

# **The Brighton and Hove Albion Football Club Limited**

Report and Financial Statements

Year Ended

30 June 2023

Company Number 00081077

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# **The Brighton and Hove Albion Football Club Limited**

## **Report and financial statements for the year ended 30 June 2023**

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### **Directors**

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

### **Secretary and registered office**

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

### **Company number**

00081077

### **Auditors**

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

# The Brighton and Hove Albion Football Club Limited

## Strategic report for the year ended 30 June 2023

### Introduction

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

### Business review

	2023 £'000	2022 £'000
Turnover	203,574	167,429
Other operating income	24,878	-
Administrative and operational costs	(34,096)	(25,860)
Operating profit before football costs and depreciation	194,356	141,569
Depreciation	(1,660)	(1,893)
Player trading	88,598	8,849
Football costs	(141,809)	(123,038)
Operating profit before interest and taxation	139,485	25,487

### Financial highlights

- Turnover increase: 21.6%
- Administrative and operational cost increase: 31.8%
- Operating profit before football costs and depreciation increase: 37.3%
- Player trading results increase to a profit of £88.6m from a profit of £8.8m
- Football costs increase: 15.3%
- Operating profit of £25.5m has increased to a profit of £139.5m

The financial results for the year ended 30 June 2023 reflect the sixth season in which Brighton & Hove Albion Football Club competed in the Premier League, this time finishing in 6th position (2022 - 9th position). The financial results reflect this higher league position, together with a semi-final appearance in the FA Cup. This led to an increase in income in most areas. The overall football cost base has increased, mainly due to positional bonuses for the higher league position but also increased core contractual costs. Administrative and operational costs have seen an increase due to the FA Cup semi-final run and the associated spend required. Net player trading has seen significant movement, due to the high value disposals of certain squad members and with player amortisation and impairment falling year on year, moving from a profit of £8.8m to a profit of £88.6m, being an increase of £79.8m. Significant player sales have taken place since the year end and the profit on player disposal will be reflected in the 2023-24 accounts.

# The Brighton and Hove Albion Football Club Limited

## Strategic report for the year ended 30 June 2023 (*continued*)

### Financial highlights (*continued*)

The key financial highlights are as follows:-

- **Turnover**  
Matchday income increased to £24.5m during the season from £20.6m. Matches are now consistently selling out and the FA Cup run generating additional income in this area. Broadcasting income increased from £126.0m to £154.9m. This is partly due to increased merit place income per place and also additional merit place income from the 6<sup>th</sup> place finish versus the prior years 9<sup>th</sup> place, together with additional TV picks for the club. Commercial income also saw an increase from £15.2m to £17.6m which is mainly due to a very good retail year and performance related awards from League position and the FA Cup run. Other income increased from £5.7m to £6.6m mainly due to income from FIFA for players who competed in the World Cup. Other operating income has increased significantly year on year and relates to compensation received for the early termination of employment contracts and insurance claims made by the Club.
- **Administrative and operational costs**  
The overall cost increase was 31.9%. This reflects additional costs for the Cup matches mainly in relation to the run to the semi-final in the FA Cup together with general increases due to inflation in most areas of the business.
- **Player trading**  
This represents the amortisation and impairment of purchased player registrations less the profit on sale of players. Player amortisation has fallen to £32.8m compared to £45.4m for the prior year. New players were added to the squad at a discounted value of £61.9m (2022 - £69.5m). Profit on player disposals was £121.4m which compares with a profit on disposal of £62.4m in the previous accounting period and impairment of player registrations was £Nil compared to £8.1m in the previous accounting period.
- **Football costs**  
Football costs, which include all costs associated with the running of the first team, development squad and youth academy, increased from £123.0m to £141.8m. This increase is primarily due to underlying player contracts and bonus payments for the 6<sup>th</sup> placed finish versus 9<sup>th</sup> in the previous period, but also shows a continued investment in the youth academy and facilities at the American Express Elite Football Performance Centre and The Amex.
- **Balance sheet**  
Whilst the Balance Sheet is showing a net liabilities position, funding for the company continues to be provided by its Chairman, Tony Bloom, by way of interest free loans and equity conversion. In addition, during the year an overdraft facility was in place in case required and was used sparingly.

The cost of purchased players, net of appropriate discounting on acquisition and less amortisation and impairment, are recorded in the accounts at £90.7m at the year end. This doesn't however reflect home grown players or the current market value of the playing squad, which in the opinion of the Board is, in aggregate, considerably higher.

### Profit and Sustainability Rules

The Premier League operates profitability and sustainability rules. Under the rules adjusted losses of £105m over a three-year period are allowable. The operating profit or loss is adjusted for depreciation and allowable expenditure such as our investment in our Category 1 academy. The Club has complied with all of the Premier League's Rules for the 2022/23 season and forecasts to comply for the foreseeable future.

# **The Brighton and Hove Albion Football Club Limited**

## **Strategic report for the year ended 30 June 2023 (*continued*)**

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### **Sponsors**

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

### **Supporters and Staff**

The board would like to take this opportunity to thank the club's fans for their continued fantastic support, particularly through such difficult times due to the cost-of-living crisis. The season culminated in excellent season-ticket and 1901 club renewals and the Amex has continued to sell out throughout the start of the 2023/24 season.

The board would also like to thank all our staff for their continued hard work, commitment and professionalism, again during one of the most successful periods in the club's history.

### **Future developments**

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

### **Section 172 statement**

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

#### *Supporters*

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

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

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

We have also launched two new initiatives in line with the club's open and transparent approach to supporter communications.

Firstly, the club's supporters' groups network provides support to various fan groups, local, regional and global, or covering different groups within the community. This non-profit network is aimed at engaging directly with those groups and helping them grow and progress.

# The Brighton and Hove Albion Football Club Limited

## Strategic report for the year ended 30 June 2023 (*continued*)

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### Section 172 statement (*continued*)

Secondly, in February 2022 we announced the launch of a Fan Advisory Board. The elected board have met with Club and Board officials on 3 occasions during the 23/24 season, with the Chair scheduled to attend the Club Board Meeting at the end of the 23/24 season. Further details can be found in the fans section of our website.

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

### *Community*

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

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

### *Employees*

Underpinned by our Team Brighton values, we encourage a high-performance culture within the workforce, at all levels, and acknowledge that employee's health and wellbeing is paramount to being able to perform at the highest level possible.

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

Our commitment to equality, diversity and inclusion is embedded into all of our activities as a club and we are currently working towards the advanced level of the Premier League Equality, Diversity and Inclusion Standard.

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

### *Partners*

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

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

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

# The Brighton and Hove Albion Football Club Limited

## Strategic report for the year ended 30 June 2023 (*continued*)

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### Section 172 statement (*continued*)

#### *Sustainability and ethics*

The club's Amex Stadium and training ground is BREEAM certified 'very good' and 'good' respectively and we purchase 100% renewable electricity across all sites; we fully offset our carbon emissions in relation to gas.

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

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

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

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

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

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

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

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

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

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

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

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

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

We produced a sustainable membership pack to over 18k members with a notepad made from rPET, a bamboo pen, plus seed sticks. The packaging was all full recyclable. Members could also choose to have 5 trees in Ecuador through our partner Treeapp instead of receiving the membership pack.

As part of the 'On the ball' campaign we provide plastic-free sanitary products at both our sites for people attending our venues, staff and players

Recruited a sustainability manager to lead on the development of a sustainability strategy and stakeholder engagement to take forward the work that has already been done.

# The Brighton and Hove Albion Football Club Limited

## Strategic report for the year ended 30 June 2023 (*continued*)

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### Key Board Decisions

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

- The Board made the decision, with the continued support of the principal shareholder, to continue to invest in all areas of the football business despite the ongoing (albeit more limited) impacts of the Covid-19 pandemic and much more challenging economic conditions including high inflation and increasing interest rates, with the focus on remaining as competitive as possible regardless of the challenging environment. During the year the investment in new player registrations was £61.9m.
- During any given season the Board will make many decisions on potential player or other key staff movements (both in and out). Each situation will be treated on its own merits and considered in the context of the Club and its core principles / vision, the economic and footballing landscape and any other areas that may impact on the Club at the time of the decision or in the near future.

### Principal risks

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

The continually evolving UK macro-economic landscape (including high inflation, supply chain constraints and increased interest rates), and the situation in Ukraine, are presenting a significant risk to all football clubs across the country. As at the time of writing inflation and cost of living crises continue to dominate the headlines. In recent weeks the rate of inflation has eased and interest rates have been held and there is further hope in the coming months that both could fall. Gas and electric prices (one of the Clubs largest costs) have begun to stabilize, but the Club is soon to exit its fixed rate deal and will be entering a difficult market albeit initial discussions with suppliers has been positive.

The impact of Covid on the Club has reduced and all rebates of Premier League income have been fully repaid. The Club and football in general as a mass spectator support remains at risk from any new form of variant (which at the time of writing is making headlines) or other transmittable disease making mass gatherings difficult or consumer confidence fall.

While the full impact of the UK exit from the European Union is still being worked through, there is a risk that it could continue to have an impact on the wider economy and on consumer spending, which could have a direct impact on matchday revenue and an indirect impact on future centrally negotiated media rights.

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



R F Comer  
Director

Date: 9<sup>th</sup> October 2023



# The Brighton and Hove Albion Football Club Limited

## Directors' report for the year ended 30 June 2023

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The directors present their report and the financial statements for the year ended 30 June 2023.

### Results and dividends

The profit for the year, after taxation, amounted to £131,533,000 (2022 – £27,395,000).

The directors do not recommend the payment of a dividend (2022 - £Nil).

### Directors

The directors who served during the year were:

A G Bloom (Chairman)  
P J Barber (CEO)  
R A Bloom  
D L Chapman  
R F Comer  
A S Franks  
P W Godfrey  
M L Sugarman  
M J Walder  
P J Mullen  
L W Cooper (appointed 21 September 2022)

### Employee involvement

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

### Equality & Safeguarding

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

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

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

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

# **The Brighton and Hove Albion Football Club Limited**

## **Directors' report for the year ended 30 June 2023 (continued)**

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### **Stakeholders**

The club's stakeholders are an essential part of the businesses operations and how they are engaged with is key to the club's success.

Further details of how the club enhances relationships with all stakeholders can be found in the Section 172 statement within the Strategic Report.

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

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

### **Streamlined Energy and Carbon Reporting (SECR)**

Effective from 1 April 2019, The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 introduced the requirement for annual energy and carbon reporting. The directors have taken the exemption under section 20A(2) of SI 2008/410 Schedule 7 Part 7A not to include this disclosure on the grounds that the company is included in the group report of Brighton & Hove Albion Holdings Limited.

### **Post balance sheet events**

Details of significant events since the balance sheet date are contained in note 28 to the financial statements.

### **Provision of Information to Auditors**

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

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

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



**R F Comer  
Director**

Date: 9<sup>th</sup> October 2023

# **The Brighton and Hove Albion Football Club Limited**

## **Directors' responsibilities statement for the year ended 30 June 2023**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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;
- 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 Brighton and Hove Albion Football Club Limited**

## **Independent auditor's report**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRIGHTON AND HOVE ALBION FOOTBALL CLUB LIMITED**

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Brighton and Hove Albion Football Club Limited ("the Company") for the year ended 30 June 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

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

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

# **The Brighton and Hove Albion Football Club Limited**

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

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### **Other information**

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

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

We have nothing to report in this regard.

### **Other Companies Act 2006 reporting**

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

# The Brighton and Hove Albion Football Club Limited

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

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### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be UK GAAP and the Companies Act 2006.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

# The Brighton and Hove Albion Football Club Limited

## Independent auditor's report (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be the management override of controls, manipulation of the ticketing system and the completeness and accuracy of commercial income.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias;
- Setting an expectation for season ticket and matchday ticket income, using published ticket prices and tickets sold data, and comparing to actual income recognised;
- Selecting a sample of commercial income balances and agreeing to supporting contracts; and
- Comparing the list of commercial sponsors on the club website to the commercial income received in the year to confirm completeness.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

### 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.

DocuSigned by:

*Ian Clayden*

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

Date: 09 October 2023

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

# The Brighton and Hove Albion Football Club Limited

## Statement of comprehensive income for the year ended 30 June 2023

		2023		2022	
	Note	Operations excluding player trading £'000	Player trading £'000	Total £'000	Total £'000
Turnover	3	203,574	-	203,574	167,429
Cost of sales		(5,579)	-	(5,579)	(1,274)
Operating expenses		(171,986)	(32,763)	(204,749)	(203,024)
Profit on player trading		-	121,361	121,361	62,356
Other operating income	4	24,878	-	24,878	-
<b>Operating profit before interest and taxation</b>	5	50,887	88,598	139,485	25,487
Interest receivable and similar income	9	465	4,608	5,073	3,287
Interest payable and similar charges	10	(637)	(1,957)	(2,594)	(1,379)
<b>Profit before taxation</b>		50,715	91,249	141,964	27,395
Tax on profit	11	(10,431)	-	(10,431)	-
<b>Profit after taxation</b>		40,284	91,249	131,533	27,395
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		40,284	91,249	131,533	27,395

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

The notes on pages 19 to 35 form part of these financial statements.



# The Brighton and Hove Albion Football Club Limited

## Statement of financial position at 30 June 2023

<i>Company number 00081077</i>	<i>Note</i>	<b>2023</b> <b>£'000</b>	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
<b>Fixed assets</b>					
Intangible assets	12		90,699		83,677
Tangible assets	13		2,784		3,143
			<hr/>		<hr/>
			93,483		86,820
<b>Current assets</b>					
Stocks	14	290		247	
Debtors: amounts falling due after more than one year	15	38,739		20,852	
Debtors: amounts falling due within one year	16	197,268		108,475	
Cash at bank and in hand	17	15,160		14,190	
		<hr/>		<hr/>	
		251,457		143,764	
<b>Creditors: amounts falling due within one year</b>	18	(402,492)		(430,957)	
		<hr/>		<hr/>	
<b>Net current liabilities</b>			(151,035)		(287,193)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			(57,552)		(200,373)
			<hr/>		<hr/>
<b>Creditors: amounts falling due after more than one year</b>	19		(16,585)		(10,890)
			<hr/>		<hr/>
<b>Provisions for liabilities</b>					
Deferred taxation	20		(5,593)		-
			<hr/>		<hr/>
<b>Net liabilities</b>			(79,730)		(211,263)
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	21		105		105
Capital redemption reserve	22		8		8
Profit and loss account	22		(79,843)		(211,376)
			<hr/>		<hr/>
			(79,730)		(211,263)
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 9<sup>th</sup> October 2023.

  
R F Comer  
Director

The notes on pages 19 to 35 form part of these financial statements.

# The Brighton and Hove Albion Football Club Limited

## Statement of changes in equity for the year ended 30 June 2023

	<b>Called up share capital £'000</b>	<b>Capital redemption reserve £'000</b>	<b>Profit and loss account £'000</b>	<b>Total equity £'000</b>
<b>At 1 July 2021</b>	105	8	(238,771)	(238,658)
<b>Comprehensive Profit for the year</b>				
Profit for the year	-	-	27,395	27,395
<b>Total comprehensive Profit for the year</b>	-	-	27,395	27,395
<b>At 30 June 2022</b>	105	8	(211,376)	(211,263)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	131,533	131,533
<b>Total comprehensive income for the year</b>	-	-	131,533	131,533
<b>At 30 June 2023</b>	105	8	(79,843)	(79,730)

The notes on pages 19 to 35 form part of these financial statements.

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023

### 1 Accounting policies

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

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

#### *Financial reporting standard 102 - reduced disclosure exemptions*

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Brighton and Hove Albion Holdings Limited as at 30 June 2023 and these financial statements may be obtained from Companies House.

#### *Going concern*

For the year ended 30 June 2023 the company made a profit after tax of £131.5m and has net current liabilities of £151.0m and net liabilities of £79.7m, including £302.8m owing to the parent undertaking.

In assessing the appropriateness of the going concern assumption, the Directors have produced detailed cash flow forecasts which extend to no less than June 2025. The Clubs 2023/24 season is expected to build on the positive results and cash flows seen in the 2022/23 season during which the Club finished in its highest league position and qualified for Europa League football. In addition the Club made its final repayments of the agreed Premier League Central Distribution Rebates. In 2023/24 the Club will benefit from the increased revenues and exposure that European Competition will offer, together with full capacity crowds and a growing commercial base, although the board remain mindful of the ongoing Global issues currently impacting everyone including the Club.

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023

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### 1 Accounting policies (*continued*)

#### *Going concern (continued)*

The Club made significant player disposals in the 2022/23 season which aid cash flows moving forwards and it has also continued this into the 2023/24 season which will leave the Club with a forecasted positive cash flow for the 2023/24 season as well. The club continues to model scenarios in which it invests in order to remain competitive in the English Premier League.

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

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

#### *Revenue*

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

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

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

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

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

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

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

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Intangible assets*

##### Player registrations

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

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

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

##### Impairment of player registrations

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

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

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

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Tangible fixed assets*

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	25% straight line
Fixtures, fittings and equipment	-	20-33% straight line

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

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

#### *Stocks*

Stock is stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stock is assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

#### *Debtors*

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

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

### 1 Accounting policies (*continued*)

#### *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### *Financial instruments*

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

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

#### *Creditors*

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Pensions*

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### *Provisions for liabilities*

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

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

#### *Interest income*

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

#### *Taxation*

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

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

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



# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (continued)

### 1 Accounting policies (continued)

#### Player remuneration

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

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

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

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

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

### 3 Turnover

All turnover arose within the United Kingdom.

	2023 £'000	2022 £'000
An analysis of turnover by class of business is as follows:		
Matchday	24,492	20,571
Broadcasting	154,897	125,969
Commercial	17,592	15,171
Other	6,593	5,718
	<b>203,574</b>	<b>167,429</b>

### 4 Other operating income

	2023 £'000	2022 £'000
Compensation received	23,353	-
Proceeds from insurance claim	1,525	-
	<b>24,878</b>	<b>-</b>

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (continued)

### 5 Operating profit

	2023 £'000	2022 £'000
This is arrived at after charging:		
Depreciation of tangible fixed assets	1,660	1,893
Amortisation of intangible assets	32,763	45,438
Impairment of intangible assets	-	8,069
Defined contribution pension cost	545	523
Operating lease payments	1,427	1,414
	<hr/>	<hr/>

### 6 Auditor's remuneration

	2023 £'000	2022 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	53	42
Fees payable to the Company's auditor in respect of:		
Taxation compliance services	15	16
All other services	8	77
	<hr/>	<hr/>
	76	93
	<hr/>	<hr/>

### 7 Employees

	2023 £'000	2022 £'000
Staff costs including directors' remuneration, were as follows:		
Wages and salaries	109,446	98,791
Social security costs	14,380	13,404
Pension costs	545	523
	<hr/>	<hr/>
	124,371	112,718
	<hr/>	<hr/>
The average monthly number of employees, including directors, during the year was as follows:	Number	Number
Player staff	90	89
Non-playing staff	961	739
	<hr/>	<hr/>
	1,051	828
	<hr/>	<hr/>

Included in non-playing staff are 658 (2022 - 653) staff who are employed on a part-time basis.

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (continued)

### 8 Directors' remuneration

	2023 £'000	2022 £'000
Directors' emoluments	2,980	3,346
Company contributions to defined contribution pension schemes	43	28
	<u>3,023</u>	<u>3,374</u>

During the year retirement benefits were accruing to 3 directors (2022 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £2,368,000 (2022 - £2,896,000). This remuneration included base salary and performance-related bonuses.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,000 (2022 - £2,000).

### 9 Interest receivable and similar income

	2023 £'000	2022 £'000
Unwinding of discount on transfer fees receivable	4,608	3,239
Bank interest receivable	465	48
	<u>5,073</u>	<u>3,287</u>

### 10 Interest payable and similar charges

	2023 £'000	2022 £'000
Unwinding of discount on transfer fees payable	1,957	477
Bank and credit card charges	637	902
	<u>2,594</u>	<u>1,379</u>

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

### 11 Taxation

	2023 £'000	2022 £'000
Taxation on profit on ordinary activities	10,431	-

#### Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.5% (2022 – 19%). The differences are explained below:

	2023 £'000	2022 £'000
Profit on ordinary activities before tax	141,964	27,395
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2022 - 19%)	29,103	5,205
Effects of:		
Fixed asset differences	-	(5)
Expenses not deductible for tax purposes	30	95
Group relief	(1,669)	(1,420)
Adjustment to tax charge in previous period – current tax	(388)	-
Remeasurement of deferred tax for changes in rates	1,007	-
Deferred tax not recognised	(20,964)	(2,925)
Reinvestment relief on player disposals	3,312	-
Movement on unutilised tax losses	-	(950)
Total tax charge for the year	10,431	-

#### Factors that may affect future tax charges

At 30 June 2023, the company had approximately £208.6m (2022 - £239.2m) of trading losses to carry forward.

From 1 April 2023 the main rate for corporation tax increased to 25%. For profits up to £50,000, the corporation tax rate will remain at 19% and for profits over £250,000, the corporation tax rate will be 25%. Marginal relief provisions will also be introduced for profits between the lower and upper limits.

# The Brighton and Hove Albion Football Club Limited

Notes forming part of the financial statements  
for the year ended 30 June 2023 (*continued*)

## 12 Intangible assets

	Player registration £'000
<i>Cost</i>	
At 1 July 2022	193,782
Additions	61,900
Disposals	(91,915)
	<hr/>
<b>At 30 June 2023</b>	<b>163,767</b>
	<hr/>
<i>Amortisation</i>	
At 1 July 2022	110,105
Charge for the year	32,763
On disposals	(69,800)
	<hr/>
<b>At 30 June 2023</b>	<b>73,068</b>
	<hr/>
<i>Net book value</i>	
<b>At 30 June 2023</b>	<b>90,699</b>
	<hr/>
<b>At 30 June 2022</b>	<b>83,677</b>
	<hr/>

# The Brighton and Hove Albion Football Club Limited

Notes forming part of the financial statements  
for the year ended 30 June 2023 (*continued*)

## 13 Tangible fixed assets

	Fixtures and fittings £'000
<i>Cost</i>	
At 1 July 2022	12,759
Additions	1,342
Disposals	(75)
	<hr/>
<b>At 30 June 2023</b>	<b>14,026</b>
	<hr/>
<i>Depreciation</i>	
At 1 July 2022	9,616
Charge for the year	1,660
On disposals	(34)
	<hr/>
<b>At 30 June 2023</b>	<b>11,242</b>
	<hr/>
<i>Net book value</i>	
<b>At 30 June 2023</b>	<b>2,784</b>
	<hr/>
<b>At 30 June 2022</b>	<b>3,143</b>
	<hr/>

## 14 Stocks

	2023 £'000	2022 £'000
Goods for resale	290	247
	<hr/>	<hr/>

## 15 Debtors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Transfers receivable after more than one year	38,739	20,852
	<hr/>	<hr/>

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

### 16 Debtors

	2023 £'000	2022 £'000
Trade debtors	12,937	11,173
Transfers receivable within one year	97,916	28,209
Amounts owed by group undertakings	81,852	65,610
Other debtors	115	420
Prepayments and accrued income	4,448	2,589
Corporation tax recoverable	-	474
	<b>197,268</b>	<b>108,475</b>

Amounts owed by group undertakings are interest free and repayable on demand.

### 17 Cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	15,160	14,190

### 18 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Bank loans	-	3,022
Trade creditors	1,614	3,027
Transfer payables	32,724	28,221
Amounts owed to group undertakings	302,804	335,978
Corporation tax payable	5,238	-
Other taxation and social security	15,876	12,602
Other creditors	99	4,370
Accruals and deferred income	44,137	43,737
	<b>402,492</b>	<b>430,957</b>

Amounts owed to group undertakings are interest free and repayable on demand.

Other creditors include Premier League rebates of £Nil deductible from future distributions (2022 - £3,851,000 within current liabilities).

# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

<b>19</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
	Transfers payables	16,585	10,890
		<hr/>	<hr/>
		16,585	10,890
		<hr/>	<hr/>
<b>20</b>	<b>Deferred taxation</b>	<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
	At beginning of year	-	-
	Fixed asset timing differences	5,593	-
		<hr/>	<hr/>
	<b>At end of year</b>	<b>5,593</b>	<b>-</b>
		<hr/>	<hr/>
	The provision for deferred taxation is made up as follows:		
		<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
	Fixed asset timing differences	22,093	-
	Losses and other deductions	(16,500)	-
		<hr/>	<hr/>
	<b>At end of year</b>	<b>5,593</b>	<b>-</b>
		<hr/>	<hr/>



# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (continued)

### 21 Share capital

	2023 £'000	2022 £'000
<b>Shares classified as equity</b>		
<i>Allotted, called up and fully paid</i>		
320,932 ordinary shares of £0.25 each	80	80
25,000 ordinary A shares of £1 each	25	25
	<hr/>	<hr/>
	105	105
	<hr/>	<hr/>

The rights attached to each class of share are the same.

### 22 Reserves

#### Capital redemption reserve

The reserve represents the equity instruments of issued and subsequently reacquired treasury shares.

#### Profit and loss account

The reserve represents the cumulative losses of the company.

### 23 Contingencies

Under the terms of contracts with other football clubs in regard to player transfers, additional fees could become receivable and payable if certain defined performance criteria are fulfilled. The maximum that could be receivable is £40,527,000 (2022 - £11,804,000) and the maximum that could become payable is £43,814,000 (2022 - £30,521,000).

Additionally, no provision is included in the accounts for signing on fees, as at 30 June 2023, of £5,271,000 (2022 - £3,627,000) which would become due to certain players if certain conditions are met.

### 24 Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £545,000 (2022 - £523,000). Contributions totaling £Nil (2022 - £Nil) were payable to the fund at the balance sheet date.

### 25 Commitments under operating leases

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

	2023 £'000	2022 £'000
Not later than 1 year	1,415	1,411
Later than 1 year and not later than 5 years	5,424	5,426
Later than 5 years	145,509	146,842
	<hr/>	<hr/>
	152,348	153,679
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# The Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

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### 26 Related party transactions

#### **Brighton & Hove Albion Holdings Limited**

At the year end, the company owed £302,804,000 (2022 - £335,978,000) to its parent company, Brighton & Hove Albion Holdings Limited.

#### **The Community Stadium Limited**

The company rents the American Express Community Stadium and the American Express Elite Football Performance Centre for a rent of £1,333,000 (2022 - £1,333,000) per annum from a fellow subsidiary, The Community Stadium Limited. At the year end The Community Stadium Limited owed the company £68,435,000 (2022 - £55,611,000).

#### **Brighton & Hove Albion Women's Football Club Limited**

The company pays costs on behalf of a fellow subsidiary, Brighton & Hove Albion Women's Football Club Limited. At the year end, Brighton & Hove Albion Women's Football Club Limited owed the company £13,417,000 (2022 - £9,999,000).

#### **Brighton and Hove Albion FC Foundation (formerly Albion in the Community)**

The company has a charitable arm, Brighton and Hove Albion FC Foundation (formerly Albion in the Community). At the year end, the charity owed the company £98,000 (2022 - £92,000), and the company owed the charity £38,000 (2022 - £6,000).

#### **CCI Accountants**

The company uses CCI Accountants, a firm in which RF Comer (director) is a partner, for advisory services relating to capital projects. During the year, the company paid CCI Accountants £6,030 (2022 - £12,190) for these services. At the year-end no amounts were payable (2022 - £Nil).

#### **Star Lizard**

The company uses Star Lizard Consulting Limited, a company in which A S Franks and M L Sugarman (both directors) are Shareholders, for consulting services. During the year the company paid £3,000,000 (2022 - £3,000,000) for these services.

#### **Royale Union Saint-Gilloise (RUSG)**

During the year the Company loaned player registrations to RUSG, a club currently playing in the Belgian Pro League and in which Tony Bloom has an indirect passive investment and ownership interest (but neither controls nor directs the management of RUSG). RUSG were responsible for the players' registrations during this period. At the year end contingent fees of €300,000 (2022: £Nil) had triggered and were owed by RUSG and settled subsequent to the year end.

# Brighton and Hove Albion Football Club Limited

## Notes forming part of the financial statements for the year ended 30 June 2023 (*continued*)

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### **27 Controlling party**

The immediate and ultimate parent company is Brighton & Hove Albion Holdings Limited, a company incorporated in England and Wales, by virtue of its 99.98% holding of the Company's issued share capital. As at 30 June 2023, the ultimate controlling party was A Bloom by virtue of his 93.81% shareholding in the parent company.

The financial statements of the group that include the results of the company may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

### **28 Post balance sheet events**

Since the year end, the company has entered into transfer agreements for confirmed contracted net transfer fees receivable of £51.1m.