

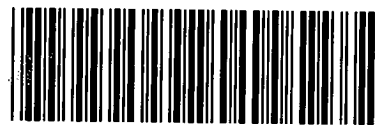
**Company Registration No. 00077797**

**Football Association Limited**

**Report and Financial Statements**

**Year ended 31 July 2021**

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# **Football Association Limited**

## **Report and financial statements 31 July 2021**

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# **Football Association Limited**

## **Report and financial statements 31 July 2021**

### **Officers and professional advisers**

#### **Directors**

R Bains  
M Bullingham  
S Cartwright (resigned 28 November 2020)  
G Clarke (resigned 10 November 2020)  
R Cotter (resigned 21 July 2021)  
S Hough MBE  
P McCormick OBE  
R Parry  
J Pearce  
T Score (appointed 22 July 2021)  
K Tinsley  
T Win (appointed 22 July 2021)

#### **Secretary**

R McDermott

#### **Registered office**

Wembley Stadium  
Wembley  
London  
HA9 0WS

#### **Independent auditor**

Deloitte LLP  
Statutory Auditor  
1 New Street Square  
London  
EC4A 3HQ

# **Football Association Limited**

## **Strategic report**

### **Chairman's Review**

The 2020/21 season was another important year in the history of English football. The country was adapting to the devastating effects of the COVID-19 pandemic, and football at all levels of the game came together for the greater good.

Football helped to play a vital role – both on and off the pitch – to bring enjoyment to people's lives as the nation was focused on returning to a form of normality.

Like many other sectors, The FA was greatly affected by the initial impact of the pandemic and plans were quickly put in place to protect the work that The FA does to serve and grow the game.

As an organisation, we have made strong progress as we emerge from this difficult period. In his CEO Review of the Year, Mark Bullingham details the positive steps we have made to help navigate our way through this challenging time as we look forward to brighter times ahead.

As we move into a new era, I am confident that our new four-year strategy for the organisation sets us firmly in the right direction and we will continue to focus our energy on using The FA as a genuine force for good across wider society as we play our part in helping to improve lives.

Key areas of focus include the growth of the grassroots game and investment in our facilities, increasing participation at all levels across the men's, women's and disability game, delivering a game free from discrimination and growing commercial partnerships in spite of the unique challenges this year has brought.

This season we saw our England Senior Men's team reach their first major final in 55 years, an achievement which captured the hearts and the imagination of the country. Great credit must go to Gareth Southgate, his team and of course the players who excelled both on and off the pitch. Their focus now will be on the FIFA 2022 World Cup.

Although it was frustrating to lose in the Final, it is also important to recognise the progress that is being made, which resulted in our best appearance in a major tournament since 1966. This is testament to the ongoing drive and commitment from the technical and support teams at St. George's Park across all our England teams.

It has not just been on the pitch, however, where our players have shown their strength. Across the teams, our England players have been equally inspiring off it, using their platforms and their voices to actively call for change in the pursuit of equality and the desire to tackle all forms of discrimination.

Football has a unique power to change and improve lives and positively affect communities across the country. As a governing body, we take our role in driving positive change very seriously. It is core to our work, our thinking and our planning, and we have continued to make significant progress in this area. The launch of the Football Leadership Diversity Code, which has gained over 50 signatories, is testament to this as we look to use our influence to change the game. We remain absolutely committed to using football to help break down barriers and unite communities and will continue to strive for a game that is free of discrimination at every level.

In March 2021, the findings of the independent review into allegations of non-recent child sexual abuse in football led by Clive Sheldon QC were published. This was a deeply troubling report to read and thankfully football is in a much stronger position now, with our safeguarding policies and practices amongst the best in the industry. The bravery shown by the Survivors to come forward was truly courageous and we thank them once again for their involvement, contributions and honesty. As highlighted in the CEO review, we will do everything we can to ensure that we learn the lessons, that our safeguarding processes always continue to evolve and improve, and that we never see a repeat of the abuse.

The ill-fated European Super League proposal saw English football unite together to stop the formation of a new closed league. The FA played a valuable role in working with stakeholders across the English game and the Government to defend the integrity, the future, and the guiding principles of our game, and together we stopped a proposal that went against the fundamental values of open competition and sporting merit. The voice of the fans has rarely been more powerful, and it was a clear reminder that the game is, and always will be, for fans.

To conclude, it has been a season like no other and a privilege to step into the role of Interim Chairman following the resignation of Greg Clarke in November 2020. This has been an important time for the organisation which has continued to recover strongly from the effects of the pandemic. I would like to thank the leadership team for their excellent work in what has been an unprecedented season of challenges. We have come through with clear focus and a strong platform to build on. Mark Bullingham has proved to be a superb CEO.

# **Football Association Limited**

## **Strategic report**

### **Chairman's Review**

In January 2022 we welcome the arrival of our new Chair, Debbie Hewitt MBE, who brings with her a huge wealth of business experience, I have every confidence that we are now entering a new and exciting era for both The FA and English football.



**Peter McCormick OBE**  
Interim Chairman  
The Football Association  
9 December 2021

# Football Association Limited

## Strategic report

### Chief Executive Officer's review

I'm very proud of what our organisation has achieved over the past year both on and off the pitch, despite a broad array of challenging circumstances. The global pandemic had a huge impact on every element of the men's, women's and disability game, at every level, threatening the survival of clubs and leagues across the country. It put huge pressure on our finances, as our competitions were cancelled, events postponed, and revenue streams destroyed. Despite this existential challenge we managed to survive the season, fought successfully to protect clubs throughout England and even made progress against our strategic goals. This was a result of stakeholders across the game uniting brilliantly and working incredibly hard to protect football in our country. My thanks go to everyone involved and to the Government for their support. We now start the 2021-22 season with all of our competitions resumed, recovering from this significant disruption and looking forwards together.

From a financial perspective, the impact of COVID-19 required us to prepare for losses of up to £300 million. We quickly adapted our strategic plan and removed £75 million from our annual budget in our four-year plan, through refocusing on our priorities and adapting to preserve our core functions. To support the rest of the game, we worked with our stakeholders and Government to create a series of grants, loans, and subsidies totalling £65 million to support clubs at all levels to survive and to deliver the return to football. The professional women's game was at great risk from the impact of COVID-19 and we were pleased to secure funding from the Premier League to support the Barclays FA Women's Super League and FA Women's Championship testing protocols to ensure those seasons could be safely completed.

We also worked hard with the Government to constantly update our football restart guidance and materials to support clubs and leagues during this difficult period. Meanwhile, our successful participation in the Government's Event Research Programme paved the way for sports venues to reopen in July.

Over the course of this season, other significant challenges included navigating the impact of Brexit on entry requirements for overseas players, managing the fallout from Project Big Picture and working to prevent the European Super League from launching. We were also faced with increased discriminatory abuse directed towards players, particularly in the unregulated online environments where the social media companies continue to avoid their responsibilities to take transformative action.

We also had the important publication of Clive Sheldon QC's independent review, commissioned by The FA, into allegations of non-recent child sexual abuse in football. It was a very dark day for football, and one in which we acknowledged the mistakes of the past and reaffirmed our ongoing commitment to keep our game safe. The courage of the Survivors who came forward is inspirational and their stories are incredibly moving. Without their bravery and honesty, this report would not have been possible. They will never forget what has happened to them, and the report will ensure the game will never forget either.

The report also recognised that English football is in a very different place today, and our policies, standards and practices are recognised as industry leading. Safeguarding practices must continuously evolve to face evolving risks, and we're fully committed to doing everything possible to ensure the culture of the modern game has safeguarding at its core.

This season we continued our ongoing work to gain a stronger understanding of any potential risks in our game relating to degenerative neurocognitive disease. Although the FIELD study was not able to determine what exactly caused the increased rates of dementia, we acted quickly to mitigate against potential risks by releasing heading guidance for all under 18s. In July 2021 we also introduced new guidance for the entire adult game in England across the professional and amateur game, which limits the amount of heading in training. The FA also proactively lobbied for the introduction of concussion substitutes globally and we worked with the leagues to introduce a trial protocol into the English game. We will continue to invest in research to determine the answers that we don't currently have and take the appropriate steps to support the safety of players.

Our season culminated in an unforgettable UEFA EURO 2020 tournament, as Gareth and the whole squad performed brilliantly to reach our first final in 55 years. The team brought the country together as we emerged from lockdown, captivating the nation. Huge audiences watched as the team progressed, with the team undefeated in normal time and only behind for nine minutes in the whole tournament. I was also incredibly proud of the way that the squad handled themselves off the pitch, standing up for equality and diversity.

From a stadium perspective, it was a privilege and an honour for Wembley Stadium connected by EE to host eight matches of UEFA EURO 2020, including both Semi Finals and the showpiece Final. The operations team worked tirelessly to adapt to the pandemic and offer a high-class venue to UEFA throughout the tournament. Sadly, some elements of the Final were ruined by unprecedented public disorder challenges on Wembley Way, that then translated

# Football Association Limited

## Strategic report

### Chief Executive Officer's review

into some parts of the stadium. We have launched an independent investigation, led by Baroness Casey, to ultimately ensure lessons are learned so these incidents will never be repeated.

On 18 October 2021, The FA was ordered to play the next two UEFA competition matches as host association behind closed doors, the second of which is suspended for a probationary period of two years for the lack of order of discipline inside and around the stadium during the EURO 2020 final. In addition, the FA has been fined €100 thousand.

Despite the pandemic, this year we renewed our commercial deals with LG, Mitre and Budweiser, and announced new partnerships with Vitality for the Women's FA Cup, Nationwide for our Respect campaign, and Weetabix for the Wildcats. We also added Dettol and Xbox as new partners, which demonstrates the strength of our brands continuing to perform well in extremely challenging circumstances.

We have a clear vision to emerge from the pandemic. In January 2021 we published Time for Change, our new four-year strategy for the organisation, against which we are already making strong progress.

The strategy sets out six Game Changer objectives and eight Serve the Game objectives, which demonstrate our determination to substantially change the fabric of the game and address key societal issues.

#### VISION

**UNITE THE GAME, INSPIRE THE NATION**

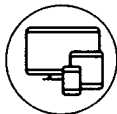
#### MISSION

**CHANGE THE GAME TO MAXIMISE ITS IMPACT  
SERVE THE GAME TO DELIVER FOOTBALL FOR ALL**

#### GAME CHANGER OBJECTIVES



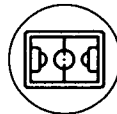
WIN A MAJOR TOURNAMENT



SERVE 2M+ THROUGH A TRANSFORMED DIGITAL PLATFORM



EQUAL OPPORTUNITIES FOR EVERY GIRL



DELIVER 5,000 QUALITY PITCHES



A GAME FREE FROM DISCRIMINATION



MAXIMISE THE APPEAL & REVENUES OF THE FA CUPS AND WSL

#### SERVE OBJECTIVES



TRUSTED, PROGRESSIVE REGULATION & ADMINISTRATION



SAFE & INCLUSIVE FOOTBALL PATHWAYS & ENVIRONMENT



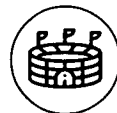
PERSONALISED & CONNECTED LEARNING EXPERIENCES



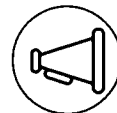
MAXIMUM INVESTMENT INTO THE GAME



DIVERSE, HIGH-PERFORMING WORKFORCE & INCLUSIVE CULTURE



WORLD-CLASS VENUES & EVENTS



STRONG REPUTATION & CLEAR BRAND IDENTITY



TECHNOLOGY ENABLED & INSIGHT DRIVEN

### Change the game to maximise its impact

#### Win a major tournament

We got off to a strong start with our England Senior Men's team reaching the UEFA EURO 2020 Final – our first major tournament final since 1966. It was a magnificent effort from Gareth, our support staff, and of course the players. The team set new records, with three England players named in the UEFA Team of the Tournament, and it was a summer we can be very proud of.

Meanwhile, Sarina Wiegman was appointed as the Head Coach of our England Senior Women's team, and we are looking forward to hosting the rearranged UEFA Women's EURO 2021 on home soil in the summer of 2022. Sarina joins with a wealth of experience and success with the Netherlands national team and it's set to be an exciting new chapter for the Lionesses. I'd also like to thank Hege Riise who stepped in as Interim Head Coach for our Lionesses and led Team GB Women's Football to the Quarter Finals at the Tokyo Olympics.

# Football Association Limited

## Strategic report

### Chief Executive Officer's review

#### *Serve 2,000,000+ through a transformed digital platform*

Grassroots football is at the heart of our national game and I'm pleased that we've made progress in supporting this important area of the game with Platform for Football, releasing key modules in referee registration, professional game discipline and player registration, and although there were some initial challenges, we are confident it will support our ambitions to serve the grassroots community.

The launch of our England Football brand has helped to create a strong link between grassroots and elite football, and the launch of our Find Football platform is helping people across the country to find opportunities to play near them.

#### *Equal opportunities for every girl*

To help create equal opportunities for women and girls, we released *Inspiring Positive Change*, our four-year strategy which pledges to continue to grow women's and girls' football in England, following the success of *Gameplan For Growth*.

It will see football embedded for girls in schools as part of the PE curriculum and in after-school sessions, with the target of 90% of primary and secondary schools becoming part of the FA Girls' Football School Partnerships network, which is supported by Barclays. This initiative reached 9,650 new schools in its second year and it's a clear opportunity for continued growth.

Away from schools, it pledges to provide every girl with a Weetabix Wildcats programme within easy travelling distance of their home, and in the past year we have seen 1,715 applications to run Wildcat programmes, including 150 for next season. We were also delighted to see Barclays renew its sponsorship of the FA Women's Super League, increasing investment into the women's and girls' game.

#### *Deliver 5,000 quality pitches*

Investment in new grassroots facilities has never been more important, and we have the strategic ambition to deliver 5,000 quality pitches. This year, we have delivered 2,018 new quality pitches - exceeding our target of 1,800 - with 318 Local Football Facility Plans completed. We were pleased that £25 million of additional Government funding was secured for the Football Foundation this year, with another £50 million secured for next year. This funding was the first part of the Conservative Party's £550 million Manifesto commitment to football pitches, and it will help to improve lives throughout the country.

More quality facilities around the country will help us find and inspire the next generation of England stars, and will play an important part in helping to get people active again to improve the mental and physical health of the nation as we emerge from the pandemic.

#### *A game free from discrimination*

Discrimination is a stain on society. We are committed to doing everything we can to ensure football plays its part to proactively promote inclusion and equality, whilst actively tackling discrimination in and around our game.

We're proud to see players and staff across the game use their platforms to stand strong to their values and actively call out instances of discrimination. We are clear as an organisation that we wholeheartedly support participants in their stance against inequality and in taking a knee to represent this.

In the past year, we've made good progress against this objective, including launching the Football Leadership Diversity Code with over 50 signatories, introducing tougher charging policies, launching the Governance Code for Counties and introducing Regional Discipline Managers to investigate grassroots discrimination offences.

We also continue to be proactive in fighting online discriminatory abuse, including writing an open letter to social media companies requesting that they proactively tackle this issue affecting constituents across our game. Despite many meetings over the last couple of years, they have not solved the problems that we see on their platforms on a daily basis. We will continue to work with the Government on the Online Safety Bill to ensure that it effectively addresses the types of abuse we regularly see and protects all users, as we believe that legislation is the only answer to holding social media companies to account. As part of this work, we led English football's social media boycott in Spring 2021, which was joined by sporting organisations, governing bodies, broadcasters, commercial partners and high-profile individuals across the UK and Europe. We are clear that we will not stop challenging this issue until tangible changes are made and all users are better protected from abuse.



# Football Association Limited

## Strategic report

### Chief Executive Officer's review

We know that at the top levels of the game female coaches and coaches from Black, Asian and other historically underrepresented ethnic communities are significantly underrepresented within key positions, and we remain committed to changing that. Among many other programmes for both people across the game and our own employees, our work this year includes expanding the *Elite Coach Placement Programme* into the women's game, providing coaches from historically underrepresented backgrounds with the opportunity to join our England teams, from development teams through to the elite. We're passionate about making meaningful change and building a diverse workforce through education, development and inclusive leadership.

#### *Maximise the appeal and revenues of The FA Cups and WSL*

The Emirates FA Cup continues to be recognised as the best domestic cup competition in the world and next year marks its 150<sup>th</sup> season. The BBC and BT Sport's linear and digital channels broadcasted 102 fixtures in last season's competition, with the Final broadcast in 46 countries worldwide. Completing the Emirates FA Cup last season was a fantastic achievement, mitigating significant financial risk with our broadcast partners and preserving the integrity, reputation, and importance of the competition.

The competition is continuously oversubscribed, and its prize money and broadcast fees have helped to transform many of its participant clubs throughout the last 150 years. It has a special place in the global football landscape, that should continue for at least another 150 years. This season we will reach an even higher domestic audience with the BBC and ITV sharing coverage, to offer all broadcast matches free to air.

It is also an exciting time for women's football, with a landmark broadcast rights deal for the Barclays FA Women's Super League agreed with the BBC and Sky Sports, as well as Vitality being announced as the title sponsor of the Women's FA Cup.

#### *Serve the Game to Deliver Football For All*

None of the game changers would be possible without the strong foundations of providing the best service to the game. Our serve objectives are 'brilliant business as usual' that underpin our role as a Governing body. We are incredibly proud of the work that we are doing in these areas.

Our new four-year grassroots football strategy, titled *Survive. Revive. Thrive.* is already underway and has set transformational objectives through to 2024, focused on: retaining and growing male and female participation; building a national club network that meets community needs; enhancing facilities; inspiring, supporting and retaining volunteers; developing an efficient grassroots digital ecosystem to serve the needs of participants and parents; and creating a positive environment that's representative of our diverse footballing communities.

We began our journey to modernise our education offering, developing direct relationships with learners as we started the move of centralising education services. This year saw us launch a new entry level course, BT Playmaker, for anyone looking to get involved as a helper in grassroots football. We have also replaced Level One with a new course, the Introduction to Coaching Football, which is hosted online and accessible to broader audiences than ever.

### Summary

Looking ahead to next season, there are several significant milestones on the horizon, including the 150th anniversary of the Emirates FA Cup and 50th anniversary of the Vitality Women's FA Cup, and we will launch new strategies and plans specific to critical focus areas such as equality, diversity, and inclusion, safeguarding, volunteering and disability in football.

We are extremely proud of our people and their achievements over the past year, particularly as we have had to overcome one of the most challenging periods the organisation has ever had. Our progress was independently recognised when The FA was named Sport Organisation of the Year at the 2020 Sport Industry Awards, which is excellent recognition for all of the hard work across the organisation.

We have a great team and a clear strategy, that will maximise our positive impact on the game and the country.

# Football Association Limited

## Strategic report

### Results in the 2020/21 season

#### *England Men's Senior Team*

#### *England Women's Senior Team*

England 5 San Marino 0 – WC Qualification Europe

Albania 0 England 2 - WC Qualification Europe

England 2 Poland 1 - WC Qualification Europe

England 1 Austria 0 – European friendly

England 1 Romania 0 - European friendly

England 1 Croatia 0 - UEFA EURO 2020 Group D

England 0 Scotland 0 - UEFA EURO 2020 Group D

Czech Republic 0 England 1 - UEFA EURO 2020 Group D

England 2 Germany 0 – UEFA EURO 2020 Round of 16

Ukraine 0 England 4 – UEFA EURO 2020 Quarter Final

England 2 Denmark 1 – UEFA EURO 2020 Semi-Final

Italy 1 England 1 (3-2 p) – UEFA EURO 2020 Final

England 6 Northern Ireland 0 - International friendly

France 3 England 1 - International friendly

England 0 Canada 2 - International friendly

# The Football Association Limited

## Strategic report

### Principal risks and uncertainties

Outlined below are the key risks, which if realised, could have a significant impact on our ability to achieve our 2020-2024 strategic objectives and planned initiatives in the 2021/22 Business Plan. The FA's Senior Management Team review and discuss key risks monthly, and both the Senior Management Team and the Board review high priority, strategic risks, and issues on a quarterly basis in line with the agreed FA risk appetite. These risks and uncertainties and the related controls and plans are monitored by the Group Audit Committee on a regular basis.

#### Key strategic risks

##### *COVID-19*

The continually evolving nature of the pandemic remains a cause for concern. The potential reintroduction of restrictions, which impact football, could have widespread implications across the game, including impacts to County FA, League and Club financial positions; a decline in grassroots participation, particularly in areas adversely affected by the pandemic such as disability football; increased protocol and testing costs; and a potential negative impact to our commercial and broadcast revenue that in turn restricts investment into the game.

Established protocols and experience means we are better equipped to deal with these challenges, but we will continue to operate a reduced cost base until such a time that there is any certainty over the end of the pandemic and its implications are understood. We will also continue to work with Government and the football family to ensure the relevant support is provided to County FAs, Leagues and Clubs.

##### *Discriminatory and anti-social behaviour*

Unfortunately, we are still seeing discriminatory and anti-social behaviour towards players, managers, and match officials. Failing to address this behaviour effectively prevents us from creating a safe and inclusive environment for all to enjoy the game, impacting participation, and ultimately limiting the benefits that diverse communities can deliver.

The 2021/22 season will see the launch of our new Equality, Diversity, and Inclusion strategy, *A Game For All*. Through this, we are aiming to:

- Actively tackle discrimination on and off the pitch through sanctions, better reporting, more inclusive venues, and by tackling online abuse
- Build a diverse workforce from the inside out through education, development, and inclusive leadership
- Promote an inclusive game for everyone through positive action programmes, education, campaigns, and stakeholder alignment

##### *Safeguarding*

Failing to maintain and continuously adapt our established safeguarding processes and standards risks the safety and wellbeing of children and vulnerable people within our game.

Following publication of the Clive Sheldon QC Report in March 2021, we have developed a new safeguarding strategy that will address the recommendations made in the Report as well as improving our safeguarding processes, systems, and culture to help ensure there is a safe environment for all areas of the game.

##### *Link between neurocognitive disease and football*

The FA and PFA jointly commissioned a piece of research, The FIELD Study, which identified at the end of 2019 a concerning link between former professional football players and neurocognitive disease. Although a link was established with the group studied, it remains unclear as to 'why' it exists. The risks relating to this could be far reaching including potential rule changes, levels of participation and financial implications.

We have issued guidance across the professional, amateur and youth game to reduce the amount of heading the ball in training. We also remain committed to exploring the 'why' and will continue to work with stakeholders across the game to raise awareness of the issue and we will be commissioning further research to understand the underlying causes for the link between neurocognitive disease and football.

##### *Government Fan Led Review*

Following the attempt to form a European Super League, a fan-led review into football governance was expedited, and a panel was appointed to hear evidence. The interim report has recommended an Independent Regulator of English

# **The Football Association Limited**

## **Strategic report**

### **Principal risks and uncertainties**

Football along with other changes, which would fundamentally impact how we regulate and administer football, including changes to our governance and the distribution of funding.

The final report was published on 24<sup>th</sup> November 2021, we are reviewing the report and its recommendations and will work with the game and the Government to address its findings.

#### *Commercial landscape*

Broadcast, sponsorship and licensing revenue is a fundamental enabler to achieving our strategic goals, accounting for over 80% of our turnover; any risk to this revenue stream will impact the investments we can make in the game. There are many external macro factors that are leading to declines in these revenue streams across our industry such as the emergence of over-the-top platforms, declining sponsorship rights values and tightening industry regulation.

We have worked hard to build and maintain strong partner relationships especially through the pandemic, but we must continuously evolve how we work with commercial partners, innovating to meet growing partner expectations, in order to protect revenue streams and relationships for future cycles.

#### *Terrorist threat at Wembley Stadium*

The high-profile and public status of Wembley Stadium requires the risk of a terrorist-related incident to be continually monitored and managed. Furthermore, the public disorder experienced at the EURO 2020 Final in which ticketless fans gained entry to the Stadium through coordinated attacks has potentially identified elements of weakness within the Stadium infrastructure and security. If we do not prepare adequately to prevent any attack on the stadium, it could result in financial loss, reputational damage and most importantly loss of life.

In response to the events at the EURO 2020 Final, the FA commissioned an independent review and are looking at potential improvements that would prevent such issues from re-occurring. We will continue to work with counter-terrorism agencies to mitigate risk.

#### *FIFA Biennial World Cup Proposal*

FIFA announced their proposal to conduct the men's and women's World Cup every two years instead of the current format of every four years, from 2024. The proposal also includes reducing the number of international windows and the number of matches per season. If approved, this could have significant implications.

We are engaging with FIFA to understand the proposal and take appropriate steps to respond.

# The Football Association Limited

## Strategic report

### Corporate social responsibility

The COVID-19 pandemic continues to have a significant impact in communities across the country with Brent being one of the worst affected boroughs in London. The pandemic has meant that The FA staff were not based at Wembley Stadium during the 2020/21 season, with staff only attending the stadium to deliver events. This, alongside lockdowns and social distancing guidelines, has affected our day-to-day presence in Brent and our ability to deliver physical corporate social responsibility ("CSR") activity in the Borough. The FA's key programmes through the year included:

Programme Initiative	Description
COVID-19 support	Offering support to key frontline workers and vulnerable people in our communities
Go Sketch	Engaging young people across the borough through sport and graphic design
Stadium Learning Zone	Engaging schools and special needs groups across the borough
Volunteering	Supporting people, across our communities, that are living with dementia
Charitable donations	Making donations towards important causes
Heads Up	Corporate charity partner

#### *COVID-19 support*

Despite the pandemic, the stadium remained at the centre of the community, with over 150,000 meals being prepared in Wembley Stadium in partnership with Compassion London for front line workers and vulnerable individuals. We also teamed up with the NHS to support the running of the Wembley Mass Vaccination Centre, with a hundred staff stepping forward to volunteer at the centre. A total of 264 shifts were completed by The FA and Wembley Stadium staff amounting to 1,584 volunteering hours.

We were also able to support our local students during the pandemic. Brent is one of the most culturally diverse boroughs in the UK and also home to some of the most deprived communities in the UK. The proportion of households with young children that are living in poverty stands at 43% after housing costs are considered. The impact of COVID-19 caused all schools to close resulting in students having to learn from home. The education of many young people across Brent was impacted as they did not have access to the laptops needed to access subject materials. The FA donated over £16,000 worth of laptops and Microsoft Windows packages to local young people from disadvantaged backgrounds to support them during lockdown.

#### *Go Sketch*

We were still able to adapt and deliver many of our community programmes during the pandemic and The FA maintained its strong focus on engaging communities around Wembley Stadium. Encouraging positive mental and physical wellbeing remains a key aspect of our CSR approach. The Go Sketch School football programme enables us to engage some of the most disadvantaged young people across Brent. During the 2020/21 season, we engaged 87 Year 6 Brent-based students (55% boys, 45% girls) delivering weekly virtual sports and graphic design workshops. Of those young people engaged, 30% were on pupil premium, 23% received free school meals and 98% were non-White British. For 92% of the participants, English was not their 1<sup>st</sup> Language, and 16% were SEN (Special Education Needs) and were receiving SEN support.

#### *Stadium learning zone*

The Wembley Stadium Learning Zone also had to modify its community work over the pandemic but remained a key deliverer of educational outreach and general community engagement in Brent. It provides a community space within the stadium, predominantly delivering educational workshops to young people as well as other community initiatives and these included:

- Over 90 students from Alperton Academy Year 9s attended a careers workshop;
- 7 primary school visits for workshops about local geography and history; and
- Working with UEFA to recruit 67 EURO 2020 player escorts from over 40 Brent Primary Schools and the Brent inclusion services.

During the pandemic, the Learning Zone also partnered with the London Ambulance Service to train members of the Fire Brigade and Police to drive ambulances, with over 300 extra drivers trained - a vital extra supply of drivers in the middle of the pandemic. The London Ambulance Service then returned to train newly qualified paramedics, with around 120 new recruits spending three weeks at the stadium as their main base before being assigned stations to work from.

# The Football Association Limited

## Strategic report

### Corporate social responsibility

#### *Volunteering*

Lockdowns of course had a significant negative impact on the mental health of individuals and families in communities across the UK. That impact was even more significant for people already struggling with their mental health. The FA teamed up with the Alzheimer's Society providing an opportunity for staff to support people living with Dementia through their Companion Call initiative. Through this, staff were paired with a person living with Dementia and would give them a short call once a week to provide friendly conversation. Many staff from across the business were keen to support and over 1,200 minutes of calls have been made since the start of the first lockdown.

#### *Heads Up*

Our Heads Up campaign, in partnership with the Royal Foundation, also had to change shape because of the pandemic. The 2020/21 year actually started with the culmination of the campaign, with the delayed 2020 Emirates FA Cup Final renamed the Heads Up FA Cup Final, played behind closed doors at Wembley on August 1, 2020. The campaign generated the biggest ever conversation around mental health and harnessed the influence and popularity of football to help show the world that mental fitness is just as important as physical fitness. The campaign built on the decades of work to tackle the stigma and drive the conversation around mental health and ultimately saw over 4,000 pieces of coverage with a cumulative reach of over 22 billion views.

#### **Sustainability**

The FA Group's sustainability strategy aims to use our influence to drive forward our environment and governance ambitions and be role models in shaping a positive football future for all. The FA Group's sustainability strategy is built around three goals:

*Counter climate change* - This will be pursued through the FA Climate Action Plan (FA CAP) and by working with our network to accelerate climate action in sport. The FA CAP is grounded in science, enabling us to reduce our footprint and set effective targets relating to climate, energy, and emissions. Key achievements:

- Wembley Stadium powered by 100% renewable electricity
- Joined UNFCCC Sports for Climate Action Framework
- Supported installation of EV charging points outside Wembley Stadium
- Measured our carbon footprint and developed a carbon strategy
- Switched to electric mowers at Wembley Stadium

*Natural resource defence* - Through our commitment to responsible resource and material management and influencing fans and the wider sport community to do the same, The FA strives to preserve the Earth's natural resources. Key achievements:

- Achieved ISO 20121 event sustainability management certification for Wembley Stadium
- Installed water bottle refill stations on all concourse levels at Wembley Stadium
- Donated waste soil from the pitch at Wembley Stadium to local parks in partnership with Veolia
- Introduced vegetarian and vegan meal options at Wembley Stadium
- Employee volunteering day to plant trees in a local park
- Introduced birdboxes, bat boxes and wildflowers at St George's Park
- Wembley Stadium has been a zero waste to landfill venue since 2015

*Strong governance* - This is essential for continued momentum, ensuring values are upheld and achieving our goals. Through effective policies, management systems and transparent communication, The FA stands to ensure it is effectively addressing some of the most pressing issues of our time. Key achievements:

- Introduced a sustainable procurement policy and process within our tender process
- Assessed our top spend suppliers for sustainability criteria
- Introduced a compulsory sustainability training module for all new FA joiners
- Awarded the CIPS Procurement mark
- FA Sustainability Team (FAST) won the Sports Business Sustainability in Sport Award
- Appointed a dedicated internal sustainability lead
- All County FAs have access to sustainability resources through our BASIS partnership
- Work with FIFA and UEFA on sustainable event management

# **Football Association Limited**

## **Strategic report**

### **Directors' section 172(1) statement**

The directors have sought, collectively and individually, to conduct themselves at all times honestly, fairly, impartially and in accordance with the highest ethical standards. These behaviours are considered central to promoting the success of The FA, and in exhibiting them the Board have had careful regard to the matters set out in section 172(1)(a-f) of the UK Companies Act 2006. Examples of how the directors have had regard to each of these matters is set out below, with reference to information found elsewhere in this Strategic report.

#### **Making Decisions in the Long-Term**

Securing the long-term health of football in England, at all levels, is vital to the success of the organisation and is therefore central to the decision-making processes of the Board. As a result, consideration of the likely consequences of a decision in the long term permeates the Board's thinking on all issues. Whilst day-to-day management is delegated to the Senior Management Team, the Board retains oversight of matters of strategic importance, including the long-term objectives and overall strategic policy of The FA.

#### **Considering Employees**

Directors maintain a close regard for the interests of the company's employees by spending time meeting with senior employees to understand and discuss their areas. The directors provide feedback as a result of those meetings and use the knowledge gained when making relevant decisions. For further information please refer to the Employee consultation section within the Directors' report.

#### **Fostering Relationships with Suppliers, Customers and Stakeholders**

The Board is very conscious of the importance of lasting relationships with stakeholder groups within football. Board members are aware of and actively consider the interests of stakeholders as part of the decision-making process.

#### **Community and Environment**

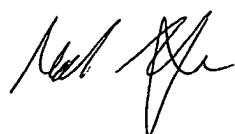
Contributing to the community is a key part of the FA Group's activities, especially with regard to football at grassroots levels. The FA runs various projects and initiatives to support the community and works to mitigate the impact of football on the environment. For further information please refer to the Corporate social responsibility section within the Strategic report.

#### **Maintaining a Reputation for High Standards of Conduct**

The Board aspires to the highest ethical standards in its management of the organisation. The Board achieves this internally by strict adherence to the company's codes of conduct, conflict of interest and anti-bribery policies and by prioritising the integrity of The FA in each decision it makes. The Board considers that the reputation of the company and operating it in accordance with high standards of conduct is of paramount importance to safeguarding football in the long-term in England.

#### **Acting fairly between Members**

The members of the company are all stakeholders in football. The Board is always aware of the importance of acting fairly between the stakeholders and this is considered whenever a decision is being made which affects one or more of the members. The Board engages with its stakeholders to ensure that it is aware of their views and to assist it in complying with its duty to act fairly between them.



**Mark Bullingham**  
Chief Executive Officer  
The Football Association  
9 December 2021

# **Football Association Limited**

## **Strategic report**

### **Financial review**

The 2020/21 season has been a challenging one for the organisation financially. Having to play the majority of the season behind closed doors has all but eliminated our Club Wembley and Events revenues. The total impact on our financial results for the year as a result of the COVID-19 pandemic is in the region of £65 million.

As discussed in last year's report we moved quickly to reduce our cost base in response to the pandemic, taking £75 million per annum out of the organisation. This meant we had to make some painful and difficult decisions, we reduced the size of our workforce, we reduced operating expenses where possible, but we also had to reduce our investments in our England teams, competition prize funds, grassroots facilities, and funding for County Football Associations.

The completion of all fixtures and competitions has meant our losses due to the pandemic have been limited to event day revenues, with our broadcast and sponsorship revenues being broadly unaffected. As a result, our forecast of the full financial impact of COVID-19 has improved, the full impact however will not be known for several years to come.

I stand by the cuts that we implemented a year ago, as they enabled us to plan with certainty for the 2021/22 season. We are currently revising our financial projections and as long as COVID-19 restrictions do not return, we will be in a position to increase our investments from the 2022/23 season.

We would like to acknowledge the financial support we have received from the UK Government during the pandemic. We were grateful to be able to borrow £175 million under the COVID-19 Corporate Financing Facility ("CCFF") which we drew in October 2020 and subsequently repaid in September 2021, providing much needed financial stability. We have utilised the COVID-19 Job Retention Scheme ("CJRS") enabling our event day workers to continue to be paid, and we have also benefitted from the business rates holiday, and VAT deferral scheme.

The suspension of football in the 2019/20 season led to a re-scheduling of fixtures which materially impacts our financial results for a number of seasons due to the timing of when we recognise our broadcast and sponsorship revenues. In 2019/20 four England fixtures and the Men's and Women's FA Cup Finals were delayed, negatively impacting profit by £46 million. In the 2020/21 season three of those England fixtures and the Men's FA Cup Final took place, contributing profit of £36 million in the year. The final England game and the 2021 Vitality Women's FA Cup will take place in the 2021/22 season, contributing profit of £10 million in that year.

#### **Operating profit**

Operating profit for the year was £132 million, an increase of £122 million compared to prior year. The fixture rescheduling accounted for £82 million of the increase and we achieved a £7 million profit as a result of coming runner-up at EURO 2020.

Each year we are required to perform an impairment assessment as to the value of our assets. In the 2017/18 season we recorded a £12.9 million impairment on the value of the St George's Park Hilton hotel. We have re-assessed the value of the future cashflows, based on new and latest information in the current year, and have recorded a £9.5 million partial reversal of that original impairment charge.

The balance of the year on year profit increase is driven predominantly by the cost cuts across the group and the year on year movement in the COVID-19 impact.

#### **Turnover**

Turnover has increased by £108 million from £335 million to £443 million. The broadcast and sponsorship revenues deferred from the 2019/20 season accounted for £93 million of this, we earned £21 million of prize money for coming runners up at EURO 2020 and we received £15 million of income from UEFA for hosting the 8 EURO 2020 fixtures. This was partially offset by a £23 million decrease across Club Wembley and Event revenue due to playing fixtures behind closed doors.

#### **Cost of sales**

Cost of sales have increased £24 million from £35 million to £59 million. Team costs increased £14 million due to EURO 2020 tournament costs, the cost associated with hosting eight EURO 2020 matches at Wembley was £11 million, partially offset by a £2 million reduction in Club Wembley Cost of Sales due to events being hosted behind closed doors in 2020/21. Increased sponsorship costs of £4 million, associated with increased Senior Men's camp activity and EURO 2020, were partially offset by reduced events cost of sales as all events in FY21 were hosted behind closed doors.



# Football Association Limited

## Strategic report

### Financial review

#### Investments in the game

As a result of our cost cuts, we have reduced investments into the game by nearly £50 million compared to prior year. However, due to the re-phasing of fixtures and one-off payments the reduction in year is lower at £28 million. The largest reductions were made in competition prize funds (£9 million) and facilities (£17 million). Payments to other football organisations increased as a result of a £6 million one off solidarity payment to the EFL for the disruption to the Carabao Cup. The Women's Football investment below relates to the running of Women's leagues and competitions and our participation programmes, it excludes all of the costs associated with the England Teams. The increase in Women's football year on year is a result of deferred costs from the FY20 season.

	2021	2020	Change
	£'m	£'m	£'m
Coaching & Participation	6	7	(1)
County FAs	13	16	(3)
Disability, Equality and Child Protection	5	5	0
FA Competition prize funds	36	45	(9)
Facilities	12	29	(17)
Other football organisations	24	22	2
Women's football	13	11	2
Other Investments	12	15	(3)
	122	150	(28)

#### Operating expenses

Administrative expenses have reduced by £5 million to £136 million. This is largely as a result of cost mitigation implemented in response to COVID-19 and operational cost savings as staff continued to work from home throughout the 2020/21 season.

As part of The FA's annual impairment reviews, the hotel assets at St George's Park were written back by £9.5 million (original impairment charge: £12.9 million), driven by the hotel's recovery and lower forecast levels of capital expenditure.

#### Tax charge

The total tax charge for the year has increased £23 million to £25 million driven by an increase in operating profit of £122 million at the standard rate of UK corporation tax of 19%.

#### Statement of financial position

The net assets of The FA group at 31 July 2021 were £296 million, an increase of £119 million over the previous year end. The biggest driver is due to an improvement in our net debt position by £66 million (Creditors >1 year +£134 million, Creditors <1 year -£175 million, cash +£107 million) driven by operating profit and timing of cash receipts.

Other significant movements include:

- Increase in derivatives of £17 million as a result of favourable fair value movements,
- Decrease in trade creditors of £12 million in a large part due to refunds made to Club Wembley members in the year,
- Decrease in deferred income of £11 million driven by the unwind of revenue deferred from 2019/20 for England and FA Cup fixtures,
- Increase in the pension surplus of £9 million due to strong investment returns,
- VAT assets have increased £6 million due to the partial repayment of the VAT deferral taken at the end of the 2019/20 season,
- Trade debtors and prepayments and accrued income have increased £14 million driven by Club Wembley billing towards the end of the 2020/21 season and accrued income relating to Euro 2020 prize money not yet received at 31 July 2021,

# **Football Association Limited**

## **Strategic report**

### **Financial review**

- Net of a decrease in tangible fixed assets of £7 million, as the difference between the depreciation charge for the year and fixed asset additions over the season,
- And a £10 million swing in the deferred tax position from an asset of £4.5 million to a liability of £5.3 million driven by an unwind in the timing difference on donations relating to COVID-19 cost deferrals at the end of the FY20 season and a remeasurement of the deferred tax liability position to account for the increase in corporation tax to 25% from April 2023.

#### **Net Debt and cashflow**

As at 31 July 2021 we had £223 million of cash in the bank, an increase of £107 million compared to the previous year. This higher cash holding is primarily due to the £175 million we issued under the CCFF which has subsequently been repaid in September 2021, and £73 million of cash relating to revenue for the 2021/22 season which we had received in advance.

Having now repaid the CCFF, we continue to have a RCF facility available to us from Barclays, Santander and NatWest of £250 million which reduces to £150 million on 1 October 2022 and £50 million on 1 October 2023.



**Mark Burrows**  
Chief Financial and Operating Officer  
The Football Association  
9 December 2021

# Football Association Limited

## Directors' report

The directors present their annual report on the affairs of the Group, together with the financial statements and auditor's report, for the year ended 31 July 2021.

As permitted under section 414C (11) of the Companies Act 2006, the following disclosures required by regulations made under section 416(4) have been included in the Strategic Report and form part of this report by cross-reference:

- Financial risk management objectives and policies including liquidity and financing (refer to the financial review section); and
- Events which have occurred since the end of the financial year (refer to the Chief Executive Officer's review of the year and financial review section).

### Going concern

COVID-19 continues to impact the financial position of The FA. We have taken what we believe to be a prudent view to our scenario modelling over the period of our Going Concern assessment. This modelling reflects a continued risk to our commercial partnerships from COVID-19 and playing the entire 2021/22 season with reduced capacity crowds. It also allows for the longer-term potential effect on commercial and hospitality revenues. Our Bank borrowing facility was increased to £250 million in the prior year, reducing to £150 million from October 2022. Despite the prudent modelling, our borrowing facilities allow us sufficient cash headroom through the assessment period and compliance with the associated financial covenants.

The directors therefore have a reasonable expectation that the company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in Note 1 (c) to the financial statements.

### Dividends

In accordance with The FA's Articles of Association, no share shall entitle the holder thereof to any payment in respect of a dividend.

### Streamlined energy and carbon reporting

The FA are committed to reducing our energy and greenhouse gas emissions in line with our corporate targets. We are participants in the Energy Savings Opportunity Scheme (ESOS) and have effectively utilised this programme to reduce our energy consumption and the associated greenhouse gas emissions. For the financial year ending 31 July 2021, we are also reporting under the Streamlined Energy and Carbon Reporting legislation (SECR) for the second time. The Football Association Limited is reporting on behalf of all legal entities within the group of FA companies, and no entities are excluded from our SECR reporting, irrespective of whether they fall below the SECR reporting thresholds.

In the reporting year, Football Association Limited (and its subsidiary companies) consumed 33,256MWh of energy associated with Scope 1 and 2 emissions. Some 9.1% of the electricity consumed at Wembley Stadium was billed-on to third party concessions via a metering arrangement, thus reducing the FA's in-house Scope 1 and 2 energy consumption to 31,095MWh per annum. In addition to the Scope 1 and Scope 2 energy consumption, a further 729MWh of energy was associated with employee mileage, which was claimed through expenses.

The majority of our energy consumption was associated with electricity (21,674MWh, or 68.1%) and natural gas (9,203MWh, or 28.9%). The balance of our energy consumption was associated with some heating oil usage (218MWh, or 0.7%) and employee travel recovered through employee mileage claims (729MWh, or 2.3%). The Carbon Dioxide emissions associated with the above energy supplies have been calculated to be 6,524 tonnes CO<sub>2</sub>e, and break down as follows; electricity 4,602 tonnes, natural gas 1,686 tonnes, heating oil 56 tonnes, employee mileage claims of 180 tonnes. Detailed figures are shown in the table below. Both our energy consumption and carbon dioxide emissions have reduced significantly since the first round of SECR reporting for the financial year 2019/20. Whilst we are continually working to improve the energy efficiency associated with our operations, the impact of COVID-19 has been a dominant factor in the reported reductions.

# Football Association Limited

## Directors' report

Reporting	Financial Year 2020/21				Financial Year 2019/20			
	kWh Consumption	%	Tonnes CO2e	%	kWh Consumption	%	Tonnes CO2e	%
<b>Scope 1 Energy</b>								
Natural Gas Consumption	9,202,563 kWh	28.9%	1,686 t	25.8%	15,782,193 kWh	36.6%	2,902 t	31.3%
Heating Oil	217,579 kWh	0.7%	56 t	0.9%	306,908 kWh	0.7%	79 t	0.8%
<b>Scope 2 Energy</b>								
Electricity Purchases	21,674,468 kWh	68.1%	4,602 t	70.5%	24,602,036 kWh	57.0%	5,736 t	61.8%
<b>Scope 3 Energy</b>								
Employee Mileage Claims	728,965 kWh	2.3%	180 t	2.8%	2,459,858 kWh	5.7%	564 t	6.1%
<b>Total Reported</b>	<b>31,823,574 kWh</b>		<b>6,524 t</b>		<b>43,150,994 kWh</b>		<b>9,280 t</b>	

In line with SECR reporting guidelines, we have adopted an energy intensity metric, and this is based upon the group's turnover in the period. Our energy consumption per million pound of turnover in 2020/21 was 72 MWh per million pounds, and the CO2e emissions were 15 tonnes per million pounds. In the previous reporting year, these figures were 129 MWh per million pounds and 28 tonnes per million pounds.

In all instances, our gas and electricity consumption has been calculated based upon metered and invoiced supplies. Our employee mileage has been incorporated into our calculations where employees have claimed for travelling on company business. Heating oil consumption has been based upon fuel delivery volumes during the reporting period. Our reporting incorporates all Scope 1 and 2 supplies, and our greenhouse gas emissions have been calculated using geographical reporting practices and relevant conversion factors as published by DEFRA and BEIS for 2021 reporting (Version 1.0). It is possible that we may adopt market-based reporting in future SECR returns, and we will keep this matter under review.

All figures stated above are gross of the energy usage of other tenants of Wembley Stadium.

### Equal opportunities

At The FA, equality, diversity and inclusion mean valuing and celebrating our differences. Differences can include protected characteristics, but also go far beyond this. Additionally, differences can be visible or invisible. Irrespective of any differences, we are committed to treating all our employees and prospective employees fairly and respectfully. We have policies, practices and checks and balances in place to ensure this happens. In addition to this we have an Inclusion Advisory Board with a remit that includes advising The FA on improving the diversity of The FA's wider football workforce alongside partnerships with all the football bodies and campaign groups such as Kick It Out with the aim of eradicating discrimination. In 2018 we published a three-year diversity and inclusion plan called *In Pursuit of Progress* covering all areas of our work across football and setting workforce diversity targets for the first time. Our new strategy in this field of work *A Game for All* continue with the most successful aspects from our previous plan and builds on these with a more external focus to tackle discrimination on and off the pitch.

### Disabled employees

As an inclusive employer, we welcome applications from all candidates, and we recruit based on merit so that the best person for the role is always appointed. As part of our recruitment approach, our resourcing team works with candidates to make reasonable adjustments wherever requested and as appropriate. In the event of members of staff becoming disabled during their employment with the FA, or declaring their disability after being appointed, we provide individual and team training and resources, ensuring every effort is made to ensure that their employment with the Group continues in a supportive way. Next season will see us launch our Disability Football Plan called *Football Your Way* which aims to develop, improve and raise awareness of disability football in England.

### Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings, an employee consultation forum, staff surveys, staff intranet as well as all-staff conferences and other staff communication events.

### Governance statement

The FA receives funding from Sport England and is therefore subject to the Tier 3 requirements of A Code for Sports Governance (the "Code"). Sport England confirmed that The FA is compliant with the Code. This governance statement is prepared as part of the Code requirements.

# Football Association Limited

## Directors' report

### The Governance Framework of The FA

#### (i) The FA

The FA is a company limited by shares having incorporated in 1903. Shareholding is restricted to a closed community which comprises:

- County Football Associations;
- Full Member Clubs;
- FA Council Members;
- The FA Premier League; and
- The English Football League.

The FA Premier League and English Football League jointly hold the Professional Game Special Share which can only be exercised when certain changes to The FA's Articles of Association are proposed.

The FA's governing document is the Articles of Association which are included within The FA Handbook and is available through The FA's website.

#### (ii) The Board

The Board is the primary decision-making body within The FA and is responsible for The FA's overall strategy, all financial matters and oversees operating and financial performance and the system of internal control.

The Board comprises nine directors, being the Chair, the Chief Executive Officer, three non-executive directors from the National Game, two non-executive directors from the Professional Game and two independent non-executive directors. David Gill (UEFA Executive Committee Member) and Paul Elliott (Inclusion Advisory Board Chair) are nominated Board observers.

Independent Non-Executive Chair: Peter McCormick OBE (Interim, November 2020 to December 2021)

Peter was appointed onto the Board and Council in August 2015 as a representative of the Premier League and serves on the Professional Game Board, FA Challenge Cup Committee, Football Regulatory Authority, Nominations Committee, Council Membership & Appointments Committee and Remuneration Committee, the latter of which he chairs. He is a Vice-Chair of The FA and is currently its acting Chair and Leader of Council. Peter is Chair of the Legal Advisory Group of the Premier League and Chair of the League's Football Board. Peter was Chair of the Premier League in 2014-15. Peter chairs Tribunals and Appeals for the Premier League, Football Association and Professional Game Match Officials Ltd. He is Chair of Football Stadia Improvement Fund Ltd and a trustee of the Football Foundation. Peter heads the Corporate and Commercial team at McCormicks Solicitors. He is an internationally recognised expert in Sports, Media and Entertainment Law. Peter is also a leading national figure in Charities Law and was awarded the OBE for services to charity in 2000.

Independent Non-Executive Chair: Debbie Hewitt MBE (Chair designate)

Debbie Hewitt MBE has been appointed as the new FA Chair and Leader of Council with effect from January 2022. Debbie is the independent non-executive chair of the BGL Group, The Restaurant Group Plc, Visa Europe Ltd and White Stuff Ltd. She was previously CEO for the RAC and was awarded an MBE in the 2011 New Year's Honours List for Services to Business and the Public Sector.

Executive Director: Mark Bullingham, Chief Executive Officer

Mark was appointed as The FA's Chief Executive Officer on 1 August 2019. Mark joined The FA in August 2016 and previously led the commercial, marketing, digital and participation functions at the organisation, where under his tenure annual revenue at The FA rose by over £100 million. He previously held the position of CEO EMEA for Fuse Sports & Entertainment, responsible for running one of the fastest growing businesses in the sector with a client portfolio including 10 of the top 30 global brands. Prior to Fuse, Mark was the Director of Marketing for the America's Cup Event Authority in San Francisco. Mark has negotiated over \$2 billion of partnerships across a variety of platforms in sports, arts and music and is a qualified Level One coach involved in grassroots football. Mark is a trustee of the Football Foundation and a director of the Football Stadia Improvement Fund. He sits on the Barclays FA Women's Super League and FA Women's Championship Board.

#### *National Game Representatives*

Sue Hough MBE

Sue was appointed onto the Board in July 2019, having first been appointed as a representative of the Women's Football Conference on The FA Council in 2000. Sue chairs the Women's Football Board and the National Game Board and also serves on the Barclays FA Women's Super League and FA Women's Championship Board, Disability Football Committee, and Referees' Committee. Sue is the CEO of Dorset County FA and in 2013 received an MBE for her services to women's and disability football.

# Football Association Limited

## Directors' report

### Jack Pearce

Jack was appointed onto the Board in 2015, having first been appointed as a Divisional Representative on The FA Council in 2001 and is a Vice-Chair of The FA. Jack serves on the National Game Board, Nominations Committee, Remuneration Committee, Judicial Panel, National Game Finance Committee and Alliance Leagues Committee, the latter of which he chairs. Jack was formerly a player and manager of Bognor Regis Town FC and continues to serve the club as its General Manager and Vice-Chair. Jack is the Chair of the National League and a Council member of Sussex County FA as well as being a trustee of the Football Foundation.

### Thura Win JP

Thura was appointed onto the Board in July 2021 having been first appointed as a representative of the Women's Football Conference on The FA Council in 2007. Thura is an IT Consultant with over 30 years experience in system development and also a Magistrate in Hampshire since 2004. He was formerly a Director of Hampshire FA and is currently a Director of Sussex County FA. He is a member of the Women's Football Board, Judicial Panel, National Game Board, Health and Safety Committee and the Affiliated Associations Committee.

### *Professional Game Representatives*

#### Rick Parry

Rick was appointed onto the Board and Council in October 2019 as a representative of The English Football League and serves on the Professional Game Board. Rick is the Chair of the English Football League and is one of the UK's most experienced leaders in football, having served as both chief executive of Liverpool Football Club (1997-2009) and the Premier League (1991-1997). Rick was formerly a Board member of the European Club Association, has carried out two assignments for the UK government – joining the Sports Betting Integrity Panel in 2009 and advising the DCMS Select Committee on its football governance review in 2011 and has carried out a variety of football related consultancy projects in Saudi Arabia, Qatar, the UAE, Jordan, the US and Mexico.

#### Rupinder Bains

Rupinder was appointed onto the Board and Council in November 2017, jointly representing The English Football League and The FA Premier League. Rupinder is founder and Managing Director of the law firm Pinder Reaux & Associates Limited. The firm specialises in media, defamation and reputation management and sports law. Rupinder serves on the Membership and Sanctions Committee and Women's Football Board.

### *Independent Non-Executive Directors*

#### Kate Tinsley

Kate was appointed onto the Board in October 2017. Kate is the Chief Executive Officer of the independent builders' merchant group, MKM, prior to which she was the Divisional Managing Director of Ibstock Plc and Chief Executive Officer of The Buildbase Group. Prior to this Kate has served in senior finance roles at Saint Gobain, BSS PLC and Grafton Group PLC. As an FA qualified coach Kate is passionate about football and motivated by her desire to ensure that football is For All. This includes making sure that there are equal opportunities for people of all ages and backgrounds to play and enjoy football at all levels of the game. Kate serves on the Nomination Committee, Remuneration Committee and Group Audit Committee.

#### Tim Score

Tim was appointed onto the Board in July 2021 as the interim Senior Independent Director. Tim chairs British Land and is the Senior Independent Director of Pearson. He is a non-executive Director of HM Treasury and on the Board of the National Theatre. He retired as Chief Financial Officer of ARM Holdings in 2015 and held senior financial roles at the Rebus Group, William Baird Plc, LucasVarity Plc and BTR Plc. Tim chairs the Group Audit Committee.

## **Independence**

The Articles provide the definition of independence for the independent non-executive directors and the Chair. At the time of their appointment, the Chair and independent non-executive directors shall not be a member of The FA Council or be an employee, director or officer, or have a material business relationship with an organisation within the football family. Two of the nine directors (Tim Score and Kate Tinsley) are independent in line with the requirements of the Code.

## **Board Appointments**

The Chair and permanent independent non-executive directors are ratified by the Council following a recommendation by the Nominations Committee and endorsement by the Board. The Board appoints the interim independent non-executive directors. The National Game directors are elected by the National Game Representatives on Council. The Professional Game directors are appointed by The FA Premier League (one director) and The English Football League (one director), with a further director being jointly appointed by both leagues. The Chair, independent non-executive directors and National Game Representatives are subject to a maximum of three terms of three years. The Professional Game Representatives are appointed annually and are subject to a maximum term of nine years. The Board maintains a matrix detailing the skills, experience and knowledge required of the Board and appointments are made with reference to this.

# Football Association Limited

## Directors' report

### Board Roles

There is a clear division of responsibility between the roles of Chair and Chief Executive Officer. The Chair provides strong leadership for the Board on all aspects of its role and maintains effective relationships with key stakeholders in football both domestically and internationally. The Chief Executive Officer has executive responsibility for delivering strategies and programmes in line with the Board's direction.

In accordance with the requirements of the Code, the Board has appointed Tim Score as the Senior Independent Director and he acts as a sounding board for the Chair, an intermediary for the other directors as necessary, an alternative contact for shareholders or Council Members at Board level and leads on the process of appraising the Chair.

Kate Tinsley has been appointed as the Board Champion for safeguarding.

### Board Induction

Newly appointed directors are subject to a formal induction process which includes meeting with each of The FA's Senior Management Team.

### Board Evaluation

The FA carried out an externally facilitated evaluation of the Board in 2019 with the results presented to the Board in September 2019. A number of recommendations arising from the evaluation have been put in place, notably the development of an annual forward plan of the various business and football related matters which need to be discussed at Board level. A further evaluation will be carried out in 2022.

### (iii) Board Committees

The Board is empowered to appoint committees, incorporating independent membership, as it considers appropriate. The committees of the Board are:

- The National Game Board (with a number of sub-committees);
- The Professional Game Board (with one sub-committee);
- Group Audit Committee;
- Remuneration Committee;
- Nominations Committee;
- Inclusion Advisory Board;
- Women's Football Board;
- Barclays FA Women's Super League and FA Women's Championship Board;
- Health and Safety Committee; and
- Disability Football Committee.

### National Game Board

The National Game Board ("NGB") receives delegated authority from The FA Board to manage football right through from the grassroots level of the game up to the National League. This includes the development and implementation of the National Game Strategy and decisions on how funding allocated by The FA is spent and distributed within the National Game. The NGB comprises Colin Chaytors, Mark Frost, Sue Hough MBE (Chair), Mark Ives, Jo Maher, Abu Nasir, Jack Pearce, Nick Robinson, David Simpson, Mike Spinks, John Suddards, John Taylor, John Topping, Sarah Walters and Thura Win. The NGB has a number of sub-committees with responsibility for specific matters within grassroots football.

### Professional Game Board

The Professional Game Board ("PGB") receives delegated authority from The FA Board to manage football at the professional level of the game which includes the administration of The Emirates FA Cup and The Community Shield. The PGB has authority to determine how funding allocated by The FA is spent and distributed within the Professional Game. The PGB has one sub-committee, The FA Challenge Cup Committee which manages and controls The FA Challenge Cup competition. The PGB comprises Jez Moxey (EFL), John Nixon, Rick Parry (EFL), Peter Ridsdale (EFL), Phil Alexander (Premier League), Paul Barber (Premier League), Rebecca Caplehorn (Premier League) and Peter McCormick OBE (Premier League, Chair).

### Group Audit Committee

The FA Board has established the Group Audit Committee (the "GAC") with a mandate to provide independent oversight on the following matters across The FA:

- governance, including risk management and internal control;

# Football Association Limited

## Directors' report

- external audit arrangements;
- internal audit arrangements;
- the appropriateness of financial reporting; and
- compliance, whistleblowing and fraud.

The GAC's remit includes all operations and activities undertaken by The FA, covering the consolidated Group and the individual entities: Football Association Limited, Wembley National Stadium Limited and National Football Centre Limited.

The GAC is comprised of an independent chair, Tim Score, alongside Kate Tinsley (FA independent non-executive board director) and two independent members, Jill Ainscough and Mary Reilly.

The independent chair and independent members have no connections with The FA companies such as through a material business relationship or by representing a shareholder. As well as bringing independence and objectivity, these members are appointed onto the GAC in view of the skills, experience and professional qualifications they can bring to the role. The GAC typically meets four times per year, with one meeting including the review of the financial statements of the Group.

The GAC reviews reports from management, internal audit and external audit on The FA Group's system of internal control and risk management, specifically those that support the integrity of the financial statements. The GAC also reviews and, where necessary, challenges the judgements of management in relation to the preparation of the financial statements.

### Remuneration Committee

The Remuneration Committee comprises Peter McCormick OBE (Chair), Jack Pearce and Kate Tinsley. It is responsible for advising the Board on the pay and terms and conditions of the Chief Executive Officer, members of senior management and the Chair and non-executive directors of FA Group companies. In discharging its duties, the Remuneration Committee takes independent advice where appropriate. The remuneration policy is designed to attract, retain and motivate executive directors to deliver the business strategy. Remuneration arrangements for senior positions incorporate performance measures which link to the business plan and individual performance criteria.

### Nominations Committee

The Nominations Committee comprises Rupinder Bains, Peter McCormick OBE, Jack Pearce and Kate Tinsley (Chair). It is responsible for identifying and nominating candidates for the positions of independent non-executive director and Chair, succession planning within the Board and senior management and recommending to the Board the candidate for the role of senior independent director. The Committee uses the services of external recruitment consultancies and openly advertises the positions. For the appointment of the new Chair, David Gregson, Liam Rosenior and Tim Score were added to the committee.

### Inclusion Advisory Board

The Inclusion Advisory Board ("IAB") provides advice to the Board in respect of inclusion matters, ensuring that equality, inclusion and diversity is at the core of everything The FA does. The IAB is chaired by Paul Elliott CBE and comprises Hannah Dingley, Sarah Hughes, Christina Paouros, Liam Rosenior, Marvin Sordell and Nuala Walsh, who are each independent from The FA and bring knowledge and experience of inclusion, equality and diversity matters. Sanjay Bhandari, Staynton Brown, Wasim Haq, and Roya Mehdizadeh-Valoujerdy also serve on the IAB as observers.

### Women's Football Board

The Women's Football Board ("WFB") manages all strategic and operational matters relating to women's and girls' football within the policy framework and budget set by the Board. This excludes the management of the Barclays FA Women's Super League and FA Women's Championship. The WFB is chaired by Sue Hough MBE and comprises Rupinder Bains, Baroness Sue Campbell, Hannah Dingley, Sandi Dosanjh, Danielle Every, Elizabeth Jenkin, Jason Lee, Elaine Oram, Thura Win and Eartha Pond.

### Barclays FA Women's Super League and FA Women's Championship Board

The Barclays FA Women's Super League and FA Women's Championship Board was established in 2019 and has specific responsibility for managing the Barclays FA Women's Super League and FA Women's Championship competitions. The Board comprises Dawn Airey (Chair), David Gregson, Liz Nicholl (all independent members), Bruce Buck, Rebecca Caplehorn, Svenja Geissmar, Maggie Murphy, Lee Sanders, Michelle Walder, (all club representatives), Mark Bullingham, Baroness Sue Campbell and Sue Hough MBE (all FA appointed members).



# **Football Association Limited**

## **Directors' report**

### **Health and Safety Committee**

The Health and Safety Committee is responsible for overseeing health and safety matters within The FA and to ensure that The FA is discharging its statutory and regulatory obligations. The Committee is chaired by Thura Win and comprises other members of The FA's executive.

### **Disability Football Committee**

The Disability Football Committee is responsible for the development of disability football from grassroots through to elite and the management of disability football competitions. The Committee is chaired by Colin Chaytors and comprises Neil Hope MBE, Sue Hough MBE, Shan Jaehrig, Tony Kybett, Mike Spinks, Dr Robina Shah, Chris Gordon and Mike Stokes (all FA Council Members), David Clarke, Andrew Marriott and Matthew Pounder (all independent advisors) and Ray Ashley and Jeff Mostyn (all co-opted members).

### **(iv) The FA Council and Committees**

The role of The FA Council is to regulate football matters including regulation and disciplinary matters, management of the National League System, the registration, control and development of referees, youth football and match and competition sanctioning. The Council meets five times per season and meetings routinely include presentations from members of the executive on topical issues within the game.

The FA Council delegates areas of responsibility to numerous standing committees, which have various sub-committees and working groups. The current standing committees are: Referees Committee, Council Membership and Appointments Committee, Leagues Committee, Membership and Sanctions Committee, Alliance Leagues Committee and Youth Participation Committee.

The Council comprises representatives from different constituencies of the game from professional to grassroots, including County FAs, the Premier League, EFL, the Barclays FA Women's Super League and FA Women's Championship, various leagues within the National League System, managers, players, the education sector and supporters. There are 125 members of the Council.

The Football Regulatory Authority ("FRA") is the regulatory, disciplinary and rule-making body of The FA. Membership of the FRA consists of four representatives from each of the National Game (David Elleray MBE, Mark Ives, Nick Robinson and John Topping) and Professional Game (Rebecca Caplehorn, Robert Coar, Peter McCormick OBE and Nicholas Randall QC) and a further four independent members (Shola Ameobi, Sir Ian Johnston and Graeme Le Saux with one position currently vacant).

The Judicial Panel is a group of individuals from which Regulatory Commissions and Appeal Boards are drawn. This includes Council Members, individuals with experience of the game of football and professionally qualified members such as barristers and solicitors. The Regulatory Commissions have the authority to impose penalties or other sanctions for breach of The FA's Rules, with the Appeal Boards established to hear cases and appeals in prescribed circumstances.

# Football Association Limited

## Directors' report

### Directors and their interests

The persons listed below served as directors of the company throughout the year, except as noted. Each of the directors held a non-beneficial ownership of one share in the company.

The Board met fourteen times during the reporting year. Eight of these were scheduled meetings and six were unscheduled meetings. The attendance of directors at each meeting of the Board was as follows. Figures in brackets indicate the maximum number of meetings during the year in which the individual was a Board Director.

Name	Role	Date resigned/ appointed	Board meetings
G Clarke	Chair	Resigned 10 November 2020	3 (3)
R Bains	The FA Premier League, The English Football League		14 (14)
M Bullingham	Chief Executive Officer		14 (14)
S Cartwright	Senior Independent Non-Executive	Resigned 28 November 2020	6 (6)
R Cotter	Northamptonshire CFA	Resigned 21 July 2021	14 (14)
S Hough MBE	Women's Football Conference		14 (14)
P McCormick OBE	FA Vice-Chair, The FA Premier League		14 (14)
J Pearce	FA Vice-Chair, Divisional Representative, Bognor Regis Town FC		14 (14)
R Parry	The English Football League,		14 (14)
T Score	Senior Independent Non-Executive Director	Appointed 22 July 2021	0 (0)
K Tinsley	Independent Non-Executive		12 (14)
T Win	Women's Football Conference	Appointed 22 July 2021	0 (0)

Pending the commencement in role of Debbie Hewitt, Peter McCormick OBE is acting as interim Chair. Following the resignation of Stacey Cartwright in November 2020, Kate Tinsley acted as interim Senior Independent Director from November 2020 to July 2021. Tim Score has been acting as interim Senior Independent Director since his appointment in July 2021.

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report. Please refer to Note 7 of the financial statements for a breakdown of each director's remuneration for the year.

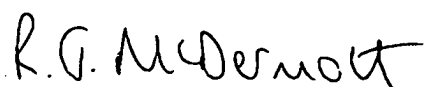
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



**Richard McDermott**  
Company Secretary  
The Football Association  
9 December 2021

## **Football Association Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the 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; and
- 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.

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

# **Independent auditor's report to the members of Football Association Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Football Association Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the company's affairs as at 31 July 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated statement of comprehensive income;
- the consolidated and parent company statements of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 25.

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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 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 contained within the annual report. 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.

# **Independent auditor's report to the members of Football Association Limited**

## **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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Extent to which the audit was considered 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006, UK tax legislation and UK pension legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, financial instruments, pensions and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified a significant audit risk that revenue for certain sponsorship contracts could be materially overstated, including due to potential fraud. We performed relevant substantive audit procedures to test an appropriate sample of revenue transactions recorded and assessed the design and implementation of management's key internal controls.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing correspondence with HMRC.

# **Independent auditor's report to the members of Football Association Limited**

## **Report on other legal and regulatory requirements**

### **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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

### **Matters on which we are required to report by exception**

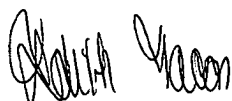
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

### **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.



**Judith Tacon (Senior statutory auditor)**

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

9 December 2021

# Football Association Limited

## Consolidated profit and loss account Year ended 31 July 2021

	Notes	2021 £'000	2020 £'000
Turnover	3	443,021	335,088
Cost of sales		(58,718)	(34,973)
<b>Gross profit</b>		<b>384,303</b>	<b>300,115</b>
Investments into the game		(122,011)	(149,497)
Administrative expenses		(135,840)	(140,931)
Restructuring expenses		-	(2,015)
(Losses) / gains on foreign exchange and mark to market revaluation	5	(3,575)	2,174
Impairment write-back on tangible assets	5	9,484	-
Total operating expenses		(251,942)	(290,269)
<b>Operating profit</b>		<b>132,361</b>	<b>9,846</b>
Interest receivable and similar income	4	184	396
Interest payable and similar expenses	4	(7,234)	(7,328)
		(7,050)	(6,932)
<b>Profit on ordinary activities before taxation</b>	5	<b>125,311</b>	<b>2,914</b>
Tax charge on ordinary activities	8	(24,785)	(1,435)
<b>Profit for the year</b>		<b>100,526</b>	<b>1,479</b>

All the above results are derived from continuing operations.

## Consolidated statement of comprehensive income Year ended 31 July 2021

	Notes	2021 £'000	2020 £'000
Profit for the year		100,526	1,479
Hedge reserve movements recognised in other comprehensive income (net of tax)	20	8,913	17,924
Actuarial gains / (losses) on pension scheme (net of tax)	23	6,903	(4,775)
<b>Total comprehensive income for the year</b>		<b>116,342</b>	<b>14,628</b>

All the above results are derived from continuing operations.

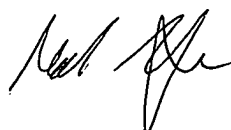
# Football Association Limited

## Consolidated statement of financial position As at 31 July 2021

	Notes	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Intangible assets	10	204	210
Tangible assets	11	530,180	537,768
Deferred tax asset	13	-	4,457
		<u>530,384</u>	<u>542,435</u>
<b>Current assets</b>			
Stock		57	139
Debtors due within one year	14	89,023	67,286
Debtors due after more than one year	14	5,864	1,654
Cash at bank and in hand		222,813	115,654
Pension asset	23	16,208	7,024
		<u>333,965</u>	<u>191,757</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(397,529)</u>	<u>(249,178)</u>
<b>Net current liabilities</b>		<u>(63,564)</u>	<u>(57,421)</u>
<b>Total assets less current liabilities</b>		<u>466,820</u>	<u>485,014</u>
<b>Creditors: amounts falling due after more than one year</b>	16	<u>(165,317)</u>	<u>(307,382)</u>
<b>Deferred tax liability</b>	13	<u>(5,234)</u>	<u>-</u>
<b>Net assets</b>		<u>296,269</u>	<u>177,632</u>
<b>Capital and reserves</b>			
Called up share capital	19	-	-
Hedge reserve	20	6,584	(4,624)
Profit and loss account		289,685	182,256
		<u>296,269</u>	<u>177,632</u>
<b>Shareholders' funds</b>		<u>296,269</u>	<u>177,632</u>

These financial statements of Football Association Limited, company number 00077797, were approved by the Board of Directors on 9 December 2021.

Signed on behalf of the Board of Directors



**Mark Bullingham**  
Chief Executive Officer  
9 December 2021



# Football Association Limited

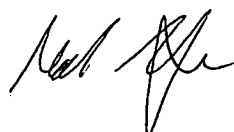
## Company statement of financial position As at 31 July 2021

	Notes	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Tangible assets	11	14,307	12,851
Fixed asset investments	12	230,001	230,001
Deferred tax asset	13	-	5,473
		<u>244,308</u>	<u>248,325</u>
<b>Current assets</b>			
Debtors due within one year	14	241,655	199,042
Debtors due after more than one year	14	98,919	61,351
Cash at bank and in hand		192,545	98,278
Pension asset	23	16,208	7,024
		<u>549,327</u>	<u>365,695</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(351,120)</u>	<u>(215,713)</u>
<b>Net current assets</b>		<u>198,207</u>	<u>149,982</u>
<b>Total assets less current liabilities</b>		<u>442,515</u>	<u>398,307</u>
<b>Creditors: amounts falling due after more than one year</b>	16	(172)	(139,453)
<b>Deferred tax liability</b>	13	<u>(2,924)</u>	<u>-</u>
<b>Net assets</b>		<u>439,419</u>	<u>258,854</u>
<b>Capital and reserves</b>			
Called up share capital	19	-	-
Hedge reserve	20	6,584	(4,624)
Profit and loss account		<u>432,835</u>	<u>263,478</u>
<b>Shareholders' funds</b>		<u>439,419</u>	<u>258,854</u>

The result for the financial year generated by the parent company was a £162.5 million profit (2020: £154.7 million loss). As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent company.

These financial statements of Football Association Limited, company number 00077797, were approved by the Board of Directors on 9 December 2021.

Signed on behalf of the Board of Directors



**Mark Bullingham**  
Chief Executive Officer  
9 December 2021

# Football Association Limited

## Consolidated statement of changes in equity As at 31 July 2021

	Share capital £'000	Profit and loss account £'000	Hedge reserve £'000	Total £'000
Balance at 1 August 2019	-	185,552	(26,166)	159,386
Profit for the financial year	-	1,479	-	1,479
Remeasurement of pension scheme	-	(4,775)	-	(4,775)
Hedge reserve movements recognised in other comprehensive income	-	-	17,924	17,924
<b>Total comprehensive (loss) / income</b>	-	<b>(3,296)</b>	<b>17,924</b>	<b>14,628</b>
Hedge reserve movements recognised in deferred revenue	-	-	3,618	3,618
Balance at 31 July 2020	-	182,256	(4,624)	177,632
Profit for the financial year	-	100,526	-	100,526
Remeasurement of pension scheme	-	6,903	-	6,903
Hedge reserve movements recognised in other comprehensive income	-	-	8,913	8,913
<b>Total comprehensive income</b>	-	<b>107,429</b>	<b>8,913</b>	<b>116,342</b>
Hedge reserve movements recognised in deferred revenue	-	-	2,295	2,295
<b>Balance at 31 July 2021</b>	-	<b>289,685</b>	<b>6,584</b>	<b>296,269</b>

# Football Association Limited

## Company statement of changes in equity As at 31 July 2021

	Share capital £'000	Profit and loss account £'000	Hedge reserve £'000	Total £'000
Balance at 1 August 2019	-	422,993	(26,166)	396,827
Loss for the financial year	-	(154,740)	-	(154,740)
Remeasurement of pension scheme	-	(4,775)	-	(4,775)
Hedge reserve movements recognised in other comprehensive income	-	-	17,924	17,924
<b>Total comprehensive (loss) / income</b>	-	<b>(159,515)</b>	<b>17,924</b>	<b>(141,591)</b>
Hedge reserve movements recognised in deferred revenue	-	-	3,618	3,618
Balance at 31 July 2020	-	263,478	(4,624)	258,854
Profit for the financial year	-	162,454	-	162,454
Remeasurement of pension scheme	-	6,903	-	6,903
Hedge reserve movements recognised in other comprehensive income	-	-	8,913	8,913
<b>Total comprehensive income</b>	-	<b>169,357</b>	<b>8,913</b>	<b>178,270</b>
Hedge reserve movements recognised in deferred revenue	-	-	2,295	2,295
<b>Balance at 31 July 2021</b>	-	<b>432,835</b>	<b>6,584</b>	<b>439,419</b>

# Football Association Limited

## Consolidated cash flow statement Year ended 31 July 2021

	Note	2021 £'000	2020 £'000
<b>Net cash flows from operating activities</b>	21	<b>94,238</b>	89,957
<b>Cash flows from investing activities</b>			
Interest received		86	119
Purchase of tangible fixed assets		(17,710)	(25,325)
<b>Net cash flows from investing activities</b>		<b>(17,624)</b>	(25,206)
<b>Cash flows from financing activities</b>			
Receipt of borrowings		175,000	19,000
Repayment of borrowings		(137,000)	-
Interest paid		(6,900)	(6,885)
Repayments of obligations under finance leases		(555)	(453)
<b>Net cash flows from financing activities</b>		<b>30,545</b>	11,662
<b>Net increase in cash and cash equivalents</b>		<b>107,159</b>	76,413
<b>Cash and cash equivalents at beginning of year</b>		<b>115,654</b>	39,241
<b>Cash and cash equivalents at end of year</b>		<b>222,813</b>	115,654

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and to the preceding year.

#### a) General information and basis of accounting

Football Association Limited is a company incorporated and domiciled in the United Kingdom under the UK Companies Act 2006. The address of the registered office is given on page 1. The nature of the Group's operations and its principal activities are set out in the Strategic report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Group, including the company and all its subsidiary undertakings, is pounds sterling because that is the currency of the primary economic environment in which the Group operates. The consolidated and company financial statements are therefore presented in pounds sterling.

The company has taken advantage of the disclosure exemptions available to it under FRS 102 in respect of related party transactions in relation to intra-group transactions.

#### b) Basis of consolidation

The Group's financial statements consolidate the results of the company and its subsidiary undertakings drawn up to 31 July each year. The results of subsidiaries, acquired or sold, are consolidated for the period from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations affected prior to the date of transition.

#### c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. The Strategic report also outlines the financial position of the Group, its cash flows, liquidity position and borrowing facilities. At the year end, the Group had net current liabilities of £63.6 million (2020: £57.4 million) which included £125.3 million of deferred income (2020: £135.7 million).

However, the FA has access to a revolving credit facility ("RCF") of £250 million of which £nil (2020: £137 million) had been drawn down at 31 July 2021. The RCF reduces to the following amounts each year until expiry on 1 October 2024, £150 million on 1 October 2022, £50 million on 1 October 2023. In addition, as at 31 July 2021 the FA had issued £175 million through the UK Government's CCFF scheme (2020: £nil) and was holding £223 million of cash (2020: £115 million). The CCFF was repaid in full on 24 September 2021 at which point £15 million was drawn on the RCF.

Therefore, whilst the net current liabilities position of a company is a key indicator in determining if an entity and group is solvent, due to the existence of the RCF, we believe that this does not impact the FA's ability to continue as a going concern.

We have modelled what we believe to be a prudent scenario over the going concern period which sees continuing impacts across our Sponsorship, Club Wembley and Events revenues, and certain costs, as a result of COVID-19. Allowing for all of this, throughout the going concern period headroom of at least £100 million is maintained vs the available debt facility, excluding a minimum cash balance of £30 million. The elite protocols established during the 2020/21 season to ensure all professional competitions continue to be played, despite COVID-19 restrictions, give us confidence that our risks are limited to the impact of playing games behind closed doors and loss of certain commercial partner incomes. Our sensitivity analysis indicates that we have sufficient headroom to allow for these scenarios.

We have forecast our bank covenant compliance across the next three assessment periods to January 2023 and note significant headroom across all covenants in all periods.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 1. Accounting policies (continued)

The directors have a reasonable expectation that the company and Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

#### d) Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income.

Turnover for the Group's primary classes of business is accounted for as follows:

Broadcasting – Turnover is recognised in line with the rights provided, under each contract.

Sponsorship and licensing – Turnover is recognised in line with the rights provided, under each contract.

Club Wembley licence fees - Turnover is recognised when the licence agreement has been signed and the licence period commences. Total turnover from licence fees is spread evenly across the term of the licence. From the 2017/18 season new licence agreements are typically for a three-year term.

Events – Turnover is recognised when the relevant event takes place.

Grant income – Turnover is recognised over the year in which the related costs are recognised.

St George's Park – Turnover from the use of hotel, conference and sports facilities is recognised in line with when the facilities are used. St George's Park sponsorship and related turnover is recognised in line with the rights provided, under each contract. Turnover from FA Learning activity is recognised in line with the course dates for educational courses and on physical delivery of the goods to the customers for educational materials.

#### e) Barter transactions

Turnover is recognised in respect of barter transactions only where services are exchanged for dissimilar services and the transaction is deemed to have commercial substance. Such transactions are measured at the fair value of the services received, adjusted by any amount of cash and cash equivalents transferred.

#### f) Foreign currency

Transactions in foreign currencies are recorded at a weekly average rate of exchange determined at the start of each relevant week. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date. The \$ - £ exchange rate used at 31 July 2021 was 1.38 (2020: 1.27). The € - £ rate used at 31 July 2021 was 1.17 (2020: 1.10). Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction, before final settlement, is included as an exchange gain or loss in the profit and loss account, unless for that relating to a derivative contract which has been designated as a hedged item.

#### g) Investment into the game

Investments into the game comprise grants and donations that are made to both the Professional Game and National Game. These are recognised and charged to the profit and loss when a constructive obligation arises.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 1. Accounting policies (continued)

#### h) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. Timing differences are differences between the company's taxable profit and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profit from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is measured on a non-discounted basis.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### i) Employee benefits

For defined benefit schemes the amounts charged to operating profit are the costs arising from employee services rendered during the year, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to operating profit and included within finance costs. Remeasurement comprising actuarial gains and losses arising and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date.

The Group's obligation to fund the defined contribution scheme is limited to the agreed funding to the scheme. For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 1. Accounting policies (continued)

#### j) Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. In respect of the finance lease entered into in relation to the hotel at St George's Park, the lessor provided funding at the inception of the lease for the Group to construct the hotel. At inception of the lease the asset was recorded in other debtors. As construction occurred, amounts were drawn down from an escrow account, reducing the other debtor, and construction costs incurred were capitalised as part of the assets under construction within tangible fixed assets.

The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the year of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

#### k) Intangible fixed assets

The Group holds an intangible asset which represents the cost attributed to intellectual property on the acquisition of Wembley Stadium. The intellectual property rights are being amortised using the straight-line method over a useful economic life in line with the Stadium fixed assets of fifty years.

#### l) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. No depreciation is charged in respect of land. Depreciation is provided on all other tangible fixed assets on a straight-line basis, at rates calculated to write off the cost of those assets over their useful expected lives, and incorporating any residual value, as follows:

<b>Stadium</b>	The assets that comprise the Stadium have been categorised into operating classes and depreciated according to the useful economic life of that class. Useful economic lives range from 5 to 50 years
<b>Land and buildings (St George's Park)</b>	No depreciation is charged in respect of land. Building assets are categorised into operating classes and depreciated accordingly over the useful economic lives which range from 5 to 50 years. Long leasehold property is depreciated over the remaining life of the lease if less than 50 years, otherwise not depreciated
<b>Leasehold improvements</b>	15 years
<b>Fixtures, fittings, plant and equipment</b>	3 years for computer equipment, 3 to 10 years for plant and machinery and 8 to 10 years for fixtures and fittings
<b>Assets in the course of construction</b>	Not depreciated until brought into use

#### m) Borrowing costs

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. Capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.



# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 1. Accounting policies (continued)

#### n) Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment.

#### o) Stock

Stock is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. A provision is made for obsolete, slow moving or defective items where appropriate.

#### p) Impairment of tangible and intangible fixed assets, and fixed asset investments

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss previously recognised for assets, the prior impairment loss is tested to determine whether reversal is required. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### q) Non-derivative financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive
- There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current year or prior years
- Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law
- There are no conditional returns or repayment provisions except for the variable rate return and prepayment provisions described above

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 1. Accounting policies (continued)

Arrangement fees for the Group's funding are offset against the bank loan and are being amortised over the term of the bank loan. Finance costs, including amortisation of arrangement fees, directly attributable to construction of the Stadium were capitalised and are being depreciated on a straight-line basis over the life of the relevant class of Stadium asset. Borrowing costs incurred from the date of operational completion are charged to the profit and loss account as incurred.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### r) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The Group determines the fair value of its derivative financial instruments using quoted market prices adjusted for credit risk based on an implied probability of default, calculated using accepted valuation techniques. The resulting gain or loss is recognised in profit or loss immediately, for those derivative financial instruments not designated as a hedged item.

The foreign exchange financial instruments must be related to actual foreign currency assets or liabilities or to a probable commitment. It must involve the same currency or similar currencies as the hedged item and must also reduce the risk of foreign exchange movements on the Group's operations.

#### s) Hedge accounting

The Group has designated certain derivatives as hedging instruments in cash flow hedges. However, for derivative contracts which have not been designated as hedged items they are accounted for in line with the derivative financial instruments policy.

At the inception of the hedge relationship, the entity documents the economic relationship between the hedging instrument and the hedged item, along with its risk management objectives and clear identification of the risk in the hedged item that is being hedged by the hedging instrument. Furthermore, at the inception of the hedge, the Group determines, and documents causes for hedge ineffectiveness.

Note 18 sets out details of the fair values of the derivative instruments used for hedging purposes.

#### *Cash flow hedges*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and a separate reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit and loss account. Amounts accumulated in this reserve are reclassified to profit or loss in the years in which the hedged item cash flow occurs.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time is reclassified to the profit and loss account when the hedged item is recognised in the profit and loss account. When a forecast transaction is no longer expected to occur, any gain or loss that was accumulated in equity (other comprehensive income) is reclassified immediately to profit and loss account.

#### t) Grants

Grants received in respect of capital expenditure are credited to a deferred grant account and are released to the profit and loss account over the expected useful lives of the relevant assets, therefore matching the grant income with the relevant depreciation expense. Where a grant relates to an asset which is not depreciated, the grant remains in deferred grants until the end of the asset's life or when the asset is sold.

Revenue grants are credited to income to match them with the expenditure to which they relate.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in Note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

#### Critical accounting judgements

No critical accounting judgements have been identified during the current financial year.

#### Key sources of estimation uncertainty in applying the company's accounting policies

The following are estimations of uncertainty that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Where an estimate has a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, this is specifically noted below.

##### *Impairment review of tangible assets (Group) and investments in subsidiaries (Football Association company)*

There are a number of assumptions management have considered in performing impairment assessments of the Group's tangible assets, the most significant of which are Wembley Stadium and the hotel at St George's Park (see Note 11 for details of carrying values). In addition to reviewing the value of the assets themselves for the consolidated Group financial statements, the Football Association company's investment in Wembley National Stadium Limited (carrying value of £496 million, after net impairment provisions detailed in note 12 and 14, including a £26 million impairment reversal in the current year) and the National Football Centre Limited (carrying value of £nil, after net impairment provisions of £47 million detailed in note 14, including a £6 million impairment in the current year) have also been assessed, including fixed asset equity investments (note 12) and intercompany loans (note 14). The determination of whether the assets are impaired, or an impairment reversal write-back is required, requires an estimation of the recoverable amount of the assets, which is based upon a value-in-use estimate of the future cash flows expected to arise from the assets and a suitable discount rate in order to calculate present value.

##### Wembley Stadium – Group

When testing the Stadium cash generating unit assets for impairment a number of assumptions have been used in estimating future cash flows. Wembley Stadium generates cash primarily from Club Wembley, event hosting and sponsorship. The significant cash outflows come from the on-going running costs of the stadium and capital projects required for the stadium.

While the continued impact of COVID-19 on our Wembley Stadium cashflows continues to be felt, there has been a significant increase in our forecast revenues as we have been able to estimate with more certainty the number of Club Wembley seat and Box members that we have retained through the pandemic and have contracted moving into the 2021/22 season. This, amongst other less significant factors, has resulted in approximately £100 million of headroom on the Stadium asset value at the group level.

We recognise the sensitivity of our cashflow modelling and have performed a number of sensitivities on the key estimates that could potentially give rise to material changes within the next financial year, notably looking at retention and new sales rates within Club Wembley which are the two key assumption inputs in the model. We note that taking the forecast worst-case reasonably possible reductions in both the renewal and new sales assumptions would still leave sufficient headroom against our group Stadium asset value and are therefore satisfied that no impairment charge is required for the group's carrying asset value of Wembley Stadium.

The 1.7% (2020: 1.4%) pre-tax discount rate used within the calculation is the 20-year AA UK corporate bond rate, which reflects a relevant market participant rate of return. Potential changes in discount rate estimates over the next financial year are not expected to result in an impairment charge.

##### Investment in Wembley Stadium – Football Association company

When testing the Football Association Ltd.'s investment in Wembley National Stadium Limited from an impairment perspective, all inputs and assumptions around the future cashflows are consistent with the group asset testing set out above. The difference, compared to the group impairment assessment, is the carrying value against which these future cashflows are compared against. In FY 20 an impairment charge of £184 million was recorded in the FA company only accounts. In the current year, the assumptions set out above resulted in an impairment write back of £26 million against the original £184 million impairment, which is reflected in the FA company only accounts.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 2. Critical accounting judgements and key sources of estimation uncertainty (Continued)

We have run key sensitivities around Club Wembley renewal rates and new sales in year. We note that a 10% improvement in the renewal rate assumption would give rise to an additional £67 million impairment write back. Conversely a 10% reduction in the assumed renewal rate would negate any write back and would in fact lead to a further impairment of £29 million on the investment value. A reduction in our new seat sales assumption from 700 p.a. to 600 p.a. would equally lead to a further impairment charge of £31.8 million.

#### St George's Park hotel – Group

When testing the hotel cash generating unit assets for impairment a number of assumptions have been applied in estimating future cash flows, including the forecast occupancy rates of the hotel and capital expenditure. A detailed review of the forecast capital expenditure required on the Hotel over the forecast period has resulted in a reduction in the forecast spend and a corresponding increase in the value-in-use cashflows. This increase in cashflows has indicated a partial write back of £9.5 million of the £12.9 million impairment taken in FY18.

The 6.4% (2020: 6.4%) pre-tax discount rate used within the calculation is the interest rate attached to the hotel's finance lease, which reflects a relevant market participant rate of return.

Potential changes in key assumptions over the next financial year are not expected to result in a further material impairment charge or reversal.

#### *Pension assumptions*

There are a number of assumptions management have considered on the advice of actuaries which have an impact on the results of the valuation of the pension scheme liabilities at year end.

The most significant assumptions are those relating to the discount rate of return on investments, mortality rates, demographics of scheme participants and the rates of increase in salaries and pensions.

### 3. Turnover

An analysis of the Group's turnover by class of business is set out below.

	2021 £'000	2020 £'000
<b>Turnover:</b>		
Broadcasting	267,018	210,684
Sponsorship and licensing	94,609	53,309
Club Wembley	65	17,342
Events	10,398	13,388
Grant income	12,638	13,790
St George's Park	6,287	8,389
Other income	52,006	18,186
	<b>443,021</b>	<b>335,088</b>

An analysis of the Group's turnover by geographical market is set out below.

<b>Turnover:</b>		
UK	279,170	208,738
Overseas	163,851	126,350
	<b>443,021</b>	<b>335,088</b>

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 3. Turnover (Continued)

The majority of the Group's turnover is generated in the UK, with turnover generated outside the UK principally from international broadcast providers, grants and tournament income from UEFA and FIFA.

An analysis of the Group's turnover by type is as follows:

	2021 £'000	2020 £'000
Sale of goods	204	64
Rendering of services	429,681	320,741
Rental income	498	493
Grant income	12,638	13,790
	<u>443,021</u>	<u>335,088</u>

Further detail on the Group's grants is provided in Notes 15 and 16.

#### Barter transactions

The amount of barter transactions for goods and other services recognised in turnover is £3.8 million (2020: £3.9 million).

#### Operating lease income

Turnover included operating lease income from letting office space within the Stadium of £0.5 million (2020: £0.5 million).

### 4. Finance costs (net)

	2021 £'000	2020 £'000
<b>Interest payable and similar charges</b>		
Bank interest payable	2,897	2,134
Finance lease interest payable	3,386	3,404
	<u>6,283</u>	<u>5,538</u>
<b>Other finance costs</b>		
Other financing charges	-	31
Amortisation of issue costs	617	1,316
Defined benefit obligations costs	334	443
	<u>951</u>	<u>1,790</u>
	<u>7,234</u>	<u>7,328</u>
<b>Interest receivable</b>		
Bank interest receivable	86	119
Interest on net defined benefit	98	277
	<u>184</u>	<u>396</u>

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 4. Finance costs (net) (Continued)

Bank interest primarily relates to the £250 million Revolving Credit Facility ("RCF"). This facility is secured against the value of Wembley Stadium.

The remaining term of the RCF is three years (repayable in October 2024) and interest is payable at a variable rate of LIBOR + 1.9% (see Note 16).

### 5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging / (crediting):

	2021 £'000	2020 £'000
Restructuring expenses	-	2,015
Depreciation of tangible fixed assets – owned	33,656	30,681
Depreciation of tangible fixed assets – held under finance lease	1,126	1,158
Impairment write-back on tangible assets*	(9,484)	-
Amortisation of intangible assets	6	6
Amortisation of deferred capital grants	(1,280)	(1,280)
Operating lease rentals	874	1,034
Fair value (gain) / loss on forward currency contracts and interest rate cap measured at fair value through profit and loss (see Note 17)	(590)	10
Foreign exchange loss / (gain)	4,165	(2,185)

\*£9.5 million impairment reversal write-back on tangible assets relates to the partial reversal of a £12.9 million impairment charge recognised on the Hilton hotel cash generating unit assets in 2018 (refer to Notes 2 and 11 for further information).

The analysis of the auditor's remuneration is as follows:

<b>Fees payable to the Group's auditor for audit services</b>	2021 £'000	2020 £'000
Fees payable to the Group's auditor for the audit of The FA's annual accounts	146	117
Fees payable to the Group's auditor for the audit of The FA's subsidiaries	144	115
<b>Total audit fees</b>	<b>290</b>	<b>232</b>
<b>Fees payable to the Group's auditor for other services to the Group</b>		
Taxation compliance services	56	16
Other taxation advisory services	23	105
Other services	-	20
<b>Total non-audit fees</b>	<b>79</b>	<b>141</b>

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 6. Staff numbers and costs

The average monthly number of Group employees was:

	2021 No.	2020 No.
Promotion of Association Football	801	846
Stadium and event management	76	94
Hotel management	186	270
	<u>1,063</u>	<u>1,210</u>

Their aggregate remuneration comprised:

	2021 £'000	2020 £'000
Wages and salaries	53,927	52,790
Social security costs	6,269	6,823
Other pension costs	2,795	2,808
Severance costs	1,137	2,856
	<u>64,128</u>	<u>65,277</u>

During the year The FA took advantage of the UK Government's Coronavirus Job Retention Scheme. Wages and salaries costs disclosed above are shown net of contributions of £0.2 million from the UK Government. The FA claimed an additional £2.3 million relating to casual staff not included in permanent staff figures above. The total amount claimed in the prior year was £3.2 million.

### 7. Directors' and senior management team remuneration

Directors were remunerated £1.0 million (2020: £0.8 million) in respect of services provided during the season, broken down as follows:

	2021 £'000	2020 £'000
M Bullingham	731	524
P McCormick OBE	77	-
G Clarke (resigned 10 November 2020)	58	177
S Cartwright (resigned 28 November 2020)	10	24
R Cotter (resigned 21 July 2021)	19	18
S Hough MBE	27	16
J Nixon (resigned 18 October 2019)	-	1
J Pearce	39	11
K Tinsley	25	25
R Bains	-	4
T Score (appointed 22 July 2021)	-	-
T Win (appointed 22 July 2021)	-	-
R Parry	-	-
	<u>986</u>	<u>800</u>

There were no directors to whom retirement benefits were accruing for qualifying services in respect of defined benefit schemes (2020: none).

There was one director (2020: none) to whom retirement benefits were accruing for qualifying services in respect of money purchase pension scheme.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 7. Directors' and senior management team remuneration (continued)

In addition to directors, total remuneration of £4.0 million was paid to members of the senior management team during the current season (2020: £3.1 million).

£nil (2020: £nil) balances were due to remuneration provided by third party or the appointments were made at the end of financial year.

### 8. Tax on profit on ordinary activities

The tax charge comprises:

	2021 £'000	2020 £'000
<b>Current tax on profit on ordinary activities</b>		
UK corporation tax	(22,418)	(8,512)
Adjustments in respect of prior years	2,422	273
<b>Total current tax</b>	<b>(19,996)</b>	<b>(8,239)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,843)	7,265
Effect of current year changes to statutory tax rate	(3,284)	(549)
Adjustments in respect of prior years	338	88
<b>Total deferred tax</b>	<b>(4,789)</b>	<b>6,804</b>
<b>Total tax on profit on ordinary activities</b>	<b>(24,785)</b>	<b>(1,435)</b>

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

<b>Profit on ordinary activities</b>	<b>125,311</b>	<b>2,914</b>
Tax on Group profit on ordinary activities at the standard UK corporation tax rate of 19.00% (2020: 19.00%)	(23,809)	(554)
Effects of:		
Expenses not deductible for tax purposes	(724)	(1,111)
Non-taxable release of grant income	272	419
Effect of current year changes to statutory tax rate	(3,284)	(549)
Adjustment in respect of prior years*	2,760	360
<b>Group total tax charge for the year</b>	<b>(24,785)</b>	<b>(1,435)</b>

The standard rate of tax applied to reported profit on ordinary activities is 19.00% (2020: 19.00%).

The Spring Budget 2021 proposed that from April 2023 the main rate of corporation tax will increase to 25% and this was substantively enacted on 24 May 2021, necessitating a remeasurement of the existing UK deferred tax liability position. With the exception of separately identifiable items which will unwind prior to 31 March 2023, deferred taxes have been re-measured to 25%, the rate at which the majority of items making up the deferred tax balance are expected to reverse.

There is no expiry date on timing differences, unused tax losses or tax credits.

\*£2.4 million of the adjustment in respect of prior years relates to the release of a Hilton hotel impairment tax deduction previously held as a tax creditor.



# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 9. Profit or loss attributable to the company

The profit for the financial year in the financial statements of the parent company was a £162.5 million profit (2020: £154.7 million loss). As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent company.

### 10. Intangible fixed assets

	Total £'000
<b>Cost</b>	
At 1 August 2020 and 31 July 2021	250
<b>Amortisation</b>	
At 1 August 2020	40
Charge for the year	6
<b>At 31 July 2021</b>	<b>46</b>
<b>Net book value</b>	
<b>At 31 July 2021</b>	<b>204</b>
At 31 July 2020	210

Intangible assets represent the cost attributed to intellectual property on the acquisition of the Stadium.

### 11. Tangible fixed assets

Group	Land and buildings £'000	Stadium £'000	Leasehold improvements £'000	Fixtures, fittings, plant and equipment £'000	Assets under construction £'000	Total £'000
<b>Cost</b>						
At 1 August 2020	136,427	675,732	4,867	127,244	2,870	947,140
Additions	12	1,791	-	14,975	932	17,710
Transfers	-	-	-	2,490	(2,490)	-
<b>At 31 July 2021</b>	<b>136,439</b>	<b>677,523</b>	<b>4,867</b>	<b>144,709</b>	<b>1,312</b>	<b>964,850</b>
<b>Accumulated depreciation and impairment</b>						
At 1 August 2020	24,995	304,385	2,581	77,411	-	409,372
Depreciation charge for the year	1,562	19,507	324	13,389	-	34,782
Impairment write-back	(9,484)	-	-	-	-	(9,484)
<b>At 31 July 2021</b>	<b>17,073</b>	<b>323,892</b>	<b>2,905</b>	<b>90,800</b>	<b>-</b>	<b>434,670</b>
<b>Net book value</b>						
<b>At 31 July 2021</b>	<b>119,366</b>	<b>353,631</b>	<b>1,962</b>	<b>53,909</b>	<b>1,312</b>	<b>530,180</b>
At 31 July 2020	111,432	371,347	2,286	49,833	2,870	537,768

Land and buildings include freehold land, which is held at cost of £67.4 million (2020: £67.4 million). It also includes long leasehold property of £3.9 million (2020: £3.9 million).

Included within the net book value of the above assets is £21.3 million (2020: £12.2 million) of assets held under finance leases. This relates to a sale and leaseback arrangement to fund the construction of the hotel at St George's Park, which has been classified as a finance lease. The minimum lease term is 30 years. These assets

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 11. Tangible fixed assets (continued)

are held at cost of £50.1 million (2020: £49.0 million) less accumulated depreciation of £25.4 million (2020: £23.9 million) and net of impairment of £3.4 million (2020: £12.9 million).

Included within the net book value of the above assets is £55.1 million (2020: £56.7 million) of capitalised borrowing costs incurred on construction of the stadium. These assets are held at cost of £77.3 million (2020 restated\*: £77.3 million) less accumulated depreciation £22.2 million (2020: £20.6 million).

As part of the annual impairment and reversal assessment of the carrying value of the hotel at St George's Park, we determined that the recoverable amount of this asset was greater than the carrying amount at 31 July 2021. A partial reversal of £9.5 million was therefore recognised in the year in respect of the £12.9 million impairment previously recognised on the Hilton hotel assets in 2018.

\*The capitalised borrowing costs comparative has been restated to correct for a prior year presentation error.

Company	Stadium £'000	Fixtures, fittings, plant and equipment £'000	Assets under construction £'000	Total £'000
<b>Cost</b>				
At 1 August 2020	2,444	27,473	2,872	32,789
Additions	-	5,172	932	6,104
Transfers	-	2,490	(2,490)	-
<b>At 31 July 2021</b>	<b>2,444</b>	<b>35,135</b>	<b>1,314</b>	<b>38,893</b>
<b>Accumulated depreciation</b>				
At 1 August 2020	583	19,355	-	19,938
Charge for the year	51	4,597	-	4,648
<b>At 31 July 2021</b>	<b>634</b>	<b>23,952</b>	<b>-</b>	<b>24,586</b>
<b>Net book value</b>				
<b>At 31 July 2021</b>	<b>1,810</b>	<b>11,183</b>	<b>1,314</b>	<b>14,307</b>
At 31 July 2020	1,861	8,118	2,872	12,851

### 12. Fixed asset investments

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Subsidiary undertakings	-	-	230,001	230,001

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 12. Fixed asset investments (continued)

#### Subsidiary undertakings

Details of subsidiary companies, all of which are incorporated in the United Kingdom and in each of which 100% of the nominal value of £1 ordinary shares is held within the Football Association Group, are as follows:

Name	Activity
Wembley National Stadium Limited*	Organising sporting / entertainment events at Wembley Stadium
National Football Centre Limited*	Operation of hotel & sports facilities and educational activities
FA Learning Limited	Dormant
The English National Stadium Property Company Limited	Dormant
England Soccer Enterprises Limited	Dormant

The registered address of all the above entities is Wembley Stadium, Wembley, London, HA9 0WS.

\*The carrying value of the Football Association Limited company's investments in Wembley National Stadium Limited and National Football Centre Limited is equal to the sum of The FA's fixed asset investment in the companies (detailed above) and intercompany loan receivables (net of any impairment provisions) in The FA from those companies. Intercompany loans, including net impairment provisions recorded, are detailed in Note 14.

### 13. Deferred tax (liability) / asset

	Group £'000	Company £'000
At 1 August 2020	4,457	5,473
Credited to profit and loss account	(4,789)	(3,495)
Charged to other comprehensive income	(4,902)	(4,902)
<b>At 31 July 2021</b>	<b>(5,234)</b>	<b>(2,924)</b>

Deferred tax is provided as follows:

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Capital allowances in excess of depreciation	8,719	4,675	1,698	1,142
Capitalised finance costs	(10,390)	(6,335)	-	-
Timing differences in respect of financial instruments	(510)	2,785	(1,563)	1,007
Accelerated donations to charity	953	4,612	953	4,612
Defined benefit pension scheme	(4,052)	(1,335)	(4,052)	(1,335)
Other short-term timing differences	46	55	40	47
<b>Deferred tax (liability) / asset</b>	<b>(5,234)</b>	<b>4,457</b>	<b>(2,924)</b>	<b>5,473</b>

Deferred tax assets and liabilities are offset only where the company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the same group.

The company has an unrecognised deferred tax asset on capital losses of £3.2 million (2020: £3.2 million).

#### Pension scheme

Please refer to Note 23 for further information regarding the pension scheme.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 14. Debtors

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year</b>				
Trade debtors	15,314	9,735	5,174	5,154
Loans to clubs	187	42	187	42
Amounts owed by Group undertakings	-	-	166,630	140,795
VAT receivable*	3,636	-	3,284	-
Other debtors	3,179	3,914	2,489	2,873
Prepayments and accrued income	61,727	53,411	58,911	49,994
Derivative financial instruments	4,980	184	4,980	184
	<b>89,023</b>	<b>67,286</b>	<b>241,655</b>	<b>199,042</b>
<b>Amounts falling due after more than one year</b>				
Loans to clubs	127	127	127	127
Amounts owed by Group undertakings	-	-	93,055	59,697
Other debtors	1,372	-	1,372	-
Derivative financial instruments	4,365	1,527	4,365	1,527
	<b>5,864</b>	<b>1,654</b>	<b>98,919</b>	<b>61,351</b>
<b>Total debtors</b>	<b>94,887</b>	<b>68,940</b>	<b>340,574</b>	<b>260,393</b>

\*During the prior year The FA took advantage of the UK Government VAT deferral scheme by deferring payments totalling £12.6 million. In the current year we have repaid £5.1 million, with the remaining balance to be repaid during the 2021/22 season. This is more than offset by an underlying VAT receivable balance as at 31 July 2021.

#### Total amounts owed by Group companies

	Company	
	2021	2020
	£'000	£'000
Gross amounts owed by Group companies	463,253	425,310
Provision for impairment	(203,568)	(224,818)
<b>Net amounts owed by Group companies</b>	<b>259,685</b>	<b>200,492</b>

Since inception The FA has lent operating funds to National Football Centre Limited and Wembley National Stadium Limited. As part of our annual impairment assessment of amounts receivable from National Football Centre Limited and Wembley National Stadium Limited, we determined that the recoverable amount of these loans was less than the carrying amount and therefore a provision for impairment was recognised.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 15. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Obligations under finance lease	666	555	-	-
Trade creditors	15,473	27,616	6,392	6,265
Covid Corporate Financing Facility (CCFF)*	175,000	-	175,000	-
UK corporation tax payable	2,717	5,607	2,776	5,530
VAT payable	-	2,136	-	6,222
Social security and other taxes	2,071	1,917	1,862	1,582
Other creditors	2,964	2,807	1,559	1,547
Accruals	62,629	57,916	53,319	50,896
Deferred grants	8,734	7,467	5,532	6,148
Deferred income**	125,298	135,705	103,519	131,702
Derivative financial instruments	216	4,232	216	4,232
Provisions for liabilities***	1,761	3,220	945	1,589
	<b>397,529</b>	<b>249,178</b>	<b>351,120</b>	<b>215,713</b>

\*The FA secured funding of £175 million through the UK Government CCFF and drew down on it in full during the year. Subsequent to year-end the CCFF has been fully repaid.

\*\*Deferred income predominantly comprises contractual broadcasting and sponsorship income received in advance of when the revenue is recognised.

\*\*\*Provisions for liabilities relates entirely to negotiations with commercial partners around the impact of COVID-19.

### 16. Creditors: amounts falling due after more than one year

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loan	-	134,361	-	134,361
Obligations under finance leases	47,219	47,885	-	-
Deferred grants	112,187	113,467	-	-
Deferred income	5,739	6,577	-	-
Derivative financial instruments	172	5,092	172	5,092
	<b>165,317</b>	<b>307,382</b>	<b>172</b>	<b>139,453</b>

#### Bank loan

The FA has a Revolving Credit Facility ("RCF") borrowings arrangement with Barclays, HSBC and Santander. As at 31 July 2021 the total available on the RCF was £250.0 million and the total amount drawn down was £nil (2020: £137 million). This facility is secured against the value of Wembley Stadium.

The remaining term of the RCF is three years (repayable in October 2024) and interest is payable at a variable rate of LIBOR + 1.9%. Following regulatory changes and effective from 1 November 2021, interest is payable at a rate of Sterling Overnight Interbank Average rate ("SONIA") + credit adjustment spread + 1.9%. It is not expected the change will cause a material difference.

Borrowing costs of £5.5 million were capitalised in relation to this facility, included as part of the amount detailed in Note 11. An amortisation charge in relation to capitalised borrowing fees of £0.6 million has been recognised during the current season.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 16. Creditors: amounts falling due after more than one year (continued)

#### Obligations under finance leases

At 31 July 2021 the Group had annual commitments under non-cancellable finance leases as set out below:

	2021 £'000	2020 £'000
<b>Finance leases</b>		
Less than one year	3,694	3,621
Between one and two years	3,767	3,694
Between two and five years	11,760	11,530
More than five years	67,805	71,803
	<u>87,026</u>	<u>90,648</u>
Less: Finance charges allocated to future years	(39,141)	(42,208)
	<u>47,885</u>	<u>48,440</u>

#### Deferred grants

Deferred grants greater than one year comprise the following amounts:

	2021 £'000	2020 £'000
Sport England	77,429	77,723
Department of Culture, Media and Sport ("DCMS")	16,204	16,656
London Development Agency ("LDA")	14,556	14,976
Other	3,998	4,112
	<u>112,187</u>	<u>113,467</u>

The grants are amortised over the life of the assets they relate to in line with depreciation charged on those assets. The amount amortised to the profit and loss account during the year was £1.3 million (2020: £1.4 million).

Deferred grants from Sport England includes initial grant funding of £78.5 million in relation to Wembley Stadium. £11.2 million of this initial grant funding related to Stadium assets is being amortised over the life of the building, the remaining initial grant funding represents grants in respect of land of £67.3 million which is not amortised.

The DCMS grant relates principally to the S106 payments to improve infrastructure of the surrounding area to Wembley Stadium. The LDA grant relates to infrastructure work, which includes certain elements of costs relating to concrete, steel framework and concourses around the Stadium.

Other grants were received from commercial partners to assist with the construction of St Georges Park. These grants are being amortised over the useful life of these assets (between 30 – 50 years).

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 17. Financial instruments

The carrying values of the Group and company's financial assets and liabilities are summarised by category below:

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Financial assets</b>				
<i>Measured at fair value through profit or loss</i>				
Forward foreign currency contracts (see Note 14)	590	-	590	-
<i>Measured at fair value through other comprehensive income</i>				
Forward foreign currency contracts (see Note 14)	8,755	1,711	8,755	1,711
<i>Measured at undiscounted amount receivable</i>				
Trade and other debtors (see Note 14)	23,815	13,818	12,633	8,196
Amounts due from Group undertakings (see Note 14)	-	-	259,685	200,492
<i>Equity instruments measured at cost less impairment</i>				
Fixed asset investments in unlisted equity instruments (see Note 12)	-	-	230,001	230,001
	<b>33,160</b>	<b>15,529</b>	<b>511,664</b>	<b>440,400</b>

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Financial liabilities</b>				
<i>Measured at fair value through other comprehensive income</i>				
Forward foreign currency contracts (see Notes 15 and 16)	388	9,324	388	9,324
<i>Debt instruments measured at amortised cost</i>				
Bank loans payable (see Notes 15 and 16)	175,000	134,361	175,000	134,361
Obligations under finance lease (see Notes 15 and 16)	47,885	48,440	-	-
<i>Measured at undiscounted amount payable</i>				
Trade and other creditors (see Note 15)	23,225	37,530	12,589	21,146
	<b>246,498</b>	<b>229,655</b>	<b>187,977</b>	<b>164,831</b>

It is the Group's policy to hedge significant foreign exchange risk. This risk has been hedged by entering into forward foreign currency contracts.

Forward foreign currency contracts are valued using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

Some of these contracts have been designated as hedged items and are therefore measured at fair value through other comprehensive income. The fair value of these contracts at 31 July 2021 is an asset of £8.4 million (2020: liability of £7.6 million). For those contracts which have not been designated as hedged items they are measured at fair value through profit or loss. The fair value of these contracts at 31 July 2021 is an asset of £0.6 million (2020: asset of £0.01 million).

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 17. Financial instruments (continued)

The remaining items disclosed above related to assets and liabilities incurred in the normal course of business.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Group 2021 £'000	2020 £'000
<b>Interest expense</b>		
Total interest expense for financial liabilities at amortised cost	<u>6,283</u>	<u>5,538</u>
<b>Fair value (gains) and losses</b>		
On forward foreign currency contracts measured at fair value through profit or loss	(590)	10

### 18. Derivative financial instruments

Forward foreign currency contracts are valued using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

Interest rate swaps are valued at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

#### Cash flow hedges

##### Forward foreign currency contracts

The following table details the forward foreign currency contracts outstanding as at the year-end:

Outstanding contracts	Average contractual exchange rate		Notional value		Fair value	
	2021	2020	2021 £'000	2020 £'000	2021 £'000	Restated* 2020 £'000
<b>Sell US Dollars</b>						
Less than 3 months	1.34	1.36	42,383	36,507	43,784	35,156
3 months to 12 months	1.34	1.36	85,047	72,878	87,955	70,110
Greater than 12 months	1.36	1.34	173,236	239,542	177,294	236,054
<b>Sell Euros</b>						
Less than 3 months	1.10	1.10	7,620	7,638	8,074	7,709
3 months to 12 months	-	-	-	-	-	-
Greater than 12 months	1.12	1.11	3,748	11,368	3,884	11,291

The Group enters into a number of derivative contracts to hedge the foreign exchange exposure arising on certain contracts. For these contracts the Group has adopted hedge accounting.

The hedged cash flows are expected to occur and to affect profit or loss over the next four financial years.

Changes in fair value of £15.6 million net of tax (2020: £24.6 million) were recognised in other comprehensive income. The Group performed an assessment of the economic relationship of the hedges and noted that two hedge relationships became mismatched due to a payment plan being agreed with a commercial partner that is not consistent with the settlement of the associated derivative contracts. These contracts were dedesignated for hedge accounting and £0.6 million was recycled from the hedge reserve to the income statement. No other material issues were identified as part of the assessment.

\*The fair value comparatives have been restated to correct for a prior year presentation error.



# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 19. Called up share capital and reserves

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
1,614 ordinary shares of 5p each	81	81
2 special rights preference shares of £1 each	2	2
	<u>83</u>	<u>83</u>

The shares do not entitle the owner to any dividend or bonus in the company. The special rights preference shares are held by The FA Premier League Limited and The Football League Limited.

The Group and company's profit and loss account represents cumulative profits or losses and other comprehensive income.

### 20. Hedge reserve

	Group £'000	Company £'000
Opening	(4,624)	(4,624)
Fair value movements in other comprehensive income	15,620	15,620
Related deferred tax	(2,629)	(2,629)
Reclassified and reported in profit and loss	(4,078)	(4,078)
Total amount recognised in other comprehensive income	<u>8,913</u>	<u>8,913</u>
Recognised in deferred revenue	2,295	2,295
Closing	<u>6,584</u>	<u>6,584</u>

The FA has designated certain derivative contracts as hedged items. These contracts were revalued to fair value (based on market rates) as at 31 July 2021. The resulting loss was recognised through other comprehensive income and held within a hedged reserve.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 21. Notes to the consolidated cash flow statement

Reconciliation of operating profit to cash generated by operations:

	2021 £'000	2020 £'000
Operating profit	132,361	9,846
Adjustment for:		
Depreciation of tangible assets	34,782	31,839
Amortisation of intangible assets	6	6
Impairment write-back on tangible assets	(9,484)	-
Amortisation of deferred capital grants	(1,280)	(1,280)
Operating cash flow before movement in working capital	156,385	40,411
Decrease in stock	82	23
(Increase) / decrease in debtors	(21,043)	55,919
(Decrease) / increase in creditors	(18,053)	2,573
Corporation tax paid	(22,889)	(8,725)
Contributions paid by the company into the defined benefit pension scheme	(244)	(244)
Cash generated by operations	94,238	89,957

### 22. Financial commitments

Total future minimum lease payments under operating leases are as follows:

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Operating leases which expire:				
- within one year	308	405	245	393
- between two and five years	255	239	13	239
	563	644	258	632

### 23. Employee benefits

#### Defined contribution scheme

The company and Group operate a defined contribution retirement benefit scheme for all qualifying employees employed by Group companies. The total expense charged to the profit or loss account in the year ended 31 July 2021 was £2.8 million (2020: £2.8 million).

#### Defined benefit scheme

The Group operates a defined benefit pension scheme for certain employees. Under the scheme, the employees are entitled to retirement benefits based on their final salary on attainment of a retirement age of at least 55. No other post-retirement benefits are provided. The scheme is a funded scheme.

From 1 January 2003, new employees have not been able to enter the scheme. The scheme was closed to future accrual at 30 April 2010 and all active members became deferred members at this date.

The most recent full actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out at 1 January 2021 by a qualified independent actuary. The present value of the defined benefit obligation, the related current service cost and the past service cost were measured using the projected unit credit method.

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 23. Employee benefits (continued)

Key assumptions used:	31 July 2021 % p.a.	31 July 2020 % p.a.
Discount rate	1.65	1.40
Expected long-term rate of return on Scheme assets	1.65	1.40
RPI assumption	3.35	3.10
CPI assumption – Pre 2030	2.35	2.30
CPI assumption – Post 2030	3.35	2.30
Future pension increases	3.25	3.05

The underlying mortality assumption in 2021 is based upon the standard table known as S3LPA on a year of birth usage, with CMI\_2019 improvement factors and a long-term rate of future improvement of 1.25% p.a. (2020: 1.25%) and an initial additional mortality improvement of 0.25% p.a.

Amounts recognised in the profit and loss account in respect of the defined benefit scheme are as follows:

	2021 £'000	2020 £'000
Administrative expenses	326	443
Loss on plan changes	8	-
Interest on scheme liabilities	1,441	2,016
Interest on scheme assets	(1,539)	(2,293)
	<u>236</u>	<u>166</u>

Amounts recognised in other comprehensive income in respect of the defined benefit scheme are as follows:

Actual return less expected return on scheme assets	5,603	4,112
Experience gains arising on scheme liabilities	3,207	1,375
Changes in assumptions underlying the present value of scheme liabilities	366	(11,429)
Related deferred tax	(2,273)	1,167
Actuarial gain / (loss)	<u>6,903</u>	<u>(4,775)</u>

The amount included in the statement of financial position arising from the company and Group's obligations in respect of its defined benefit scheme is as follows:

	2021 £'000	2020 £'000
Present value of defined benefit obligations	(98,979)	(104,810)
Fair value of scheme assets	115,187	111,834
Surplus in the scheme	<u>16,208</u>	<u>7,024</u>

# Football Association Limited

## Notes to the financial statements Year ended 31 July 2021

### 23. Employee benefits (continued)

Movements in the present value of defined benefit obligations were as follows:

Present value of plan liabilities at start of year	<b>104,810</b>	94,832
Benefits paid	<b>(3,707)</b>	(2,092)
Interest on plan liabilities	<b>1,441</b>	2,016
Actuarial (gains) / losses	<b>(3,573)</b>	10,054
Loss on plan changes	<b>8</b>	-
Present value of plan liabilities at end of year	<b>98,979</b>	104,810

Movements in the fair value of scheme assets were as follows:

At start of year	<b>111,834</b>	107,720
Interest income	<b>1,539</b>	2,293
Returns on assets	<b>5,603</b>	4,112
Benefits paid	<b>(3,707)</b>	(2,092)
Contributions paid by the Group	<b>244</b>	244
Administrative expenses	<b>(326)</b>	(443)
At end of year	<b>115,187</b>	111,834

The analysis of the scheme assets at 31 July 2021 was as follows:

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Equities and Property	<b>30</b>	37
Bonds	<b>35</b>	30
Annuity Policy	<b>28</b>	31
Cash	<b>7</b>	2
Total	<b>100</b>	100

Movements in the net pension scheme were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Surplus in Scheme at beginning of year	<b>7,024</b>	12,888
Amounts recognised in profit and loss account	<b>(236)</b>	(166)
Contributions paid by the company	<b>244</b>	244
Remeasurement of pension scheme recognised in other comprehensive income (gross of tax)	<b>9,176</b>	(5,942)
Surplus in Scheme at end of year	<b>16,208</b>	7,024

### Funding

Actuarial valuations are carried out every three years on behalf of the Trustees of the plan, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS 102.

The last such actuarial valuation was as at 1 January 2021. This showed that the plan's assets were sufficient to cover the liabilities on the funding basis. Consequently, the company ceased making deficit reduction contributions into the Scheme after 31 July 2018.

The next funding valuation is due to be undertaken in January 2024.

## **Football Association Limited**

### **Notes to the financial statements Year ended 31 July 2021**

#### **24. Subsequent events**

On 24<sup>th</sup> September 2021, the CCFF was fully repaid.

On 18<sup>th</sup> October 2021, The FA was ordered to play the next two UEFA competition matches as host association behind closed doors, the second of which is suspended for a probationary period of two years for the lack of order of discipline inside and around the stadium during the EURO 2020 final. In addition, the FA has been fined €100 thousand.

#### **25. Related party transactions**

The FA has a one third interest in Professional Game Match Officials Limited ("PGMOL"), a company limited by guarantee. The results of this associated company have not been included in this report as they are not material. The FA has a cost of £3.0 million (2020: £3.3 million) charged to its operating expenses in the year, being a contribution towards the operating costs of PGMOL that are necessary for providing match officials to the Professional Game.

The total remuneration (including severance pay) for FA key management personnel for the year was £5.0 million (2020: £3.9 million).

The FA has invested £11.5 million (2020: £29.0 million) during the current season directly into facilities projects of the Football Foundation which includes the contribution into the Parklife scheme. Charitable Trusts have been established in Sheffield and Liverpool to oversee the operations of the Parklife hubs in those cities. The FA has the power to appoint up to two trustees to the board of trustees of these Trusts. As each Trust currently has six trustees, The FA has significant influence resulting in the Trusts meeting the definition of an associate. As The FA does not hold any shares in these Trusts, is not a financial guarantor and is not entitled to receive any profits generated or is liable to fund any losses, the accounting value of these associates to The FA is £nil (2020: £nil). These Trusts have therefore not been included within the consolidated accounts of The FA.

There have been no transactions between The FA and the Trusts during the current season.