

COMPANY REGISTRATION NUMBER: 06233875

Leeds United Football Club Limited
Consolidated Financial Statements
For the year ended
30 June 2022



Leeds United Football Club Limited

Financial Statements

Year ended 30 June 2022

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Leeds United Football Club Limited

Officers and Professional Advisers

The board of directors

A Radrizzani
A Kinnear
P V Marathe
P S Lowy
M Marinelli
S Mencucci

Registered office

Elland Road
Leeds
LS11 0ES

Auditor

Gibson Booth
Chartered Accountants & Statutory Auditors
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

Bankers

Barclays Bank plc
69 Albion Street
Leeds
LS1 5AA

Solicitors

McCormicks Solicitors
Wharfedale House
35-37 East Parade
Harrogate
HG1 5LQ

Leeds United Football Club Limited

Strategic Report

Year ended 30 June 2022

Business review and principal activities

The principal activity of the Group during the period was that of professional football club and associated activities.

Despite a successful ninth place finish in Leeds United first season in the top-flight for sixteen years, the Club kicked off the new campaign with the goal of consolidating their Premier League status in the knowledge that many newly promoted Clubs fail to make the grade in the second season due to the challenge of continuing to evolve a Championship squad to compete at the highest domestic level.

The summer saw the departures of Pablo Hernandez, Gaetano Berardi, Ezgjan Alioski and Barry Douglas whilst the Club strengthened with the captures of Junior Firpo from Barcelona and Daniel James from Manchester United.

Performances on the field never reached the heights of the previous season and with the team appearing to be on a trajectory for a return to the Championship the reluctant decision was made to replace head coach Marcelo Bielsa, with Jesse Marsch joining to guide the team to four wins and three draws in their final twelve games and a dramatic victory on the final day of the season was enough to secure Premier League football for another year.

Commercially Leeds United continued to go from strength to strength with ticketing and membership income, partnership revenue and retail sales breaking all previous records. The Leeds United brand continued to grow internationally with a successful First Team Tour to Australia and partnership deals with global brand including SBOTOP, Hisense and JD.

Principal risks and uncertainties

The primary risk facing the group remains the divisional status of the Club's first team due to the impact on key revenue streams, however we remain confident that we have built a commercial model to fund a technical set-up which can ensure Premier League retention.

An additional risk has emerged in the form of the Government White Paper in response to the Fan Led Review into Football. The paper recommends the appointment of an independent regulator, the precise powers of this body remain undefined, but are predicted to materially impact both the Club's finances and elements of the way it currently operates.

The group is exposed to financial risk in the form of exchange rate risk, interest rate risk and cash flow risk. To manage these issues then the group utilises fixed rate borrowing where available, takes steps to mitigate exposure to foreign currency exposure on player transactions and closely manages cash flow.

Key performance indicators

The performance of the team is monitored by publicly available league tables. In addition, the playing operations are managed by squad value growth and player trading metrics.

The commercial operations of the group are monitored against detailed budgets and competitive benchmarking to assess the business progression and comparative performance. The group successfully operated within the EPL's Profit and Sustainability regulations.

The group saw an increase in turnover from £171m to £189m despite a £14.9m reduction in Central Distributions reflecting a 17th place finishing place at the conclusion of the 2021-22 season versus 9th place in the prior season. Merchandise sales were a key area of success growing by 23.6% from £20.3m to £25.1m. Other commercial revenue stream comprising mainly sponsorship, advertising and other events increased by 25.9% to £18.9m. Ticketing revenues increased by 1,175% from £1.9m to £24.6m as a result of the return of fans.

The strong commercial results in the Clubs second season in the Premier League continues to illustrate the potential of Leeds United being the only Club's the United Kingdom's third biggest city. This should prove a structural competitive advantage that can be leveraged to secure Premier League status over the long term.

Simultaneously the Clubs prudent financial management and development of a squad with depth and youth mean that it has the capability to sustain a temporary loss of Premier League status without altering its long-term trajectory.

Leeds United Football Club Limited

Strategic Report (continued)

Year ended 30 June 2022

Section 172 Companies Act 2006 statement

Section 172 (1) of the Companies Act 2006 requires the directors of a company must act in the way they each consider, in good faith, would be most likely to promote the success of the Club for the benefit of its members as a whole, and in doing so have regard to matters including:

- (a) The likely consequences of any decision in the long term,
- (b) The interests of the company's employees,
- (c) The need to foster the company's business relationships with suppliers, customers and others,
- (d) The impact of the company's operations on the community and the environment,
- (e) The desirability of the company maintain a reputation for high standards of business conduct, and
- (f) The need to act fairly as between members of the company

With respect to this the Board meets regularly to discuss the ongoing strategic direction of the Club with specific focus on;

Long term consequences

- Consolidating the Premier League business model by building the Leeds United brand globally to create revenue streams in partnerships, digital and merchandising that make the Club less dependant on matchday income.
- Developing talent through our youth academy through optimising scouting and coaching whilst creating pathways to the First Team that can build a long term technical and financial competitive advantages.
- Optimising the use of proprietary performance data analytics to create a long term technical competitive advantage.
- Utilising the stadium to its full advantage through other mass sporting and music events plus leveraging our reputation as one of Yorkshires leading conferencing and banqueting venues remains a core strategy.
- Working alongside the Leeds United Foundation to promote improve health and well being of all members of the community, both in the city of Leeds and beyond.
- The Group's adherence to UEFA and Premier League Financial Fair Play rules ensures sustainable, responsible and transparent spending..

The interest of employees

- The working environment is important to the directors both from a health and safety perspective but also in putting equality, diversity, inclusion and wellbeing at the heart of its operations. The Group has dedicated members of staff to ensure that all employees remain physically and emotionally safe and well and that the diversity of the workforce accurately reflects the community that the Club serves.
- Policies are in place and significant training is undertaken to ensure that the Group has a fair and robust recruitment process and that a culture of equality and diversity is maintained.
- There is an ongoing review process to ensure that the gender pay gap is addressed and that equal pay is applied fairly and consistently.

The interest of other stakeholders

- Fans: Leeds United is built on it's supporter base and every decision made by the club has supporters at its core. We are proud of our flourishing Supporters Advisory Board and our growing number of international supporters clubs which meet regularly with members of the board to shape the direction of the club and discuss key issues affecting fans
- Partners: our table of commercial partners continues to grow and are key to building the financial sustainability of the club and facilitating the growth of the fan base
- Suppliers: we view are suppliers as partners and ensure they not only deliver competitive value to the business but also share our core values

The Community

- The associated charity of Leeds United, the Leeds United Foundation remains inspired by the community, 'marching on together' to support health, wellbeing, education, and sports participation for all. The Foundation uses the power of Leeds United to support and inspire those who live in our city.
 - The mission of the Foundation continues to be delivered through a range of activities including health and social education in primary and secondary schools, community volunteering, sports participation for everyone, enabling young people to make Positive Choices™ about their lives. The Foundation is an "all age" charity and works with more senior community members through its Dementia Café , over 50's Social Club and Veterans Group.
 - 2022 saw the launch of the Foundation's new three-year strategy. Its strategic goals are:
 - o Consistently deliver our core; We will unswervingly ensure that our core programme activities deliver a consistent high quality and safe experience for all beneficiaries.
 - o Expose the hidden gem; We will continue to drive awareness of our offer so that we can use all channels to enable all who wish to access our services to be able to be fully aware of what we do.
 - o Extending our reach; We will support more people by widening the number of primary and secondary schools we work with, broadening our further and higher education offers and ensuring the reach of public health offer is extensive and relevant to need.
 - o Delivering when needed; Our activities will become easier to access, at times and in the most equitable way ensuring charity longevity and use of digital solutions to broaden engagement and deliver access for all.
 - o Responsive and complementary; We will become ever more responsive to the changing needs of the Leeds community, offering a range of activities that are relevant to emerging needs and complement the support available from other sources, including public and third sector offerings.
 - o Being Environmentally Sustainable; We will create and maintain our commitment to environmental sustainability;
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Leeds United Football Club Limited

Strategic Report (continued)

Year ended 30 June 2022

clarifying our aspirations and progressing to our medium-term vision.

- In the year ending June 2022, the Foundation engaged with and supported 42,945 individuals through its 25 core programmes. Almost double the delivery during the previous Covid year.
- The Foundations Primary Choices Programme is available to every one of the 232 Primary Schools in Leeds and supported 7356 Year six pupils (aged 10&11).
- The Foundation also continued to deliver Personal Social Health & Economic education programmes for 22,734 pupils in 60 of Leeds's primary schools additionally supporting 125 primary PE teachers with continuous professional development. Leadership, careers, and anti-social behaviour reduction curricula activities operated in partnership with 28 secondary schools across West Yorkshire. Full time Foundation staff were embedded in secondary schools as part of our school Hub programme, focusing on careers guidance and behaviour and attendance objectives.
- Our Football Foundation / Sport England funded Active Through Football adult engagement programme launched in 2022, with 340 participants engaging in 20 sessions per week across three targeted deprived wards in Leeds. The programme provides an opportunity for every adult in the communities we serve to take part in football. 150 participants played within the Refugee World Cup.
- Our Tier One Plus Girls Regional Talent Centre – the academy for female footballers up to 16 years of age retained its high rating level and in maintaining this there are 675 female player attendances in our programmes each week. Additionally our Go-Ahead Secondary School Girls empowerment through football programme has launched across 30 schools.
- Club and Foundation staff continued to partner with local and international charities delivering over 1,000 food parcels through working with Islamic Relief and providing 15,680 meals to Leeds residents via our Health Holidays programmes. Player and fan donations were made to the Red Cross Disasters Emergency Committee fund for Ukraine.
- The Health & Wellbeing programmes worked with over 3,800 participants, almost double the targeted number, with physical, mental, and family health all part of the delivery.

High standards

- The Group live by the Club's value of Family, Pride, Ambition, Graft and Innovation which are summed up in Billy Bremner's mantra 'Side Before Self'. These principles are designed to ensure the highest standards of strategy development and executional excellence.
- The Group is committed to paying the right amount of tax, in the right place and on a timely basis in accordance with tax laws.
- The Group is committed to ensuring there is transparency in our business and in our approach to tackling modern slavery within both our business and our supply chains.

Act fairly between members

- The Board contains a mixture of representation from the two majority shareholders combined with the Chief Executive Officer and an independent Non-Executive Director.

This report was approved by the board of directors on 28.02.2023 and signed on behalf of the board by:



A Kinnear
Director

Registered office:
Elland Road
Leeds
LS11 0ES

Leeds United Football Club Limited

Directors' Report

Year ended 30 June 2022

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

Directors

The directors who served the company during the year were as follows:

A Radrizzani
A Kinnear
P V Marathe
P S Lowy
M Marinelli
S Mencucci

Dividends

The directors do not recommend the payment of a dividend.

Greenhouse gas emissions and energy consumption

For the purposes of the Companies (Directors' Report), the group is a large and is required to report on its UK energy use and the associated greenhouse gas emissions.

Emissions in tonnes

	2021-22	2020-21
Electricity	1,345	1,100
Gas	899	1,104
Transport fuels	83	58
Gross annual total	2,327	2,262

Total consumption in kWh 11,243,592 (2021: 10,662,702),

Emissions in tonnes

	2021-22	2020-21
Per £000,000 of revenue	12	13
Per number of employees	2	5

Method of Calculation for Emissions

Our energy data has been calculated by energy consultants using the information taken from our detailed monthly consumption statements.

Principle measures taken to increase energy efficiency

The Group continue to proactively to limit its impact on the environment and reduce its carbon footprint. Our environmental initiatives have continued to build on the progress of recent years, specifically;

- We have replaced several large gas kitchen appliances to electric 'A' Rated, reducing natural gas consumption along with the carcinogens produced when using gas fired appliances.
- Composting; We are endeavouring to manage our food waste separately and anticipate that this will be fully rolled within the next quarter.
- A systematic program of lighting conversion to LED has commenced, further utilisation of PIR and photocell has also been implemented in order to further reduce electricity consumption.
- Following the implementation of the Building Management System we are now able to control heating and ventilation instantly and remotely across all areas of the stadium and training ground.
- Fully waterless urinals are in now operation throughout all areas of the stadium and training ground.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered. In event of members of staff becoming disabled, every opportunity is made to ensure their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Leeds United Football Club Limited

Directors' Report (continued)

Year ended 30 June 2022

Employee involvement

The company's employment policies are designed to attract, retain and motivate the best people. The company involves employees at all levels of the organisation through a broad base of regular communication, meetings and briefing sessions to understand current performance and communicate future developments.

Employee engagement

The health and safety of our employees is a primary focus and ensuring that each employee, to the extent that they are able, is fully able to work remotely has been successfully implemented. The working environment is important to the directors both from a health and safety perspective and a holistic one. The club has dedicated members of staff to ensure that all employees remain physically and emotionally safe and well.

Policies are in place and significant training is undertaken to ensure that the club has a fair and robust recruitment process and that a culture of equality and diversity is maintained. There is an ongoing review process to ensure that the gender pay gap is addressed and that equal pay is applied fairly and consistently.

Financial instruments

The company's financial instruments comprise of borrowings such as secured and unsecured loans and advanced receipts in respect of the ordinary activities of the club, cash and liquid resources, finance leases and various other items such as trade debtors and trade creditors that also arise directly from its operations.

Financial risk management and exposure to risk

In order to minimise financial risk, the directors of the company have taken the decision not to engage in trades of a speculative nature. At the year end the company had no foreign currency exposure. Other risks and uncertainties may arise dependent on the performance of the football team.

Cash flow

The company continues to ensure that cash flows are closely monitored on a daily basis and reviews its overall financial requirements on an annual basis. This policy will be maintained for the foreseeable future.

Qualifying indemnity provision

The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Disclosure of information in the strategic report

Details about future developments are included in the strategic report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 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 the company and the profit or loss of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

Leeds United Football Club Limited

Directors' Report (continued)

Year ended 30 June 2022

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 28/02/2023 and signed on behalf of the board by:



A Kinnear
Director

Registered office:
Elland Road
Leeds
LS11 0ES

Leeds United Football Club Limited

Independent Auditor's Report to the Members of Leeds United Football Club Limited

Year ended 30 June 2022

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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's or the 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

Year ended 30 June 2022

Matters on which we are required to report by exception

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.

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.

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:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, and determined that the principal risks were related to management bias through manipulation of accounting estimates or posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws, regulation and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- testing of non-purchase and sales ledger bank transactions;
- testing the appropriateness of journal entries;
- testing of purchase invoice authorisations.

Because of the inherent limitations of an audit, there is a risk that we will fail to detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Leeds United Football Club Limited

Independent Auditor's Report to the Members of Leeds United Football Club Limited (continued)

Year ended 30 June 2022

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

Use of our report

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

Alistair Russell FCA (Senior Statutory Auditor)

For and on behalf of
Gibson Booth
Chartered Accountants & Statutory Auditors
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

28 12 23

Leeds United Football Club Limited

Consolidated Statement of Comprehensive Income

Year ended 30 June 2022

	Note	Year to 30 Jun 22 £	Period from 1 Aug 20 to 30 Jun 21 £
Turnover	4	189,206,769	171,027,740
Cost of sales		<u>(20,174,675)</u>	<u>(14,654,409)</u>
Gross profit		169,032,094	156,373,331
Administrative expenses		(203,502,431)	(151,985,475)
Other operating income		—	1,137,677
Settlement of transfer dispute		—	<u>(15,555,435)</u>
Operating loss	5	<u>(34,470,337)</u>	<u>(10,029,902)</u>
Gain/ (loss) on disposal of players' registrations		889,647	(1,439,614)
Interest receivable and similar income	9	6,598,522	5,282,136
Interest payable and similar expenses	10	<u>(9,728,259)</u>	<u>(5,757,466)</u>
Loss before taxation		<u>(36,710,427)</u>	<u>(11,944,846)</u>
Tax on loss	11	—	—
Loss for the financial year and total comprehensive income		<u><u>(36,710,427)</u></u>	<u><u>(11,944,846)</u></u>

All the activities of the group are from continuing operations.

The notes on pages 17 to 30 form part of these financial statements.


Leeds United Football Club Limited

Consolidated Statement of Financial Position

30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	12	149,327,914	121,036,174
Tangible assets	13	24,106,439	22,356,373
		<u>173,434,353</u>	<u>143,392,547</u>
Current assets			
Stocks	15	2,265,451	8,152,524
Debtors: due within one year	16	10,208,008	11,481,738
Debtors: due after more than one year	16	4,439,750	4,688,026
Cash at bank and in hand		4,596,553	29,115,809
		<u>21,509,762</u>	<u>53,438,097</u>
Creditors: amounts falling due within one year	17	(163,919,204)	(145,322,514)
Net current liabilities		<u>(142,409,442)</u>	<u>(91,884,417)</u>
Total assets less current liabilities		<u>31,024,911</u>	<u>51,508,130</u>
Creditors: amounts falling due after more than one year	18	(90,975,587)	(80,748,379)
Net liabilities		<u>(59,950,676)</u>	<u>(29,240,249)</u>
Capital and reserves			
Called up share capital	23	52,936,742	52,936,741
Share premium account	24	33,704,662	27,704,663
Unrealised profit reserve	24	4,929,739	3,393,109
Profit and loss account	24	(151,521,819)	(113,274,762)
Shareholders deficit		<u>(59,950,676)</u>	<u>(29,240,249)</u>

These financial statements were approved by the board of directors and authorised for issue on 28 June 2022 and are signed on behalf of the board by:



A Kinnear
Director

Company registration number: 06233875

Leeds United Football Club Limited

Company Statement of Financial Position

30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	12	149,327,914	121,036,174
Tangible assets	13	23,237,639	21,378,690
Investments	14	4	3
		<u>172,565,557</u>	<u>142,414,867</u>
Current assets			
Stocks	15	2,175,717	8,126,724
Debtors: due within one year	16	10,048,772	11,504,941
Debtors: due after more than one year	16	4,439,750	4,688,026
Cash at bank and in hand		4,517,354	28,832,872
		<u>21,181,593</u>	<u>53,152,563</u>
Creditors: amounts falling due within one year	17	<u>(169,027,764)</u>	<u>(147,893,092)</u>
Net current liabilities		<u>(147,846,171)</u>	<u>(94,740,529)</u>
Total assets less current liabilities		<u>24,719,386</u>	<u>47,674,338</u>
Creditors: amounts falling due after more than one year	18	<u>(90,975,587)</u>	<u>(80,738,620)</u>
Net liabilities		<u>(66,256,201)</u>	<u>(33,064,282)</u>
Capital and reserves			
Called up share capital	23	52,936,742	52,936,741
Share premium account	24	33,704,662	27,704,663
Unrealised profit reserve	24	4,929,739	3,393,109
Profit and loss account	24	(157,827,344)	(117,098,795)
Shareholders deficit		<u>(66,256,201)</u>	<u>(33,064,282)</u>

The loss for the financial year of the parent company was £39,191,919 (2021: £11,660,919).

These financial statements were approved by the board of directors and authorised for issue on 28/02/2023 and are signed on behalf of the board by:



A Kinnear
Director

Company registration number: 06233875

The notes on pages 17 to 30 form part of these financial statements.

Leeds United Football Club Limited

Consolidated Statement of Changes in Equity

Year ended 30 June 2022

	Called up share capital £	Share premium account £	Unrealised profit reserve £	Profit and loss account £	Total £
At 1 August 2020	43,834,908	6,000,000	1,051,416	(120,288,223)	(69,401,899)
Loss for the year				(11,944,846)	(11,944,846)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	-	-	5,282,136	(5,282,136)	-
Notional interest charged on financial liability	-	-	(2,940,443)	2,940,443	-
Total comprehensive income for the year	-	-	2,341,693	(14,286,539)	(11,944,846)
Issue of shares	9,101,833	21,704,663	-	-	30,806,496
Capital contribution	-	-	-	21,300,000	21,300,000
Total investments by and distributions to owners	9,101,833	21,704,663	-	21,300,000	52,106,496
At 30 June 2021	52,936,741	27,704,663	3,393,109	(113,274,762)	(29,240,249)
Loss for the year				(36,710,427)	(36,710,427)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	-	-	6,598,523	(6,598,523)	-
Notional interest charged on financial liability	-	-	(5,061,893)	5,061,893	-
Total comprehensive income for the year	-	-	1,536,630	(38,247,057)	(36,710,427)
Issue of shares	1	5,999,999	-	-	6,000,000
Total investments by and distributions to owners	1	5,999,999	-	-	6,000,000
At 30 June 2022	<u>52,936,742</u>	<u>33,704,662</u>	<u>4,929,739</u>	<u>(151,521,819)</u>	<u>(59,950,676)</u>

The notes on pages 17 to 30 form part of these financial statements.

Leeds United Football Club Limited

Company Statement of Changes in Equity

Year ended 30 June 2022

	Called up share capital £	Share premium account £	Unrealised profit reserve £	Profit and loss account £	Total £
At 1 August 2020	43,834,908	6,000,000	1,051,416	(124,396,183)	(73,509,859)
Loss for the year				(11,660,919)	(11,660,919)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	-	-	5,282,136	(5,282,136)	-
Notional interest charged on financial liability	-	-	(2,940,443)	2,940,443	-
Total comprehensive income for the year	-	-	2,341,693	(14,002,612)	(11,660,919)
Issue of shares	9,101,833	21,704,663	-	-	30,806,496
Capital contribution	-	-	-	21,300,000	21,300,000
Total investments by and distributions to owners	9,101,833	21,704,663	-	21,300,000	52,106,496
At 30 June 2021	52,936,741	27,704,663	3,393,109	(117,098,795)	(33,064,282)
Loss for the year				(39,191,919)	(39,191,919)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	-	-	6,598,523	(6,598,523)	-
Notional interest charged on financial liability	-	-	(5,061,893)	5,061,893	-
Total comprehensive income for the year	-	-	1,536,630	(40,728,549)	(39,191,919)
Issue of shares	1	5,999,999	-	-	6,000,000
Total investments by and distributions to owners	1	5,999,999	-	-	6,000,000
At 30 June 2022	<u>52,936,742</u>	<u>33,704,662</u>	<u>4,929,739</u>	<u>(157,827,344)</u>	<u>(66,256,201)</u>

The notes on pages 17 to 30 form part of these financial statements.

Leeds United Football Club Limited

Consolidated Statement of Cash Flows

Year ended 30 June 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(36,710,427)	(11,944,846)
<i>Adjustments for:</i>		
Depreciation of tangible assets	4,216,793	2,624,068
Amortisation of intangible assets	57,726,125	37,894,229
(Loss)/gain on disposal of players' registrations	(889,647)	1,439,614
Interest payable and similar expenses	3,326,437	5,757,466
Gains on disposal of tangible assets	(5,317)	(13,175)
Accrued (income)/expenses	(1,664,961)	4,689,694
<i>Changes in:</i>		
Stocks	5,887,073	(6,369,229)
Trade and other debtors	(9,125)	(3,790,628)
Trade and other creditors	(6,473,340)	(29,240,692)
Cash generated from operations	25,403,611	1,046,501
Interest paid	(3,256,656)	(4,724,964)
Net cash from/(used in) operating activities	<u>22,146,955</u>	<u>(3,678,463)</u>
Cash flows from investing activities		
Purchase of tangible assets	(5,936,702)	(9,109,919)
Purchase of intangible assets	(67,276,011)	(62,743,943)
Proceeds from sale of intangible assets	2,632,117	3,228,070
Net cash used in investing activities	<u>(70,580,596)</u>	<u>(68,625,792)</u>
Cash flows from financing activities		
Proceeds from issue of ordinary shares	6,000,000	23,000,000
Proceeds from borrowings	28,894,108	43,000,000
Repayments of borrowings	(21,556,404)	(14,010,000)
Proceeds from loans from group undertakings	17,000,000	-
Repayments of loans from group undertakings	(8,612,814)	(1,831,583)
Payments of finance lease liabilities	(260,505)	(409,078)
Proceeds from related parties	2,450,000	20,000,000
Net cash from financing activities	<u>23,914,385</u>	<u>69,749,339</u>
Net decrease in cash and cash equivalents	(24,519,256)	(2,554,916)
Cash and cash equivalents at beginning of year	29,115,809	31,670,725
Cash and cash equivalents at end of year	<u>4,596,553</u>	<u>29,115,809</u>

The notes on pages 17 to 30 form part of these financial statements.

Leeds United Football Club Limited

Notes to the Financial Statements

Year ended 30 June 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Elland Road, Leeds, LS11 0ES. The nature of the company's operations and principal activities are that of a professional football club and all associated activities.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial liabilities measured at fair value. The financial statements are prepared in sterling, which is the functional currency of the entity. The significant accounting policies consistently applied in the preparation of these financial statements are set out below.

Going concern

At 30 June 2022 the group had net liabilities of £59,950,676 (2021: £29,240,249) and net current liabilities of £146,849,192 (2021: £96,572,443) (after adjusting for debtors due after more than one year). The directors have prepared and reviewed forecasts and, as part of their assessment of the going concern status of the group, they have received written confirmation from Aser Group Holding Pte Limited confirming that they will continue to financially support the group in order that it meets debts as they fall due during the next twelve months and also stating that amounts payable will not be called in for a period of no less than twelve months from approval of the financial statements. As a result, the directors consider that it is appropriate to prepare the accounts on the going concern basis.

Consolidation

The financial statements consolidate the financial statements of Leeds United Football Club Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Financial instruments

A discount rate is applied to long term debts on which interest below market rates are charged to restate the balances to fair value. The discount rate has been selected with reference to the expected commercial rate for a loan with similar terms. The discount rate is reviewed annually and adjusted where necessary. The carrying amount of the financial instruments are included in note 22.

3. Accounting policies (*continued*)

Judgements and key sources of estimation uncertainty (*continued*)

Useful economic lives of intangible and tangible assets

The annual amortisation and depreciation charge for intangible and tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are *re-assessed annually*. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 12 and 13 for the carrying amount of the intangible and tangible assets respectively and note 3 for the amortisation and depreciation rates used for each class of assets.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Impairment of intangible and tangible fixed assets

The directors review the carrying amount of all intangible and tangible fixed assets at the year end and consider whether any impairment of these assets is required. See notes 12 and 13 for details of any impairments.

Revenue recognition

Turnover represents income receivable from football and related commercial activities, exclusive of VAT. Gate receipts and other match day revenue are recognised as the games are played. The club also receives central distributions from the Football League and a solidarity payment from the Premier League that are beyond the direct control of the officers of the club. These distributions are recognised evenly over the course of the financial year.

Revenue derived from season tickets is credited to income in the period to which it relates. Amounts received in advance are credited to deferred income in the balance sheet.

Sponsorship, advertising and similar commercial income is recognised over the duration of the respective contracts. Amounts received in advance are credited to deferred income in the balance sheet.

Facility fees received for live coverage or highlights are taken when earned.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the average exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

3. Accounting policies (*continued*)

Intangible assets - goodwill

Costs incurred whilst the Club was in administration in 2007/08 were capitalised as goodwill and are being amortised in equal instalments over 50 years based on the longevity of the club and the strength of the brand. Goodwill is reviewed annually to ensure that it is not impaired.

Goodwill has also arisen on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life which the directors consider to be 5 years.

Negative goodwill is also recognised where the net amount of identifiable assets, liabilities and provisions for contingent liabilities exceeds the cost of the business acquisition. The excess is being recognised in profit or loss in the period expected to benefit which the directors consider to be 5 years.

Intangible assets - player registrations

The costs associated with the acquisition of players' registrations are capitalised as intangible fixed assets and amortised, in equal annual instalments, over the period of the respective players' contract. The transfer fee levy refund received during the year is credited against additions to intangible assets. Players' registrations are written down for impairment when the carrying amount exceeds the amount recoverable through use or sale.

Intangible assets - trademarks

Expenditure on trademarks is capitalised in intangible fixed assets and amortised in equal annual instalments over 10 years.

Intangible assets - computer software

Expenditure on computer software is capitalised in intangible fixed assets and amortised in equal annual instalments over 2 to 7 years.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold land and buildings	-	5 - 34 years straight line
Alterations and improvements	-	2 - 20 years straight line
Fixtures and fittings	-	2 - 20 years straight line

Assets under the course of construction are not depreciated until they are brought into productive use.

Investments in subsidiary undertakings

Investments in subsidiary undertakings comprise the company's investment in shares and are stated at cost less any provision for impairment.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

3. Accounting policies (continued)

Leases

Assets under finance leases contracts are capitalised at their fair value on the inception of the lease and depreciated over their estimated useful life. Finance charges are allocated evenly over the period of the lease in proportion to the capital amount outstanding.

Operating lease rentals are charged to profit and loss in equal amounts over the term of the lease.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Pension costs

For defined contribution schemes the pension cost charged in the year represents contributions payable by the group to various pension schemes. For defined benefit schemes the expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the profit and loss account so as to spread the cost over the service lives of employees in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

Signing-on fees

Signing-on fees represent a normal part of the employment cost of the player and as such are to be charged to the profit and loss account over the term of the contract, except in the circumstances of a player disposal. In that case, any remaining signing-on fees due are allocated in full against the profit on disposal of players' registrations in the year in which the player disposal is made.

4. Turnover

Turnover arises from:

	Year to 30 Jun 22 £	Period from 1 Aug 20 to 30 Jun 21 £
Gate receipts	24,579,185	1,928,102
Television and broadcasting income	19,802,631	22,016,653
Merchandising income	25,054,640	20,369,022
Central distributions	95,870,294	110,813,728
Other commercial revenue	18,935,151	15,042,549
Catering income	4,693,913	380,638
Educational services	270,955	477,048
	<u>189,206,769</u>	<u>171,027,740</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2022

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	Year to 30 Jun 22	Period from 1 Aug 20 to 30 Jun 21
	£	£
Amortisation of intangible assets	57,726,125	37,894,229
Depreciation of tangible assets	4,216,793	2,624,068
Gains on disposal of tangible assets	(5,317)	(13,175)
Impairment of trade debtors	805	–
Foreign exchange differences	(283,776)	(2,922,163)
Operating lease costs	(2,543,502)	(3,842,342)
Government grants	–	(1,137,677)
	<u>–</u>	<u>–</u>

It is expected that throughout the twelve months ended 30 June 2022 the group will lose profits of £nil (30 June 2021: £34,267,504) directly due to the closure of the stadium and conferencing centres because of the COVID-19 pandemic.

6. Auditor's remuneration

	Year to 30 Jun 22	Period from 1 Aug 20 to 30 Jun 21
	£	£
Fees payable for the audit of the financial statements	<u>21,000</u>	<u>19,500</u>
Fees payable to the company's auditor and its associates for other services:		
Audit of subsidiaries	9,000	8,000
Taxation compliance services	16,250	10,000
Other assurance services	8,750	9,000
Other non-audit services	4,110	1,660
	<u>38,110</u>	<u>28,660</u>

7. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2022	2021
	No.	No.
Full-time playing staff	53	53
Apprentices	18	24
Football team management	37	28
Management/administration	146	138
Casual match day staff	745	185
	<u>999</u>	<u>428</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 30 Jun 22	Period from 1 Aug 20 to 30 Jun 21
	£	£
Wages and salaries	106,535,289	95,958,897
Social security costs	14,441,337	12,126,102
Other pension costs	428,953	167,680
	<u>121,405,579</u>	<u>108,252,679</u>

Included in wages and salaries are redundancy and ex-gratia payments of £3,535,593 (2021: £55,914).

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	Year to 30 Jun 22 £	Period from 1 Aug 20 to 30 Jun 21 £
Remuneration	548,239	558,490
Company contributions to defined benefit pension plans	20,551	18,321
	<u>568,790</u>	<u>576,811</u>

The remuneration of the highest paid director in respect of qualifying services is £548,239 (2021: £558,490) for aggregate remuneration and £20,551 (2021: £18,321) for company contributions to defined contribution pension plans.

The number of directors who are accruing benefits under defined contribution pension schemes was one (2021 - one).

9. Interest receivable and similar income

	Year to 30 Jun 22 £	Period from 1 Aug 20 to 30 Jun 21 £
Interest receivable and similar income	<u>6,598,522</u>	<u>5,282,136</u>

This relates to the revaluation to fair value of the financial liability described in note 22.

10. Interest payable and similar expenses

	Year to 30 Jun 22 £	Period from 1 Aug 20 to 30 Jun 21 £
Interest on obligations under finance leases	202,820	190,503
Other interest payable and similar charges	9,525,439	5,566,963
	<u>9,728,259</u>	<u>5,757,466</u>

Other interest payable and similar charges includes £5,061,893 (2021: £2,940,443) relating to the revaluation to fair value of the financial liability described in note 22.

11. Tax on loss

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	Year to 30 Jun 22 £	Period from 1 Aug 20 to 30 Jun 21 £
Loss on ordinary activities before taxation	<u>(36,710,427)</u>	<u>(11,944,846)</u>
Loss on ordinary activities by rate of tax	(6,974,981)	(2,269,520)
Effect of expenses not deductible for tax purposes	40,500	19,775
Effect of capital allowances and depreciation	212,977	(75,728)
Utilisation of tax losses	-	(803,309)
Unused tax losses	6,576,847	3,147,303
Other timing differences	144,657	(18,521)
Tax on loss	<u>-</u>	<u>-</u>

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2022

11. Tax on loss (continued)

Factors that may affect future tax income

The company has losses of approximately £194 million (2021: £158 million) to carry forward against future profits.

12. Intangible assets

Group	Goodwill £	Negative goodwill £	Trademarks £	Computer software £	Player registrations £	Total £
Cost						
At 1 Jul 2021	6,403,883	(717,255)	42,619	618,408	168,033,852	174,381,507
Additions	–	–	–	216,681	86,012,522	86,229,203
Disposals	–	–	–	–	(3,201,685)	(3,201,685)
At 30 Jun 2022	6,403,883	(717,255)	42,619	835,089	250,844,689	257,409,025
Amortisation						
At 1 Jul 2021	2,074,525	(717,255)	18,503	332,689	51,636,871	53,345,333
Charge for the year	119,948	–	3,223	86,127	57,516,827	57,726,125
Disposals	–	–	–	–	(2,990,347)	(2,990,347)
At 30 Jun 2022	2,194,473	(717,255)	21,726	418,816	106,163,351	108,081,111
Carrying amount						
At 30 Jun 2022	4,209,410	–	20,893	416,273	144,681,338	149,327,914
At 30 Jun 2021	4,329,358	–	24,116	285,719	116,396,981	121,036,174
Company						
	Goodwill £		Trademarks £	Computer software £	Player registrations £	Total £
Cost						
At 1 July 2021	5,984,321		42,619	618,408	168,033,852	174,679,200
Additions	–		–	216,681	86,012,522	86,229,203
Disposals	–		–	–	(3,201,685)	(3,201,685)
At 30 June 2022	5,984,321		42,619	835,089	250,844,689	257,706,718
Amortisation						
At 1 July 2021	1,654,963		18,503	332,689	51,636,871	53,643,026
Charge for the year	119,948		3,223	86,127	57,516,827	57,726,125
Disposals	–		–	–	(2,990,347)	(2,990,347)
At 30 June 2022	1,774,911		21,726	418,816	106,163,351	108,378,804
Carrying amount						
At 30 June 2022	4,209,410		20,893	416,273	144,681,338	149,327,914
At 30 June 2021	4,329,358		24,116	285,719	116,396,981	121,036,174

Included in intangible assets is negative goodwill with a carrying amount of £nil (2021: £nil). This negative goodwill arose on the acquisition of Leeds United Media Limited. The negative goodwill all relates to non-monetary assets and is being amortised over a period of five years, being the period that the company is expected to benefit.

A total of £nil (2021: £nil) has been charged to the profit and loss in respect of an impairment following a review of the First Team Squad.

Capital commitments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Contracted for but not provided for in the financial statements	44,754,551	–	44,754,551	–

Year ended 30 June 2022

13. Tangible assets

Group	Leasehold land and buildings £	Alterations and improvements £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 July 2021	4,562,678	23,620,186	14,654,040	42,836,904
Additions	-	4,462,002	1,504,855	5,966,857
Disposals	-	-	(4,867)	(4,867)
At 30 June 2022	<u>4,562,678</u>	<u>28,082,188</u>	<u>16,154,028</u>	<u>48,798,894</u>
Depreciation				
At 1 July 2021	1,434,131	11,227,567	7,818,831	20,480,529
Charge for the year	209,964	2,339,836	1,666,993	4,216,793
Disposals	-	-	(4,867)	(4,867)
At 30 June 2022	<u>1,644,095</u>	<u>13,567,403</u>	<u>9,480,957</u>	<u>24,692,455</u>
Carrying amount				
At 30 June 2022	<u>2,918,583</u>	<u>14,514,785</u>	<u>6,673,071</u>	<u>24,106,439</u>
At 30 June 2021	<u>3,128,547</u>	<u>12,392,619</u>	<u>6,835,209</u>	<u>22,356,375</u>
Company				
Cost				
At 1 July 2021	3,723,348	22,130,160	13,088,728	38,942,236
Additions	-	4,456,507	1,462,485	5,918,992
Disposals	-	-	(4,867)	(4,867)
At 30 June 2022	<u>3,723,348</u>	<u>26,586,667</u>	<u>14,546,346</u>	<u>44,856,361</u>
Depreciation				
At 1 July 2021	912,365	10,264,057	6,387,124	17,563,546
Charge for the year	171,425	2,274,891	1,613,727	4,060,043
Disposals	-	-	(4,867)	(4,867)
At 30 June 2022	<u>1,083,790</u>	<u>12,538,948</u>	<u>7,995,984</u>	<u>21,618,722</u>
Carrying amount				
At 30 June 2022	<u>2,639,558</u>	<u>14,047,719</u>	<u>6,550,362</u>	<u>23,237,639</u>
At 30 June 2021	<u>2,810,983</u>	<u>11,866,103</u>	<u>6,701,604</u>	<u>21,378,690</u>

The directors have reviewed the carrying amount of both the tangible and intangible assets and are satisfied that they are not impaired other than as described in note 12.

Finance leases contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases agreements:

Group	Fixtures, fittings and equipment £
At 30 June 2022	<u>1,768,652</u>
At 30 June 2021	<u>2,087,569</u>
Company	
At 30 June 2022	<u>1,768,652</u>
At 30 June 2021	<u>2,078,983</u>

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2022

14. Investments

The group has no investments.

Company	Shares in group undertakings £
Cost	
At 1 July 2021	3
Additions	1
At 30 June 2022	<u>4</u>
Impairment	
At 1 July 2021 and 30 June 2022	<u>-</u>
Carrying amount	
At 30 June 2022	<u>4</u>
At 30 June 2021	<u>3</u>

Details of the investments in which the parent company has an interest of 20% or more are as follows:

Subsidiary undertakings	Class of share	Percentage of shares held
Leeds United Conferencing and Events Limited	Ordinary	100
Leeds United Media Limited	Ordinary	100
Leeds United College Limited	Ordinary	100
Leeds United Women Football Club Limited	Ordinary	100

The company owns the entire share capital of Leeds United Conference and Events Limited and Leeds United Media Limited and Leeds United College Limited, all of which have a registered office at New Court, Abbey Road North, Shepley, Huddersfield, HD8 8BJ. Leeds United Conference and Events Limited has a principal activity of providing conferencing and events facilities, Leeds United Media Limited has a principal activity of providing digital media and online advertising and Leeds United College Limited has a principal activity of educational services.

The company during the year subscribed to the entire share capital of Leeds United Women Football Club Limited which has a registered office at Elland Road Stadium, Elland Road, Leeds, LS11 0ES and has a principal activity of a football club.

15. Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Goods held for resale	<u>2,265,451</u>	<u>8,152,524</u>	<u>2,175,717</u>	<u>8,126,724</u>

16. Debtors

Debtors falling due within one year are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	5,384,940	4,415,017	5,086,756	4,198,018
Amounts owed by group undertakings	-	-	241,187	302,829
Prepayments and accrued income	2,972,751	2,443,220	2,883,723	2,413,490
Transfer fee debtors	1,075,038	2,606,170	1,075,038	2,606,170
Other debtors	775,279	2,017,331	762,068	1,984,434
	<u>10,208,008</u>	<u>11,481,738</u>	<u>10,048,772</u>	<u>11,504,941</u>

Leeds United Football Club Limited

Notes to the Financial Statements (*continued*)

Year ended 30 June 2022

16. Debtors (*continued*)

Debtors falling due after one year are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Prepayments and accrued income	4,437,500	4,687,500	4,437,500	4,687,500
Transfer fee debtors	2,250	526	2,250	526
	<u>4,439,750</u>	<u>4,688,026</u>	<u>4,439,750</u>	<u>4,688,026</u>

17. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other loans	38,706,516	33,981,630	38,706,516	33,981,630
Trade creditors	7,432,052	12,756,651	7,081,666	12,738,308
Amounts owed to group undertakings	11,069,785	–	17,058,567	2,859,244
Accruals and deferred income	43,078,884	39,747,827	42,770,979	39,559,403
Social security and other taxes	9,536,671	11,117,831	9,328,659	11,056,655
Obligations under finance leases	266,551	273,352	265,825	265,825
Transfer fee creditors	52,557,812	46,471,086	52,557,812	46,471,086
Other creditors	1,270,933	974,137	1,257,740	960,941
	<u>163,919,204</u>	<u>145,322,514</u>	<u>169,027,764</u>	<u>147,893,092</u>

Included in accruals and deferred income are £21,709,864 (2021: £17,576,493) representing advance payment of tickets and sponsorship that would only become a liability of the company should it fail to fulfill all of its fixtures for future seasons.

Obligations under finance leases are secured on the related assets.

The other loans of £38,706,516 (2021: £33,981,630) are secured on the parachute payments of the 2021/22 season.

18. Creditors: amounts falling due after more than one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Accruals and deferred income	16,434,032	21,430,050	16,434,032	21,430,050
Obligations under finance leases	458,945	682,495	458,945	672,736
Transfer fee creditors	51,224,946	38,358,480	51,224,946	38,358,480
Pension	407,664	277,354	407,664	277,354
Amounts owed to related parties	22,450,000	20,000,000	22,450,000	20,000,000
	<u>90,975,587</u>	<u>80,748,379</u>	<u>90,975,587</u>	<u>80,738,620</u>

Obligations under finance leases are secured on related assets.

The amounts owed to related parties is listed on The International Stock Exchange, has repayment date of April 2026 and attracts interest of 6%.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2022

19. Finance leases

The total future minimum lease payments under finance leases are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	267,610	280,661	266,884	273,134
Later than 1 year and not later than 5 years	468,955	653,403	468,955	643,644
Later than 5 years	—	43,663	—	43,663
	<u>736,565</u>	<u>977,727</u>	<u>735,839</u>	<u>960,441</u>
Less: future finance charges	(11,069)	(21,880)	(11,069)	(21,880)
Present value of minimum lease payments	<u>725,496</u>	<u>955,847</u>	<u>724,770</u>	<u>938,561</u>

20. Employee benefits

Defined contribution schemes

Certain professional footballing staff are members of the Football League Players Retirement Income Scheme, a non-contributory defined contribution scheme. In addition the company operates a defined contribution scheme open to all other employees. Costs of all defined contribution schemes, totalling £407,202 (2021: £147,263), have been charged to the profit and loss account in the period.

Defined benefit scheme

Certain other professional footballing staff are members of the Football League Limited Pension and Life Assurance Scheme ("FLLPLAS"), a defined benefit scheme. Under section 28 of FRS 102 the FLLPLAS would be treated as a defined benefit multi-employer scheme. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Sufficient information is not available for full disclosure.

Following a review of the Minimum Funding Requirement ("MFR") of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the Pensions Act 1985, participating employers will be required to contribute to the deficiency. The latest actuarial valuation of the scheme was carried out as at 01 September 2020 and resulted in a charge to the profit and loss account of £237,897. The allocation of the deficit under this valuation is repayable at £8,664 per month effective from 1 September 2021. Defined contribution schemes Certain professional footballing staff are members of the Football League Players Retirement Income Scheme, a non-contributory defined contribution scheme. In addition the company operates a defined contribution scheme open to all other employees. Costs of all defined contribution schemes, totalling £147,263 (2021: £147,263), have been charged to the profit and loss account in the period.

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Recognised in other operating income:				
Government grants	<u>—</u>	<u>1,137,677</u>	<u>—</u>	<u>1,137,677</u>

22. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Financial liabilities measured at fair value through profit or loss	<u>85,238,244</u>	<u>58,545,829</u>	<u>85,238,244</u>	<u>58,545,829</u>

A financial liability of £85,238,244 (2021: £58,545,829) relates to transfer fee creditors. The creditors are recognised at the present value of future payments discounted at a market rate of interest for a similar debt instrument, deemed to be 6%, resulting in a fair value adjustment of £6,598,522 (2021: £5,282,136). The deemed interest payable of £5,061,893 (2021: £2,940,443) is recognised in interest payable and transferred to the unrealised profit reserve. This financial liability is included in transfer fee creditors and is repayable in line with the transfer agreements.

23. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary A shares of £1 each	27,630,245	27,630,245	31,083,858	31,083,858
Ordinary B shares of £1 each	11,000,000	11,000,000	11,000,000	11,000,000
Ordinary A1 shares of £1 each	14,306,497	14,306,497	10,852,883	10,852,883
	<u>52,936,742</u>	<u>52,936,742</u>	<u>52,936,741</u>	<u>52,936,741</u>

On 28 October 2021 the club issued 1 new A1 shares at a price of £6,000,000 per share and redesignated 3,453,614 Ordinary A shares to Ordinary A1 shares.

24. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Unrealised profit reserve - This reserve records movements in the fair value of financial instruments.

Profit and loss account - This reserve records retained earnings and accumulated losses.

25. Analysis of changes in net debt

	At 1 Jul 2021	Cash flows	Other changes	At 30 Jun 2022
	£	£	£	£
Cash at bank and in hand	29,115,809	(24,519,256)	-	4,596,553
Debt due within one year	(34,254,982)	(24,137,935)	8,350,065	(50,042,852)
Debt due after one year	(682,495)	223,550	-	(458,945)
	<u>(5,821,668)</u>	<u>(48,433,641)</u>	<u>8,350,065</u>	<u>(45,905,244)</u>

26. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	2,338,132	2,498,583	2,338,132	2,498,583
Later than 1 year and not later than 5 years	9,148,155	8,791,068	9,148,155	8,791,068
Later than 5 years	14,580,633	16,751,247	14,580,633	16,751,247
	<u>26,066,920</u>	<u>28,040,898</u>	<u>26,066,920</u>	<u>28,040,898</u>

27. Contingencies

Under the terms of the financial provisions relating to transfer of player registrations, future payments of up to £3,095,130 (2021: £5,876,000) may be payable dependent on the club's retention of the FA Premier League status and/or players appearances for the club. Retention of FA Premier League status may also incur bonuses payable of £42,090,068 (2021: £48,246,676) conditional on the performance of both players and football management throughout the 2022/23 season.

At the year end there were a number of legal claims outstanding against the company. These claims are being challenged by the directors and so there is significant uncertainty over their outcome. For this reason no provision has been included.

28. Related party transactions

Entities with control over the company

	2022	2021
	£	£
Creditors	10,069,123	–
Interest payable	120,411	11,595
Rent payable	–	(5,953,478)
Management charges payable	350,000	(212,500)
Capital contribution	–	21,300,000
Loans converted to share capital	–	7,806,496

The creditors balance represents three (2021: nil) unsecured loans with advances during the year of £16,000,000 (2021: £nil) and £6,000,000 (2021: £nil) was repaid. Interest was charged at 6% on all loans during the year. The loans were repaid in full on 15 July 2022.

Two loans of £nil (30 June 2021: £3,000,000 and \$5,000,000) with accrued interest were converted into share capital.

Three loans of £nil (30 June 2021: £21,300,000) were waived. These loans were originally repayable on 31 May 2021, 18 February 2022 and 31 May 2023.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £1,587,484 (2021: £1,649,948).

Other related parties

	2022	2021
	£	£
Management charges payable	200,000	–
Purchases	170,000	–
Creditor	24,277,971	20,021,827
Interest payable	1,291,257	165,716
Rent payable	1,700,000	–

Of the creditor balance, £22,450,000 (2021: £20,000,000) is repayable in April 2026, attracts an interest rate of 6% and is listed on The International Stock Exchange. Total advances in the period were £2,450,000 (2021: £20,000,000).

The creditor balance is also made up of a loan of £1,000,658 (2021: £nil) with advances during the year of £1,000,000 (2021: £nil). Interest was charged on the loan of 6% and the loan was repaid on 15 July 2022.

The company entered into a lease agreement for the stadium until June 2032, with an entity under common control. Included in creditors is an amount of £739,130 (2021: £nil) of accrued rent.

The company has taken advantage of the exemption in section 33 of FRS 102 not to disclose transactions with wholly owned subsidiary undertakings.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2022

29. Controlling party

Aser Group Holding Pte Limited, a company registered in Singapore, is the ultimate parent company, A Radrizzani is the ultimate controlling party and Greenfield Investment Pte Limited is the immediate parent company.

The smallest group in which the results of the company are consolidated is Leeds United Football Club Limited, the consolidated financial statements of which are available from Elland Road, Leeds, LS11 0ES.

The largest group in which the results of the company are consolidated is Aser Group Pte Ltd, the consolidated financial statements of which are available from 21 Media Circle, Infinite Studios, Singapore.138562.