to £15.4m. Other income decreased from £14.1m to £12.3m mainly due to reduced income from player loans out to other clubs year on year.
- *Administrative and Operational Costs*  
The overall cost increase was 56.5%. This reflects the return to football with fans and the associated costs including stewarding, policing, transport and other matchday operational costs required for the stadium to be open.
- *Player Trading*  
This represents the amortisation and impairment of purchased player registrations less the profit on sale of players. Player amortisation has stayed consistent at £45.4m compared to £46.4m for the prior year. New players were added to the squad at a discounted value of £69.5m (2021: £31.3m). Profit on player disposals was £62.4m which compares with a profit on disposal of £6.6m in the previous accounting period and impairment of player registrations was £8.1m compared to £9.4m in the previous accounting period.
- *Football costs*  
Football costs, which include all costs associated with the running of the first team, development squad and youth academy, increased from £122.9m to £126.4m. This increase is primarily due to bonus payments for the 9th placed finish versus 16th in the previous period, but also shows a continued investment in the youth academy and facilities at the American Express Elite Football Performance Centre and The Amex.
- *Balance Sheet*  
Whilst the Balance Sheet is showing a net liabilities position, funding for the company continues to be provided by its Chairman, Tony Bloom, by way of interest free loans and equity conversion. In addition, during the previous year an external loan of £36m was taken out. This was secured against Premier League receivables and repayable between July 2021 and September 2022. At 30 June 22 £3m was outstanding and has been paid in full since the year end. Separately an overdraft facility has been made available by Barclays, which at present we have not had to utilise but is maintained for good order.

The cost of purchased players, net of appropriate discounting on acquisition and less amortisation and impairment, are recorded in the accounts at £83.7m at the year end. This doesn't however reflect home grown players or the current market value of the playing squad, which in the opinion of the Board is considerably higher.

Included in stock is the land for development at New Monks Farm adjoining our training ground and is recorded in the accounts at a cost of £31.9m (2021: £21.0m). After gaining successful planning permission at this site for housing and retail development, construction work has commenced, and the sale of land relating to phases 1 and 2 of the residential development are now completed.

# Brighton & Hove Albion Holdings Limited

## Strategic report for the year ended 30 June 2022 (*continued*)

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### **Profit and Sustainability Rules**

The Premier League operates profitability and sustainability rules. Under the rules adjusted losses of £105m over a three-year period are allowable. The operating profit or loss is adjusted for depreciation and allowable expenditure such as our investment in our Category 1 academy. The Club has complied with all of the Premier League's Rules for the 2021/22 season and forecasts to comply for the foreseeable future.

### **Sponsors**

The club is grateful to its many sponsors and business partners who continue to support the club's growth and progression. We would especially like to thank American Express, Nike and SnickersUK. The club is also grateful for the continued support and hard work of Sodexo Live. As our catering and non-matchday events partner, Sodexo Live continue to provide an excellent service.

### **Supporters and Staff**

The board would like to take this opportunity to thank the club's fans for their continued fantastic support, particularly through such difficult times due to the cost-of-living crisis. The season culminated in excellent season-ticket and 1901 club renewals and the Amex has continued to sell out throughout the 2022/23 season.

The board would also like to thank all our staff for their continued hard work, commitment and professionalism, again during a difficult and uncertain period.

### **Future developments**

Retention of the club's Premier League status remains the primary objective, but as set out in the Chairman's Statement the club's vision is to be a top-ten club in the Premier League, and a top-four club in the Women's Super League.

### **Section 172 statement**

Section 172 of the Companies Act 2006 requires the club's board of directors to take into consideration the interests of stakeholders and other matters in their decision making. The club's board continues to ensure the interests of all employees, supporters, partners, local community and other stakeholders are always given the fullest of consideration, and as a club and affiliated charity we have a number of initiatives aimed at regularly engaging with each of these groups.

#### *Supporters*

The club remains committed to listening to and engaging with supporters and encourage their feedback via a number of different communication methods.

We have held a number of in-person or virtual fans' forums, with key personnel at the club including the chairman, chief executive, technical director, head coach, several heads of departments and players, past and present meeting with supporters groups (see below).

Supporters can also engage via other channels including telephone, email, web chat or social media – with the club's chief executive known for his open policy in answering fan queries, often very late at night and always with in-depth responses.

We have also launched two new initiatives in line with the club's open and transparent approach to supporter communications. Firstly, the club's supporters' groups network provides support to various fan groups, local, regional and global, or covering different groups within the community. This non-profit network is aimed at engaging directly with those groups and helping them grow and progress.

# Brighton & Hove Albion Holdings Limited

## Strategic report for the year ended 30 June 2022 (*continued*)

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### Section 172 statement (*continued*)

Secondly, in February 2022 we announced the launch of a Fan Advisory Board. The elected board have met with Club and Board officials on 3 occasions during the 22/23 season, with the Chair scheduled to attend the Club Board Meeting in May. Further details can be found in the fans section of our website.

The board always has supporters at the forefront of their mind in the decision-making process.

#### *Community*

We remain committed to our local and global fan base and engaging with the local community across a wide spectrum of demographics. We continue to reach out to the more diverse groups within our community through various club and charity initiatives.

Albion in the Community, the Club's affiliated charity, continued their excellent work supporting people in communities throughout Sussex delivering a range of unique and innovative programmes. Further details of Albion in the Community's work in this area can be found in their annual report. The club also has a strong commitment to our local community, supporting this work.

#### *Employees*

We encourage a high-performance culture within the workforce, at all levels, and acknowledge that employee's health and wellbeing is paramount to being able to perform at the highest level possible.

We have a wide-ranging programme that supports our employees in this goal, including provision of healthy nutritious food and gym use on site as well as an occupational health scheme and excellent mental wellbeing support for colleagues.

We strongly encourage career development at all levels of the organisation and we are also working hard to develop effective future talent pipelines and pathways into football.

Within the bounds of commercial confidentiality, the club endeavours to keep staff at all levels informed of matters that affect the progress of the company and are of interest to them as employees. This is done with staff via regular employee question-and-answer sessions with the club's chief executive, preferably in person, but also via virtual platforms, such as Zoom and Teams - and back this up further with regular staff communications.

#### *Partners*

The club acknowledges the ongoing support we receive from the Brighton, Hove and wider Sussex business community. We have a brilliant range of global, national and local partners and we remain committed to working with them to meet their needs and help achieve their business aims - while also supporting their own corporate social responsibility programmes.

We have a vibrant, diverse and supportive group of businesses as part of our 1901 Club.

We aim to source locally wherever possible, including supporting local food suppliers throughout our hospitality and events menus and stadium kiosks.



# Brighton & Hove Albion Holdings Limited

## Strategic report for the year ended 30 June 2022 (*continued*)

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### Section 172 statement (*continued*)

#### *Sustainability and ethics*

The club's Amex Stadium and training ground is BREEAM certified 'very good' and 'good' respectively and we use a green electricity provider across all sites; we fully offset our carbon emissions in relation to gas.

Our training facility which opened in 2014 has over 400 solar panels on the roof of our various buildings.

We offer a subsidised and sustainable travel service to home and away supporters, which is held up as an example of best practice from environmental groups, football authorities, fans, local councillors and MPs.

Implemented 100% digital ticketing for home fans and first club in the PL to launch away tickets on mobile.

We eliminated the use of plastic straws, stirrers, carrier bags and are exploring the removal of other single use plastics. All our food packaging is now 100% recyclable on match days.

Over 30% of our food offering on a match day is vegan or vegetarian.

Implemented a new biodegradable cup for match day draught beer accounting for over 20,000 SUP plastic glasses per match day.

We send all plastic bottle tops from the stadium catering operation to Lush Cosmetics for recycling and reuse.

Our cleaning operation uses smart dose concentrate systems, recyclable microfibre cloths and has switched to steam cleaning of carpets and concourse floors which has led to a reduction in the amount of chemicals used and reduced our plastic waste.

We send zero waste to landfill. Our green waste from stadium and training pitches is taken for recycling into fertile compost and we recycle wood and pallets to make furniture and other items. External lighting at both stadium and training ground has been changed to LED and we installed EV charging points at the Amex stadium

Our surplus food supplies are donated to various local charities and food banks.

We have various water-saving projects, including harvesting rainwater to water our pitches at the training facility, percussion showers and taps across all venues and waterless urinals for all of our stadium concourses.

Training ground development has engendered the planting of an extra circa. 1,000 trees/bushes on site as part of the landscaping programme.

Established an ethics committee whose responsibilities include modern slavery commitments and sustainability developments.

We produced a sustainable membership pack to over 18k members with a notepad made from rPET, a bamboo pen, plus seed sticks. The packaging was all full recyclable.

# Brighton & Hove Albion Holdings Limited

Strategic report  
for the year ended 30 June 2022 (*continued*)

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## Section 172 statement (*continued*)

### Key Board Decisions

During the year, the Board made key decisions which are considered to be in the interests of the overall success of the company. These decisions have impacts on certain stakeholder groups that have, to the extent considered appropriate by the Board, been reflected in the decision making process.

- The Board made the decision, with the continued support of the principal shareholder, to continue to invest in all areas of the football business despite the continued fallout from the Covid-19 pandemic, with the focus on remaining as competitive as possible regardless of the challenging environment. During the year the investment in new player registrations was £69.5m.

### Principal risks

The principal risk, as faced by all football clubs, is the risk of relegation and the adverse effect it would have on revenue streams and the ability to retain and recruit talented staff.

The fall out from the Covid pandemic, together with the continually evolving UK macro-economic landscape (including high inflation, supply chain constraints and increased interest rates), and situation in Ukraine, are also presenting a significant risk to all football clubs across the country. As at the time of writing inflation and cost of living crises dominate the headlines. There is hope in the coming months that inflation will see a small decline and gas and electric prices have begun to stabilize, but the Club is locked into a deal that ends in the next 12 months and the impact of the increased prices on exit are ones that have been factored in to forecasts.

While the full impact of the UK exit from the European Union is unknown, there is a risk that it could result in some instability with regard to the freedom of movement of footballers and other staff. In addition to this, whilst no specific contracts or agreements have been identified that would have a material impact on the company in the short to medium-term, a disorderly Brexit could impact on the wider economy and on consumer spending, which could have a direct impact on matchday revenue and an indirect impact on future centrally negotiated media rights.

This report was approved by the board and signed on its behalf by:



R F Comer  
**Director**

Date: 1<sup>st</sup> March 2023

# Brighton & Hove Albion Holdings Limited

## Directors' report for the year ended 30 June 2022

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The directors present their report and the financial statements for the year ended 30 June 2022.

### Results and dividends

The profit for the year, after taxation, amounted to £24,099,000 (2021 – loss of £53,402,000).

The directors do not recommend the payment of a dividend (2021: £Nil).

### Directors

The directors who served during the year were:

A G Bloom (Chairman)  
P J Barber (CEO & Deputy Chairman)  
R A Bloom  
D L Chapman  
R F Comer  
A S Franks  
P W Godfrey  
D A Jones (Finance Director) (resigned 31 July 2021)  
M J Perry (resigned 1 November 2021)  
M L Sugarman  
M J Walder  
P J Mullen (appointed 1 July 2021)  
L W Cooper (appointed 21 September 2022)

### Employee involvement

Within the bounds of commercial confidentiality, the club endeavours to keep staff at all levels informed of matters that affect the progress of the Group and are of interest to them as employees.

### Equality & Safeguarding

The club is committed to equality of opportunity for all staff and applications for employment or promotion from individuals both internally and externally are encouraged regardless of age, disability, sex, gender reassignment, sexual orientation, pregnancy and maternity, race, religion or belief and marriage and civil partnerships. The club have successfully attained the intermediate level of the Premier League Equality Diversity and Inclusion Standard and we are now working towards the advanced level of the standard.

The club complies with all applicable employment legislation relating to working terms and conditions, and in many cases goes beyond compliance, including pay (the club is a 'Living Wage' Employer). It is our aim to provide inspirational and motivational working environments in which everybody can thrive.

The club is fully committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expect all staff and volunteers to share this commitment. We are supporters of a number of anti-discrimination campaigns including No Room For Racism, Kick It Out, Show Racism the Red Card, Rainbow Laces, Football v Homophobia, Level Playing Field and Women in Football to mention a few.

We have a strong track record for tackling discrimination at the stadium, at our matches and events, and online – with a zero tolerance policy for anyone found guilty of discriminatory behaviour.

# Brighton & Hove Albion Holdings Limited

## Directors' report for the year ended 30 June 2022 (*continued*)

### Streamlined Energy and Carbon Reporting (SECR)

In accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 we are required to disclose our UK energy and Greenhouse Gas emissions.

UK GHG Emissions & Energy use Financial Year ending 30th June 2022				
	2021/22		2020/21	
Scope 1 – Direct Emissions	tonnes CO <sub>2</sub> e	kWh	tonnes CO <sub>2</sub> e	kWh
Natural Gas	1133	6,206,812	1267.3	6,918,952
Club owned vehicles	99.2	390,080	76.7	306,984
Scope 2 – Indirect Emissions				
Electricity	1,110	5,739,585	1,274	5,997,795
Scope 3 - Other Indirect Emissions				
Staff owned vehicle business travel	76	306,940	66	266,547
Electricity Transmission & Distribution	102	-	113	-
<b>Total</b>	<b>2,519</b>	<b>12,643,417</b>	<b>2,796</b>	<b>13,490,278</b>
<b>Intensity Ratio tonnes CO<sub>2</sub>e per £M turnover</b>	<b>14.44</b>		<b>19.16</b>	

### Methodology

Greenhouse gas emissions are reported in gross tonnes CO<sub>2</sub>e in line with the requirements of large unquoted companies set out in the UK Government's Environmental Reporting Guidelines (March 2019 version) and use the UK Government GHG (Green House Gas) Conversion Factors for Company Reporting (2022 version 2.0). The operational control approach for the Group's activities has been applied and is guided by the GHG Protocol – Corporate Standard (revised edition).

Emissions from fuel use in Club owned vehicles have been determined from a variety of sources. Where mileage only is recorded these are converted using the Government GHG Conversion Factors based on net calorific values. Fuel purchased in litres is converted on a net calorific basis. Mileage, where staff used their own vehicle for club purposes, is converted based on an average vehicle and unknown fuel type.

Emissions from electricity are location based and report grid purchased electricity (Scope 2) including associated transmission and distribution losses (Scope 3). Gross calorific values have been applied to conversion of natural gas.

The Club has chosen Total tonnes of Carbon dioxide equivalent per £M turnover for its Intensity Ratio.

### Energy Efficiency

During the reporting period the Club has implemented the following measures:

- Additional solar panels bought into operation at the training ground on the extension and clubhub
- Ongoing programme of LED lamp changeover across both venues internally and externally
- Scheduling around events at the stadium on the Building Management System
- Linked up and introduced extra metering to monitor energy usage at the stadium
- Monthly energy management usage reports produced for the stadium from the above
- Continued use of green electricity and offsetting gas
- Use of electric lawn mowers at the stadium (training ground ones due this year)
- Electric buggies used by security and maintenance teams at the stadium
- Use of percussion showers and taps across our venues to reduce water and energy wastage
- Air conditioning systems have time managed controls to prevent them being left operational for extended periods of time

# Brighton & Hove Albion Holdings Limited

Directors' report  
for the year ended 30 June 2022 (*continued*)

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## **Matters covered in the Strategic Report**

Matters relating to principal activities, future developments, risks and uncertainties and KPIs are contained within the Strategic Report.

## **Post balance sheet events**

Details of significant events since the balance sheet date are contained in note 32 to the financial statements.

## **Auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

This report was approved by the board and signed on its behalf by:



R F Comer  
**Director**

Date: 1<sup>st</sup> March 2023

# Brighton & Hove Albion Holdings Limited

## Director's responsibilities statement for the year ended 30 June 2022

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The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# Brighton & Hove Albion Holdings Limited

## Independent auditor's report

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGHTON & HOVE ALBION HOLDINGS LIMITED

#### Opinion on the financial statements

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 30 June 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Brighton & Hove Albion Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2022 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

#### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

# Brighton & Hove Albion Holdings Limited

## Independent auditor's report (*continued*)

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### 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.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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 Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 Strategic report or the Directors' report.

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

As explained more fully in the directors' responsibilities statement, 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.



# Brighton & Hove Albion Holdings Limited

## Independent auditor's report (*continued*)

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### **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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular impairments of tangible and intangible fixed assets and the timing of revenue recognition;
- Identifying and testing journal entries, in particular material manual journals posted throughout the year and at year end for potential fraud;
- Testing a sample of revenue transactions to signed contracts and other third party documentation to ensure they are recorded in the correct period;
- Discussion held with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Review of minutes of board meetings from throughout the year; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# Brighton & Hove Albion Holdings Limited

## Independent auditor's report (*continued*)

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### Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### BDO LLP

Ian Clayden (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK

Date: 1<sup>st</sup> March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Brighton & Hove Albion Holdings Limited

## Consolidated statement of comprehensive income for the year ended 30 June 2022

	Note	2022			As Restated 2021
		Operations excluding player trading £'000	Player trading £'000	Total £'000	Total £'000
<b>Turnover</b>	3	174,461	-	<b>174,461</b>	145,919
Cost of sales		(4,035)	-	<b>(4,035)</b>	(11,021)
Operating expenses		(158,069)	(53,507)	<b>(211,576)</b>	(200,100)
Profit on player trading		-	62,356	<b>62,356</b>	6,601
Other operating income	4	985	-	<b>985</b>	8,230
<b>Operating profit/(loss) before interest and taxation</b>	5	13,342	8,849	<b>22,191</b>	(50,371)
Interest receivable and similar income	9	48	3,239	<b>3,287</b>	5
Interest payable and similar charges	10	(902)	(477)	<b>(1,379)</b>	(3,036)
<b>Profit/(Loss) before taxation</b>		12,488	11,611	<b>24,099</b>	(53,402)
Tax on profit/(loss)	11	-	-	-	-
<b>Profit/(Loss) after taxation</b>		12,488	11,611	<b>24,099</b>	(53,402)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		12,488	11,611	<b>24,099</b>	(53,402)

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 25 to 43 form part of these financial statements.

# Brighton & Hove Albion Holdings Limited

## Consolidated statement of financial position at 30 June 2022

<i>Company number 02849319</i>	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
<b>Fixed assets</b>					
Intangible assets	12		83,677		73,597
Tangible assets	13		165,969		166,300
Investment property	15		160		160
			249,806		240,057
<b>Current assets</b>					
Stocks	16	32,179		21,451	
Debtors: amounts falling due after one year	17	20,852		-	
Debtors: amounts falling due within one year	17	54,463		10,980	
Cash at bank and in hand	18	18,242		13,900	
		125,736		46,331	
<b>Creditors: amounts falling due within one year</b>	19	(505,255)		(445,471)	
<b>Net current liabilities</b>			(379,519)		(399,140)
<b>Total assets less current liabilities</b>			(129,713)		(159,083)
<b>Creditors: amounts falling due after more than one year</b>	20		(19,322)		(14,051)
<b>Provisions for liabilities</b>					
Deferred taxation	22		(1,506)		(1,506)
<b>Net liabilities</b>			(150,541)		(174,640)
<b>Capital and reserves</b>					
Called up share capital	23		95,232		95,232
Profit and loss account	24		(245,773)		(269,872)
			(150,541)		(174,640)

The financial statements were approved by the Board of Directors and authorised for issue on 1<sup>st</sup> March 2023



R F Comer  
Director

The notes on pages 25 to 43 form part of these financial statements.

# Brighton & Hove Albion Holdings Limited

## Consolidated statement of changes in equity for the year ended 30 June 2022

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	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
<b>At 1 July 2020</b>	95,232	(216,470)	(121,238)
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(53,402)	(53,402)
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>	-	(53,402)	(53,402)
	<hr/>	<hr/>	<hr/>
<b>At 30 June 2021</b>	95,232	(269,872)	(174,640)
<b>Comprehensive income for the year</b>			
Income for the year	-	24,099	24,099
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	24,099	24,099
	<hr/>	<hr/>	<hr/>
<b>At 30 June 2022</b>	<b>95,232</b>	<b>(245,773)</b>	<b>(150,541)</b>
	<hr/>	<hr/>	<hr/>

The notes on pages 25 to 43 form part of these financial statements.

# Brighton & Hove Albion Holdings Limited

## Consolidated statement of cash flows for the year ended 30 June 2022

	2022 £'000	2021 £'000
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	24,099	(53,402)
<b>Adjustments for:</b>		
Amortisation of intangible assets	45,438	46,380
Impairment of intangible assets	8,069	9,370
Depreciation of tangible assets	7,765	6,181
Profit on disposal of intangible assets	(62,356)	(6,601)
Loss on disposal of tangible assets	40	180
Increase in stocks	(10,728)	(2,480)
(Increase)/Decrease in debtors	(18,035)	6,767
Increase/(Decrease) in creditors	17,158	(22,533)
(Decrease)/Increase in grants receivable	(10)	910
Interest receivable	(3,287)	(5)
Interest payable	1,379	3,036
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>9,532</b>	<b>(12,197)</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(57,504)	(44,005)
Sale of intangible assets	25,197	17,535
Purchase of tangible fixed assets	(7,474)	(18,316)
Interest received	48	-
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	<b>(39,733)</b>	<b>(44,786)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Loans from directors	69,757	32,994
Increase in bank loans	-	36,006
Repayment of bank loans	(34,312)	-
Interest paid	(902)	-
	<hr/>	<hr/>
<b>Net cash from financing activities</b>	<b>34,543</b>	<b>69,000</b>
	<hr/>	<hr/>
<b>Net movement in cash and cash equivalents</b>	<b>4,342</b>	<b>12,017</b>
Cash and cash equivalents at beginning of year	13,900	1,883
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of year</b>	<b>18,242</b>	<b>13,900</b>
	<hr/>	<hr/>

The notes on pages 25 to 43 form part of these financial statements.

# Brighton & Hove Albion Holdings Limited

## Company statement of financial position at 30 June 2022

<i>Company number 02849319</i>	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
<b>Fixed assets</b>					
Investments	14		366,701		366,701
<b>Creditors: amounts falling due within one year</b>	19	(406,450)		(336,693)	
<b>Net current liabilities</b>			(406,450)		(336,693)
<b>Net (liabilities)/assets</b>			(39,749)		30,008
<b>Capital and reserves</b>					
Called up share capital	23		95,232		95,232
Profit and loss account	24		(134,981)		(65,224)
			(39,749)		30,008

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £69,757,000 (2021: £32,994,000).

The financial statements were approved by the Board of Directors and authorised for issue on 1st March 2023



R F Comer  
Director

The notes on pages 25 to 43 form part of these financial statements.

# Brighton & Hove Albion Holdings Limited

## Company statement of changes in equity for the year ended 30 June 2022

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	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
At 1 July 2020	95,232	(32,230)	63,002
Comprehensive loss for the year	-	(32,994)	(32,994)
<b>Total comprehensive loss for the year</b>	-	(32,994)	(32,994)
At 30 June 2021	95,232	(65,224)	30,008
Comprehensive loss for the year	-	(69,757)	(69,757)
<b>Total comprehensive loss for the year</b>	-	(69,757)	(69,757)
At 30 June 2022	95,232	(134,981)	(39,749)

The notes on pages 25 to 43 form part of these financial statements.



# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022

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### 1 Accounting policies

Brighton & Hove Albion Holdings Limited is a private company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the Group and Company's operations and principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

These financial statements are presented in Pounds Sterling as this is the currency of the primary economic environment in which the Group operates and is rounded to the nearest thousand pounds.

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.

The following principal accounting policies have been applied:

#### *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 Statement of Financial Position, 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 Statement of Comprehensive Income from the date on which control is obtained.

#### *Going concern*

For the year ended 30 June 2022 the group made a profit after tax of £24,099,000 and has net current liabilities of £379,519,000 and net liabilities of £150,541,000. Excluding loans due to the Chairman of the Group, the Group had net current assets of £26,931,000.

In assessing the appropriateness of the going concern assumption, the Directors have produced detailed cash flow forecasts which extend to no less than June 2024. It is acknowledged that in many respects the global and UK outbreak of Covid-19 has had a profound impact on the end of the 2019/20 football season and the 2020/21 season which has left many companies fragile in its wake. The Clubs 2022/23 season is expected to build on the positive cash flows of the 2021/22 season which was largely unaffected by Covid-19 (other than the continued repayment of previously agreed Premier League Central Distribution Rebates) and continues to benefit from the return to full capacity stadiums, although the board remain mindful of the economics of operating a stadium with reduced capacity as well as the potential for further setbacks and other Global issues currently impacting everyone including the Club.

The Club made significant player disposals in the 2021/22 season which aid cash flows moving forwards and it has also continued this into the 2022/23 season which will leave the Club with a forecasted positive cash flow for the 2022/23 season as well, together with anticipating large cash inflows from the New Monks Farm Development. The club continues to model scenarios in which it invests in order to remain competitive in the English Premier League.

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Going concern (continued)*

The Group benefits from the support of its principal shareholder and the Board have received a letter of support from Mr Bloom expressing his intention to continue to provide such support, in the form of non-recall of existing loans. Management forecasts do not indicate the need for further funding from Mr Bloom during the going concern review period. In light of this financial support, and the boards own considerations with regard to the availability of such support, the directors have not identified a material uncertainty that may cast significant doubt over the Club's ability to continue as a going concern for the foreseeable future.

With Premier League activities ongoing, the Directors remain confident that the club continues to be operated within the financial means and intentions of its owner. As such, the Directors have concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

#### *Revenue*

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

Match day revenue is recognised on the day the games are played. The revenue received in advance for season tickets is deferred and released in the season the ticket was purchased for, in line with home games played.

Sponsorship and similar commercial income is recognised over the duration of the respective contracts in line with goods and services provided.

Retail revenue and catering income is recognised at the point goods and services are delivered to the customer.

Facility fees for live television coverage of games are recognised when earned.

Premier League and central distribution revenue is recognised on an accruals basis in line with games played.

Revenue generated from players on loan to other clubs is included in other income.

Revenue and costs in relation to the New Monks Farm development project are recognised when the significant risks and rewards of ownership are transferred to the buyer.

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Intangible assets*

##### **Player registrations**

The costs associated with the acquisition of players' registrations are capitalised as intangible fixed assets, with cost discounted to present value, at an appropriate market rate for leveraged player receivables, where payments are deferred beyond 12 months of the acquisition date.

Costs of players' registrations comprise transfer fees and solidarity payments. Payments of transfer fees based on future performance criteria are recognised when the criteria are assessed as being probable that they will be met. In most cases this is when the condition has been met. Player registration costs are fully amortised in equal instalments over the period of the players' individual contracts. Where a player's contract is extended beyond its initial period, amortisation is calculated over the period of the extended contract from the date on which it is signed. All amortisation is recognised within operating expenses on the statement of comprehensive income. Players' registrations are written down for impairment in certain circumstances when the carrying amount is assessed as exceeding the amount recoverable through use or sale. See below for accounting policy relating to impairment.

The profit or loss on disposal of a player's registration is calculated as the difference between the present value of the transfer fee received less the net book value at the date of sale and less any direct costs of the transfer. Receipts of transfer fees based on the future performance of the transferred player or the buying club are recognised when the future criteria are met or are virtually certain to be met.

##### **Impairment of player registrations**

The carrying amounts of player registration costs, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The directors do not consider it possible to determine the value in use of an individual player in isolation, as individual players cannot generate cash flows independently. However, in circumstances where it is apparent that, as at the period end date, the player would not be available for selection to play for the Club, such as permanent injury or a firm intention to sell or loan the player (without further selection), the player is taken outside of the wider football club cash generating-unit ("CGU") and valued on a recoverable amount basis, being the directors' best estimate of the player's fair value less cost to sell. In the case of a permanent injury the recoverable amount is assessed with reference to insurance values. Any resulting impairment charge is made in operating expenses. An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Where there is an impairment of a particular player's registration costs consideration is given to whether there is simultaneously an onerous contract arising. Where onerous contracts exist, a provision is recognised equal to the net cost of exiting from the contract.

#### *Tangible fixed assets*

Tangible fixed assets under the cost model, other than investment properties, 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.

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

### 1 Accounting policies (*continued*)

#### *Depreciation*

Land is not depreciated. Depreciation on other assets is charged from when the assets are brought in to use so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

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 replacement part is derecognised. Repairs and maintenance are charged to the Statement of Comprehensive Income as incurred.

Depreciation is provided on the following basis:

Freehold buildings	-	2% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20 - 33% straight line
Office equipment	-	20 - 33% straight line
Assets under construction	-	not depreciated

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

#### *Investment property*

Investment property is carried at fair value. The fair value is determined with reference to recent market transactions of properties of similar size, use and location and other industry benchmarks.

Investment properties which are under development are stated at cost.

#### *Valuation of investments*

Investments in subsidiaries are measured at cost less accumulated impairment.

Loans to subsidiaries that are not anticipated to be recovered in the short to medium term are presented as investments in the parent company Statement of Financial Position.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value.

#### *Debtors*

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

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

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### 1 Accounting policies (*continued*)

#### *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.

#### *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 Statement of Comprehensive Income.

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.

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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

#### *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.

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Government and other grants*

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

Grants of a revenue nature and other non-exchange transaction income are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

#### *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 Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

#### *Interest income*

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

#### *Borrowing costs*

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

#### *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 Statement of Comprehensive Income in the year that the Group becomes aware of the obligation and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Current and deferred taxation*

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 reporting 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 Statement of Financial Position 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 reporting date.

#### *Player remuneration*

Signing on fees in respect of players contracts are expensed to the Statement of Comprehensive income over the term of their contracts. Remuneration of players is charged in accordance with the terms of the applicable contractual arrangements. Bonuses and other short term benefits are recognised when services are rendered and there is a constructive or legal obligation to pay these.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires of management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management evaluates its estimates and judgements with reference to historical experience and expectations of future events and current market conditions.

In preparing these financial statements, the directors have had to make the following judgements:

Determine whether there are indicators of impairment of the Group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. Considerations relevant to the impairment of player registrations are described in note 1.

Determine whether there are indicators of impairment of the Group's inventory. Factors taken into consideration in reaching such a decision include the value of sale agreements in place and associated budgeted costs to complete the assets ready for sale. In the absence of sale agreements, the board consider available market values.

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

<b>3 Turnover</b>	<b>2022</b>	<b>As Restated</b>
	<b>£'000</b>	<b>2021</b>
		<b>£'000</b>
<i>Analysis of turnover</i>		
Matchday	20,620	494
Broadcasting	126,222	122,991
Commercial	15,361	8,320
Other income	12,258	14,114
	<u>174,461</u>	<u>145,919</u>
All turnover arose within the United Kingdom.		
<b>4 Other operating income</b>	<b>2022</b>	<b>As Restated</b>
	<b>£'000</b>	<b>2021</b>
		<b>£'000</b>
Grants receivable	60	5,717
Other income	925	-
Proceeds from business interruption insurance claim	-	2,513
	<u>985</u>	<u>8,230</u>
<b>5 Operating profit/(loss)</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
This is arrived at after charging:		
Depreciation of tangible fixed assets	7,765	6,181
Amortisation of intangible assets	45,438	46,380
Impairment of intangible assets	8,069	9,370
Defined contribution pension cost	523	434
Operating lease payments	81	216
	<u>          </u>	<u>          </u>
<b>6 Auditor's remuneration</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Fees payable to the Group's auditor for the audit of the Group's annual accounts	73	61
	<u>          </u>	<u>          </u>
Fees payable to the Group's auditor and its associates in respect of:		
Audit related assurance services	17	5
Taxation compliance services	16	9
All other services	143	19
	<u>176</u>	<u>33</u>



# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

### 7 Employees

	2022 £'000	2021 £'000
Staff costs, including directors' remuneration, were as follows:		
Wages and salaries	101,097	95,259
Social security costs	13,644	13,191
Staff pension costs	523	434
	115,264	108,884

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

	Number	Number
Playing staff	109	112
Non-playing staff	782	766
	891	878

Included in non-playing staff are 653 (2021: 90) staff who are employed on a part-time basis.

### 8 Directors' remuneration

	2022 £'000	2021 £'000
Directors' emoluments	3,852	2,492
Company contributions to defined contribution pension schemes	28	64
	3,880	2,556

During the year retirement benefits were accruing to 3 directors (2021: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £2,896,000 (2021: £2,037,000). This remuneration included base salary and both performance-related and long-term loyalty bonuses.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,000 (2021: £2,000).

### 9 Interest receivable and similar income

	2022 £'000	2021 £'000
Unwinding of discount on transfer fees receivable	3,239	-
Bank interest receivable	48	5
	3,287	5

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

### 10 Interest payable and similar charges

	2022 £'000	2021 £'000
Unwinding of discount on transfer fees payable	477	1,528
Bank and credit card charges	902	1,508
	1,379	3,036

### 11 Taxation

	2022 £'000	2021 £'000
Taxation on loss on ordinary activities	-	-
	-	-

#### Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2021 – 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit/(loss) on ordinary activities before tax	24,097	(53,402)
	24,097	(53,402)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 – 19%)	4,579	(10,146)
Effects of:		
Fixed asset differences	174	-
Expenses not deductible for tax purposes	95	472
Deferred tax not recognised	(3,898)	(4,323)
Deferred tax not recognised on unutilised tax losses	(950)	13,997
	(3,579)	9,103
Total tax (credit)/charge for the year	-	-

#### Factors that may affect future tax charges

At 30 June 2022, the group had approximately £266,747,000 (2021: £275,943,000) of trading losses to carry forward.

The group has a potential deferred tax asset of £57,107,000 (2021: £63,689,000) calculated at the tax rate of 25% (2021: 25%), which has not been recognised or offset against deferred tax liabilities that will be available for future offset.

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

## 12 Intangible fixed assets

<b>Group</b>	<b>Player registration £'000</b>
<i>Cost</i>	
At 1 July 2021	184,082
Additions	69,515
Disposals	(59,815)
	<hr/>
<b>At 30 June 2022</b>	<b>193,782</b>
	<hr/>
<i>Amortisation</i>	
At 1 July 2021	110,485
Charge for the year	45,438
Impairment of player registrations	8,069
Disposals	(53,887)
	<hr/>
<b>At 30 June 2022</b>	<b>110,105</b>
	<hr/>
<i>Net book value</i>	
<b>At 30 June 2022</b>	<b>83,677</b>
	<hr/>
<b>At 30 June 2021</b>	<b>73,597</b>
	<hr/>

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

## 13 Tangible fixed assets

Group	Freehold land & buildings £'000	Fixtures & fittings £'000	Office equipment £'000	Assets under construction £'000	Total £'000
<b>Cost or valuation</b>					
At 1 July 2021	152,220	22,900	3,169	30,572	208,861
Additions	2,119	4,299	-	1,056	7,474
Disposals	-	(59)	-	-	(59)
Reclassifications	30,112	-	-	(30,112)	-
<b>At 30 June 2022</b>	<b>184,451</b>	<b>27,140</b>	<b>3,169</b>	<b>1,516</b>	<b>216,276</b>
<b>Depreciation</b>					
At 1 July 2021	22,594	16,798	3,169	-	42,561
Charge for the year	3,783	3,982	-	-	7,765
Disposals	-	(19)	-	-	(19)
<b>At 30 June 2022</b>	<b>26,377</b>	<b>20,761</b>	<b>3,169</b>	<b>-</b>	<b>50,307</b>
<b>Net book value</b>					
<b>At 30 June 2022</b>	<b>158,074</b>	<b>6,379</b>	<b>-</b>	<b>1,516</b>	<b>165,969</b>
<b>At 30 June 2021</b>	<b>129,626</b>	<b>6,102</b>	<b>-</b>	<b>30,572</b>	<b>166,300</b>

Freehold land & buildings includes the cost of a premium of £5,300,000 payable for the lease of the stadium land. This lease is for a 125 year period from 28 August 2009.

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

## 14 Fixed asset investments

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of share	Holding	Principal activity
The Community Stadium Limited	Ordinary	100%	Construction and management of facilities for the use of Brighton and Hove Albion Football Club
The Brighton and Hove Albion Football Club Limited	Ordinary	99.98%	Professional football club and a member of the Premier League
Brighton & Hove Albion Women's Football Club Limited	Ordinary	100%	Womens football club and a member of the Women's Super League
New Monks Farm Development Limited	Ordinary	100%	Property investment – non-trading
New Monks Farm Management Company Limited	Ordinary	100%	Management company – non-trading

The registered address of all the subsidiaries above is American Express Community Stadium, Village Way, Brighton, BN1 9BL.

Company	Investments in subsidiary companies £'000
<i>Cost or valuation</i>	
At 1 July 2021	366,701
Additions	69,757
Impairment	(69,757)
	<hr/>
At 30 June 2022	<b>366,701</b>
	<hr/>
<i>Net book value</i>	
At 30 June 2022	<b>366,701</b>
	<hr/>
At 30 June 2021	366,701
	<hr/>

Investments include long-term receivables, net of provisions, from subsidiaries of £363,803,000 (2021: £363,803,000) and equity share capital of £2,898,000 (2021: £2,898,000). All impairment amounts relate to long-term receivables.

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

## 15 Investment property

	Freehold investment property £'000
<i>Valuation</i>	
At 1 July 2021 and 30 June 2022	160

Investment properties are currently under development.

## 16 Stocks

	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Development property	31,932	21,002	-	-
Goods for resale	247	449	-	-
	<u>32,179</u>	<u>21,451</u>	<u>-</u>	<u>-</u>

## 17 Debtors

### Debtors: amounts falling due after one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Transfer receivables	20,852	-	-	-
	<u>20,852</u>	<u>-</u>	<u>-</u>	<u>-</u>

### Debtors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	12,258	5,645	-	-
Transfer receivables	28,209	2,735	-	-
Other debtors	10,932	686	-	-
Prepayments and accrued income	2,590	1,414	-	-
Corporation tax recoverable	474	500	-	-
	<u>54,463</u>	<u>10,980</u>	<u>-</u>	<u>-</u>

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

## 18 Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<b>18,242</b>	13,900	-	-

## 19 Creditors: amounts falling due within one year

	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Bank loans and overdrafts	<b>3,022</b>	34,508	-	-
Trade creditors	<b>4,717</b>	4,866	-	-
Transfer payables	<b>28,221</b>	21,740	-	-
Deferred grant income	<b>60</b>	59	-	-
Taxation and social security	<b>13,341</b>	8,909	-	-
Other creditors	<b>410,821</b>	340,932	<b>406,450</b>	336,693
Accruals and deferred income	<b>45,073</b>	34,457	-	-
	<b>505,255</b>	445,471	<b>406,450</b>	336,693

A cross guarantee and debenture exists between Brighton and Hove Albion Holdings Limited, Brighton and Hove Albion Football Club Limited and The Community Stadium Limited.

Other creditors include Premier League rebates of £3,851,000 that will be deducted from future distributions (2021: £3,899,000 within current liabilities and £3,851,000 within non-current liabilities).

## 20 Creditors: amounts falling due after more than one year

	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Bank loans and overdrafts	-	2,826	-	-
Deferred grant income	<b>2,480</b>	2,491	-	-
Other creditors	-	3,851	-	-
Accruals and deferred income	<b>5,952</b>	-	-	-
Transfer payables	<b>10,890</b>	4,883	-	-
	<b>19,322</b>	14,051	-	-

£1.6m of the deferred grant income is released over a period of 20 years, in accordance with the grant terms. The remaining £1m of deferred grant income is released over a period of 50 years, consistent with the depreciation period for the associated tangible fixed asset.

Non-current deferred income relates to payments received in advance on land not yet transferred to the buyer.

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

## 20 Creditors: amounts falling due after more than one year (*continued*)

*Maturity of bank loans and overdrafts*

The maturity of sources of debt finance are as follows:

<b>Group</b>	<b>Bank loans 2022 £'000</b>	<b>Bank overdrafts 2022 £'000</b>	<b>Total 2022 £'000</b>
In one year or less, or on demand	3,022	-	3,022
In more than one year but not more than two years	-	-	-
	<hr/>	<hr/>	<hr/>
	<b>3,022</b>	<b>-</b>	<b>3,022</b>
	<hr/>	<hr/>	<hr/>
	<b>Bank loans 2021 £'000</b>	<b>Bank overdrafts 2021 £'000</b>	<b>Total 2021 £'000</b>
In one year or less, or on demand	34,508	-	34,508
In more than one year but not more than two years	2,826	-	2,826
	<hr/>	<hr/>	<hr/>
	<b>37,334</b>	<b>-</b>	<b>37,334</b>
	<hr/>	<hr/>	<hr/>

## 21 Financial instruments

	<b>Group 2022 £'000</b>	<b>Group 2021 £'000</b>	<b>Company 2022 £'000</b>	<b>Company 2021 £'000</b>
<b>Financial assets</b>				
Basic financial assets that are measured at amortised cost	<b>88,078</b>	23,309	<b>366,701</b>	366,701
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Financial liabilities</b>				
Basic financial liabilities that are measured at amortised cost	<b>(474,860)</b>	(435,158)	<b>(406,450)</b>	(336,693)
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>(386,782)</b>	(411,849)	<b>(39,749)</b>	30,008
	<hr/>	<hr/>	<hr/>	<hr/>

Basic financial assets measured at amortised cost comprise intercompany receivables, trade debtors, players debtors and other debtors.

Basic financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, players creditors, other creditors and accruals.



# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (*continued*)

<b>22</b>	<b>Deferred taxation</b>		
	<b>Group</b>	<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
	At beginning of year	(1,506)	(1,506)
	<b>At end of year</b>	<b>(1,506)</b>	<b>(1,506)</b>

The provision for deferred taxation is made up as follows:

	<b>Group</b>	<b>Group</b>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Valuation of properties held as stock	(1,506)	(1,506)

<b>23</b>	<b>Share capital</b>		
	<b>Shares classified as equity</b>	<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
	<i>Allotted, called up and fully paid</i>		
	95,232,480 (2021: 95,232,480) ordinary shares of £1 each	95,232	95,232

## 24 Reserves

### Profit and loss account

This reserve represents the cumulative profit and losses of the group and company.

## 25 Contingencies - Transfer fees receivable / payable

Under the terms of contracts with other football clubs in regard to player transfers, additional fees could become receivable and payable if certain defined performance criteria are fulfilled. The maximum that could be receivable is £11,804,000 (2021: £10,431,000) and the maximum that could become payable is £30,521,000 (2021: £14,950,000).

Additionally, no provision is included in the accounts for signing on fees, as at 30 June 2022, of £3,627,000 (2021: £4,751,000) which would become due to certain players if certain conditions are met.

## 26 Capital commitments

At 30 June 2022, the Group and Company had capital commitments as follows:

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Contracted for but not provided in these financial statements	13,980	17,599

# Brighton & Hove Albion Holdings Limited

## Notes forming part of the financial statements for the year ended 30 June 2022 (continued)

### 27 Pension commitments

The Group operates a defined contribution 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 £523,000 (2021: £434,000). Contributions totaling £Nil (2021: £Nil) were payable to the fund at the balance sheet date

### 28 Commitments under operating leases

At 30 June the Group had future minimum lease payments under non-cancellable operating leases as follows:

	2022 £'000	2021 £'000
Not later than 1 year	78	65
Later than 1 year and not later than 5 years	94	120
	<u>172</u>	<u>185</u>

The company has no commitments under operating leases as follows.

### 29 Net debt reconciliation

	1 July 2021 £'000	Cash flows £'000	30 June 2022 £'000
Cash in hand	13,900	4,342	18,242
Bank overdrafts	-	-	-
Bank loans	(37,334)	34,312	(3,022)
Director's loan	(336,693)	(69,757)	(406,450)
	<u>(360,127)</u>	<u>(31,103)</u>	<u>(391,230)</u>

### 30 Related party transactions

#### Director's loan

At 30 June 2022, an amount owed to AG Bloom by the Group amounted to £406,450,000 (2021: £336,693,000). These loans are interest free, unsecured and repayable on demand and included in other creditors.

#### Brighton & Hove Albion Football Club Limited

At the year end, The Brighton and Hove Albion Football Club Limited owed the company £335,978,000 (2021: £266,222,000).

#### CCI Accountants

The Group uses CCI Accountants, a firm in which RF Comer (director) is a partner, for advisory services relating to capital projects. During the year, the Group paid CCI Accountants £12,190 (2021: £Nil) for these services. At the year-end no amounts were payable (2021: £Nil).

# Brighton & Hove Albion Holdings Limited

Notes forming part of the financial statements  
for the year ended 30 June 2022 (*continued*)

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## 30 Related party transactions (continued)

### Key Management Personnel Remuneration

The directors are considered to be the key management personnel and their remuneration is disclosed in Note 8.

### Albion in the Community

The Group has a charitable arm, Albion in the Community. At the year end, the charity owed the Group £92,000 (2021: £27,000), and the Group owed the charity £6,000 (2021: £6,000).

### Star Lizard

The Group uses Star Lizard Consulting Limited, a company in which A S Franks and M L Sugarman (both directors) are Shareholders, for consulting services. During the year the Group accrued £3,000,000 (2021 - £Nil) for these services which were, subsequent to the year end, invoiced and paid.

### Royale Union Saint-Gilloise (RUSG)

During the year the Group loaned player registrations to RUSG, a club currently playing in the Belgian Pro League and in which Tony Bloom has an indirect passive investment and ownership interest (but neither controls nor directs the management of RUSG). RUSG were responsible for the players' registrations during this period.

In addition the Group purchased a player's registration from RUSG during the year for £5,016,000 (2021: £Nil) with a balance at the year end of £Nil (2021: £Nil)

## 31 Controlling party

The ultimate controlling party of the Group is AG Bloom, by virtue of his shareholding in the company.

## 32 Post balance sheet events

Since the year end, the group has entered into transfer agreements for confirmed contracted net transfer fees receivable of £88,845,000.

On 18 September 2022 the Club was delighted to appoint Roberto de Zerbi as its new Head Coach following the loss of Graham Potter and his team to Chelsea a few days earlier in a deal that saw the Club receive a sum of £21.5m.

On 31 October 2022 Hope Powell stepped down as women's first-team manager after five years at the club and on 28 December 2022 was replaced by Jens Scheuer, formerly of Bayern Munich.

## 33 Prior Year Restatement

Following a number of amendments to underlying agreements, the recognition of the Group's income and expenditure from the various 'New Monks Farm' construction phases and infrastructure development has been reconsidered and in doing so the Group has identified that certain incomes for the year ended 30 June 2021 should be reclassified as other operating income: grant income, rather than revenue. This reclassification in the comparative financial statements has no impact on the prior year's reported loss or net liabilities.