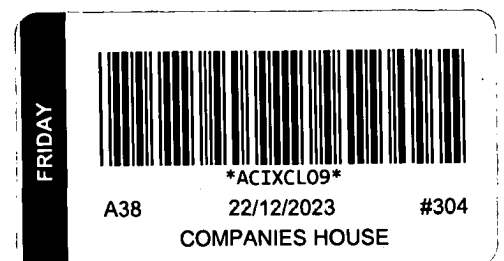


Bristol City Holdings Limited

Annual Report and Consolidated Financial Statements Period from 1 June 2022 to 30 June 2023

Registration number: 01501663



Bristol City Holdings Limited

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Bristol City Holdings Limited

Company Information

Directors J S Lansdown - Chairman
G T Marshall

Company secretary G T Marshall

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Bristol City Holdings Limited

Strategic Report

Period from 1 June 2022 to 30 June 2023

The directors present their strategic report for the period from 1 June 2022 to 30 June 2023.

Review of the business

All entities within the Group changed their year end from 31 May to 30 June during the period, which resulted in an extended 13 month financial reporting period versus the 12 month comparative to 31 May 2022.

The Group loss after tax for the financial period was £22.1m (2022 - £28.3m). The cash required by Bristol City Football Club to sustain its operations was £22.5m (2022 - £15.3m), which was funded by an equity investment from its parent, Pula Sport Limited.

Player trading in the period resulted in a profit on disposal of £9.5m (2022 - £1.3m). Excluding player trading, the loss for the period of £21.7m (2022 - £19.2m) is disappointing, yet still within expectations of the Board after taking into account the current economic situation in respect of inflation and cost-of-living crisis.

The Group had net liabilities as at 30 June 2023 of £31.7m (31 May 2022 - £32.1m). During the year, the company allotted 22,500,000 £1 ordinary shares to Pula Sport Limited for an aggregate consideration of £22,500,000, by way of a debt-to-equity swap. As described in Note 2 to the financial statements the Directors are satisfied with both the going concern status of the Group and the valuation of the key assets and liabilities included within the balance sheet.

As Bristol City Holdings Limited is not a trading entity, this report provides a review of its two direct subsidiaries; Bristol City Football Club Limited (which operates the professional football team) and Ashton Gate Limited (which operates the stadium facilities). In addition, the subsidiary of Bristol City Football Club Limited, Bristol City Women Football Club Limited (which operates the professional women's football team), is included in this report. The financial and other key performance indicators of the Group, with which the directors are satisfied, are set out in a table at the end of this report.

Bristol City Football Club Limited

On the pitch, the 2022/23 season was the Club's eighth consecutive season in the EFL Championship. Nigel Pearson and his two Assistant Managers, Curtis Fleming and Jason Euell, took charge of the first team throughout the season. The management team left the Club on 29 October 2023. Liam Manning was brought in as the new Head Coach on 7 November 2023, with Chris Hogg also joining as the Assistant Head Coach.

The Club finished in 14th position in the Championship with a total of 59 points. This is an improvement of three league positions, and four points, on the 2022/23 season. The season built on the work of the previous year as the Club achieved a comfortable mid-table finish. Although the Club did not come close to a relegation battle, there was little chance of the playoffs being reached either. Nevertheless, there was cause for excitement during the season. A Fifth Round FA Cup tie against eventual Champions League winners Manchester City saw a competitive game and the first Ashton Gate sell out for the Club post the Covid pandemic.

The management team continued to support young players by integrating them into the senior squad and providing them with first-team football. Talent development through the Bristol City Academy remains impressive with 11 Academy graduates making league appearances for the Club during the season.

Bristol City Holdings Limited

Strategic Report

Period from 1 June 2022 to 30 June 2023

Off the pitch, the Club's CEO Richard Gould moved on to become the CEO of the England and Wales Cricket Board in January 2023, and was replaced by former Crystal Palace CEO Phil Alexander. Alexander subsequently left the Club in September 2023 and a new management structure has since been introduced.

The Club continues to comply with the EFL's financial fair play regulations, with the sale of Antoine Semenyo and Alex Scott, during and after the financial period respectively, dramatically reducing the risk of non-compliance. It is expected that the financial controls in place for Championship clubs will change in the Summer of 2024, and the Club is assessing the impact of these proposals.

The Robins High Performance Centre ('RHPC') is the home of Bristol City men, the Academy, and Bristol City women teams. It is a continued source of pride and an attraction for new playing talent with a strong reputation for being a high-quality facility. The RHPC hosted a training camp for the Republic of Ireland national team in May 2023.

Bristol City Women Football Club ('BCWFC') had a successful season in the FA Women's Championship having finished top of the league, which secured their promotion to the FA Women's Super League for 2023/24. All games will be played at Ashton Gate as the Club looks to build on the recent success of the England Lionesses in attracting a new audience to come and support the team.

The board would like to formally acknowledge the very generous financial support provided by Pula Sport Limited, and ultimately Steve and Maggie Lansdown. The unwavering support from loyal fans, and the hard work of its staff throughout the period is hugely appreciated and important as the Club continues to strive for success.

The Company changed its year end from 31 May to 30 June during the year which resulted in an extended 13 month financial reporting period versus the 12 month comparative to 31 May 2022. However, given that the football season ended in May 2023, the additional one-month extension did not have a material impact on the Club's revenues.

Ashton Gate Limited

The financial period ending on 30 June 2023 saw the stadium building its way back to full operating capacity after the Covid shut downs of earlier years. As such it was another year full of hurdles to overcome as scaling back up from being closed brought many challenges. Thankfully, the constant engagement with our employees throughout the worst of the Covid lockdown period meant we were able to provide full services without suffering from the critical shortage of staff that many others in the hospitality industry suffered from. We changed our year end to bring it into line with the rest of the Group.

This return to something like normal trading enabled the company to record EBITDA of £2,187,919 (2022 - £2,261,294) in the financial year. During the year the company also continued to improve its short run liquidity position by increasing net current assets to £762,629 (2022 - £556,740).

Bristol City Holdings Limited

Strategic Report

Period from 1 June 2022 to 30 June 2023

Key performance indicators

The group's key financial and other performance indicators during the period were as follows:

	Unit	2023	2022
Turnover	£'000	36,558	29,675
Loss excluding player trading	£'000	(21,706)	(19,218)
Player trading and contract amortisation	£'000	2,558	(7,183)
EBITDA (earnings before interest, tax, depreciation, amortisation and profit on disposal of players contracts)	£'000	(18,107)	(15,919)
Net book value of tangible fixed assets	£'000	57,423	59,664
Net debt	£'000	(93,364)	(95,254)
Ticket sales increase*	%	20	732
Average football league attendance	No.	20,573	19,196

* 2021/22 increase due to first matches played outside of Covid restrictions.

Principal risks and uncertainties

The Board keeps all key risks under constant review. The group is exposed to normal trading and compliance risk in common with others operating in the same sectors.

A key risk for the group in the year ahead is the continued rise in inflation and the adverse impact this is having on the supply chain. Although there has been some protection from the dramatic increase in energy costs (supply prices were fixed for Ashton Gate stadium for three years up until to November 2023), inflation in all other operating costs remain. This presents a significant risk to operating margins, especially in the significant area of food & beverage. In addition to the specific inflation risk, the group is also at risk from a prolonged downturn in consumer demand which manifests itself in lower attendances at match day and non-match day events.

However, the continuing financial support of Pula Sport Limited and the ultimate controlling parties, Mr & Mrs S P Lansdown, as has been demonstrated during the past 13 months to 30 June 2023, and, as explained in the going concern accounting policy, is critical.

Future developments

The Club continues to pursue a strategy of sustainable development, with a strong focus on providing Academy players for the first team. The Club has a strong working relationship with the EFL which has helped in ensuring compliance with the existing financial fair play regulations. Additionally, the Club will need to be prepared for the proposed changes to the financial fair play regulations that are likely to be introduced from Summer 2024.

Away from the pitch, the Club is also focussed on its environmental sustainability and was voted the Championship's most environmentally sustainable club in the 2022 EFL Sport Positive League. The Club also claimed the inaugural Climate Action Award at the 2022 Football Supporters' Association Awards for the group-wide Project Whitebeam.

Ashton Gate stadium has fully reopened post the Covid-pandemic and is regularly staging both football and rugby matches, as well as other events. Esteban Investments Limited, a Company with the same ultimate controlling party, is progressing with its plans for the redevelopment of land immediately to the west of the stadium. It is unlikely that work will start on site immediately, and the launch of a Judicial Review by a local business, targeting the planning consent awarded to us by the Council is likely to lead to further delay. However, if and when work does commence there is likely to be some disruption to the stadium's operations.

Bristol City Holdings Limited

Strategic Report

Period from 1 June 2022 to 30 June 2023

Section 172(1) statement - Directors' duties

The directors of the group must act in accordance with a set of general duties which are encapsulated within Section 172 of the UK Companies Act 2006 and can be summarised as follows:

- (i) The likely consequences of any decisions in the long term
- (ii) The interests of the company's employees
- (iii) The need to foster the company's business relationships with suppliers, customers and others
- (iv) The impact of the company's operations on the community and environment
- (v) The need to act fairly as between shareholders of the company

The following paragraphs summarise how the directors fulfil these statutory duties:

Risk management

The Board meet regularly and include in all meetings regular updates as to all risks to the well-being of the group, its subsidiaries, employees, shareholders and all other stakeholders. Where risks are identified a director will take specific responsibility for qualifying the extent of the risk and then managing the process of mitigation, with regular feedback to the Board. Where appropriate, external expert advice is also taken.

People

We are committed to a comprehensive corporate social responsibility program which includes an emphasis on the well-being of all our colleagues. As a responsible employer we operate with 4 principles of engagement with all employees:

Engagement – how we engage with our existing and potential employees; ensuring they are given a voice and an active role in the evolution of the group as a major employer in Bristol.

Development – creating opportunities, promoting development and investing in learning so our employees can fulfil their growth potential and enhance their employability.

Inclusivity – fostering a culture where hierarchies or job descriptions are not a barrier to effective, cross-functional team working; where bright ideas are encouraged and supported and where everyone understands what each other does and what else they could do within our organisation.

Flexibility – harnessing technology to work in a smarter way and positively challenging traditional workplace practices.

The Board meet regularly and any key decisions are made with the best interests of all key stakeholders considered, including the local community, customers and suppliers, our staff and owners.

Having considered the the player trading and other changes discussed in the strategic report, the directors do not consider there to be any key decisions requiring disclosure other than the key decision taken specifically by the Bristol City Holdings Limited board of directors in respect of the debt-to-equity swap relating to debt due to Pula Sport Limited.

Bristol City Holdings Limited

Strategic Report

Period from 1 June 2022 to 30 June 2023

Business relationships

The group fosters long lasting business relationships with customers and suppliers on the basis of mutual trust, openness and engagement. We create internal systems and processes which enable us to interact effectively with all stakeholders.

Environmental matters

We are committed to identifying effective ways of working that reduce our impact on the environment. This includes:

- (i) Investing in and raising awareness of technology to mitigate our carbon footprint
- (ii) Communicating alternative methods of travelling to and from the stadium, other than by car
- (iii) Promoting the cycle to work scheme
- (iv) Building on our existing recycling practices
- (v) Reducing paper usage
- (vi) Selecting eco-friendly suppliers


Engagement with suppliers, customers and other relationships

The group fosters long lasting relationships with season ticket holders and other supporters, as well as customers and suppliers on the basis of mutual trust, openness and engagement. We create internal systems and processes which enable us to interact effectively with all stakeholders.

Engagement with employees

Our approach to employee engagement is set out above within the description as to how the directors meet their obligations under s172 Companies Act 2006.

Approved by the Board on ~~14 June 2023~~ ^{14 June 2023} and signed on its behalf by:


.....
G T Marshall
Director

Bristol City Holdings Limited

Directors' Report

Period from 1 June 2022 to 30 June 2023

The directors present their report and the financial statements for the period from 1 June 2022 to 30 June 2023.

Directors of the group

The directors who held office during the period were as follows:

J S Lansdown - Chairman

G T Marshall (appointed 1 June 2022)

Principal activity

The principal activity of the group is the operation of sports facilities and running of a professional football club.

Financial instruments

Objectives and policies

The directors have reviewed the financial risk management objectives and policies of the group. They do not believe there to be significant risk in this area. The group, from time to time, enters into hedging instruments in order to protect against interest rate risk. While interest rates remain unchanged, these instruments result in minimal charges to the profit and loss account in order to recognise the fair value of the instruments in accordance with FRS 102 where hedge accounting is not applied. The directors, having considered the most recent and most likely future interest rate movements, are satisfied that it is appropriate to hold the instruments as they will protect against any future significant and sustained increase in base rates. The group does not enter into any financial instruments for speculative purposes.

Price risk, credit risk, liquidity risk and cash flow risk

Appropriate trade terms are negotiated with suppliers and customers. Management reviews these terms, the relationships with suppliers and customers and manages any exposure on normal trade terms. The group prepares regular forecasts of cash flow and liquidity and any requirement for additional funding is managed by the directors on a needs basis.

Employment of disabled persons

Full and fair consideration is given to the employment of disabled persons having regard to their particular aptitudes and abilities. Appropriate provision is made for disabled persons to enable them to fulfil their role and this includes the re-training for alternative work of employees who become disabled.

Employee involvement

We recognise that organisations are most successful where management and staff share a common purpose, work in partnership and communicate openly. The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. We hold a monthly meeting which is held in working hours and attended by all employees, during which we provide employees with information about the group and policies.

Bristol City Holdings Limited

Directors' Report

Period from 1 June 2022 to 30 June 2023

Future developments

The company has taken advantage of Section 414C(11) of the Companies Act 2006 and included details of future developments in the Strategic Report.

Business relationships

Our approach to business relationships is set out in the strategic report within the description as to how the directors meet their obligations under s 172 Companies Act 2006.

Employee engagement

Our approach to employee engagement is set out in the strategic report within the description as to how the directors meet their obligations under s 172 Companies Act 2006.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Non-financial and sustainability information

Environmental report

We have considered the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) when preparing this report. These recommendations encourage businesses to increase disclosure of climate-related information, with an emphasis on financial disclosure. Bristol City Holdings Limited supports these recommendations and are committed to disclosing the relevant information which can be found below.

The group has reported in respect of its subsidiary, Ashton Gate Limited, which meets the criteria for SECR reporting purposes. All other subsidiaries are not required to report individually and Bristol City Holdings Limited has no emissions or energy use of its own.

Ashton Gate Limited's streamlined energy and carbon figures are reported for activities within its financial and operational control. Our adopted emissions reporting methodology aligns with the GHG Protocol Corporate Standard. The UK Government emission conversion factors for greenhouse gas company reporting for 2021/22 have been used to calculate emissions. Our scope 1 emissions comprise of gas and fuel for transport purposes ie activities owned or controlled by the company; our scope 2 emissions are from purchased electricity - there is no carbon footprint from energy generated by the company's solar PV system and all energy generated by the system is consumed on site; our scope 3 emissions are a consequence of the company's actions that occur at sources that it does not own or control, namely business travel by means not owned or controlled by the company.

Bristol City Holdings Limited

Directors' Report

Period from 1 June 2022 to 30 June 2023

Methodology

1. The emissions calculations are reported using GHG Protocol Corporate Accounting and Reporting Standard methodology.

2. The intensity ratio has been calculated using tonnes of CO₂ per square metre of gross floor area.

Summary of emissions and energy consumption		2023	2022
	Scope	tCO ₂ e	tCO ₂ e
Emissions from combustion of gas fuels tCO ₂ e (Natural gas)	Scope 1	615	497
Emissions from combustion of fuel for transport purposes	Scope 1	7	115
Emissions from purchased electricity	Scope 2	816	684
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel	Scope 3	23	67
Emissions from generation to electricity that is consumed in a transmission and distribution system for which the company does not own or control	Scope 3	71	63
Total		<u>1,532</u>	<u>1,426</u>

Energy consumptions

Energy consumption used to calculate emissions: /kWh

7,427,519 6,887,426

Intensity ratio

Intensity ratio - emissions (tCO₂e) compared to appropriate business metric (square metres)

0.06 0.05

Energy efficiency actions


During the SECR reporting period the group implemented some carbon offset projects to help reduce their carbon foot print. The following projects highlight the group's efforts to become more energy efficient;

In September 2022, Ashton Gate removed two 2MW old Viessmann natural gas boilers and Riello burners. These were replaced with three Hoval Ultra Gas 1100 boilers, which is an energy efficient natural gas boiler that is nitrogen ready.

Ashton Gate replaced/upgraded various stadium storerooms and areas to LED lighting from old T5 fluorescent tubes.

No "green" electricity tariffs or other market-based instruments were used in 2022/23 in the form of certified or uncertified carbon offsets. These may be considered in the future. However, the focus is on delivering true emission reductions.

Approved by the Board on 14 December 2023 and signed on its behalf by:


G T Marshall
Director

Bristol City Holdings Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Bristol City Holdings Limited

Independent Auditor's Report to the Members of Bristol City Holdings Limited

Opinion

We have audited the financial statements of Bristol City Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period from 1 June 2022 to 30 June 2023, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2023 and of the group's loss for the period 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.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 and parent company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 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.

Bristol City Holdings Limited

Independent Auditor's Report to the Members of Bristol City Holdings Limited

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

We have nothing to report in this regard.

Opinion on other matter 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 10), 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.

Bristol City Holdings Limited

Independent Auditor's Report to the Members of Bristol City Holdings Limited

Auditor's responsibilities for the audit of the financial statements

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

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

The key laws and regulations we identified were English Football League (EFL) Championship Profitability and Sustainability rules (P&S rules), Health & Safety legislation and Employment legislation.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006 and Corporation Taxes Acts 2009 & 2010.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements, specifically including the key laws and regulations noted above;
- Review of relevant correspondence, documentation and calculations in respect of EFL P&S rules;
- Review of other relevant correspondence, reports and documentation, including health and safety certificates;
- Review of other relevant correspondence, reports and documentation;
- Review of legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance; and
- Reviewed Board minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

Bristol City Holdings Limited

Independent Auditor's Report to the Members of Bristol City Holdings Limited

We also evaluated the risk of fraud through management override. The key risks we identified were the potential manipulation of earnings before interest tax and depreciation in order to maintain continuing support from the ultimate owners, and also improve the group results reported in English Football League Profitability and Sustainability calculations by the immediate parent company. We determined that the principal risks were related to management override of controls and recognition of deferred income and related refunds.

In response to the identified risk, as part of our audit work we:

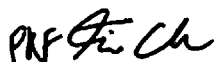
- Used data analytics to test journal entries throughout the year, for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates
- Undertook specific review of P&S calculations provided to the EFL;
- Undertook testing on completeness of creditors; and
- Undertook specific substantive and global reconciliation testing in respect of deferred income, income recognition and cut-off.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to be come aware of instances of non-compliance. 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, collusion, omission or misrepresentation.

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

Use of our report

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



Nicholas Farrant BA MSc FCA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date: 20/12/2023

Bristol City Holdings Limited

Consolidated Profit and Loss Account

Period from 1 June 2022 to 30 June 2023

	Note	1 June 2022 to 30 June 2023 £	Year ended 31 May 2022 £
Turnover	3	36,558,487	29,675,160
Other operating income	4	94,113	327,072
Staff costs		(35,951,665)	(30,325,051)
Depreciation and amortisation expense		(10,574,033)	(11,743,217)
Other operating expenses		<u>(18,807,778)</u>	<u>(15,596,124)</u>
Operating loss	5	(28,680,876)	(27,662,160)
Profit on disposal of players' contracts		<u>9,532,483</u>	<u>1,261,092</u>
Loss before interest and taxation		(19,148,393)	(26,401,068)
Loss excluding player trading		(21,706,003)	(19,217,964)
Player trading*		2,557,610	(7,183,104)
Other interest receivable and similar income	9	151,846	17,908
Interest payable and similar charges	10	<u>(3,209,787)</u>	<u>(2,145,038)</u>
Loss before tax		(22,206,334)	(28,528,198)
Taxation	11	<u>68,417</u>	<u>303,415</u>
Loss for the period		<u>(22,137,917)</u>	<u>(28,224,783)</u>

*Player trading comprises amortisation and impairment of players' contracts and the profit on disposal of players' contracts.

Bristol City Holdings Limited

Consolidated Balance Sheet

30 June 2023

	Note	30 June 2023 £	31 May 2022 £
Fixed assets			
Intangible assets	12	4,930,364	7,959,906
Tangible assets	13	57,422,737	59,663,602
Investments	14	1	-
		<u>62,353,102</u>	<u>67,623,508</u>
Current assets			
Stocks	15	146,274	175,069
Debtors	16	12,588,020	7,311,129
Cash at bank and in hand	17	1,787,900	2,126,895
		<u>14,522,194</u>	<u>9,613,093</u>
Creditors: Amounts falling due within one year	19	<u>(12,457,832)</u>	<u>(13,909,858)</u>
Net current assets/(liabilities)		<u>2,064,362</u>	<u>(4,296,765)</u>
Total assets less current liabilities		64,417,464	63,326,743
Creditors: Amounts falling due after more than one year	19	(90,963,124)	(91,803,147)
Deferred income		<u>(5,143,124)</u>	<u>(3,574,463)</u>
Net liabilities		<u>(31,688,784)</u>	<u>(32,050,867)</u>
Capital and reserves			
Called up share capital	23	177,206,262	154,706,262
Share premium reserve		9,969,543	9,969,543
Revaluation reserve		1,709,404	1,709,404
Profit and loss account		<u>(220,573,993)</u>	<u>(198,436,076)</u>
Shareholders' funds		<u>(31,688,784)</u>	<u>(32,050,867)</u>

Approved and authorised by the Board on 14 June 2023 and signed on its behalf by:


G T Marshall
Director

Company Registration Number: 01501663

Bristol City Holdings Limited

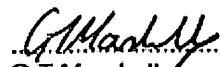
Balance Sheet

30 June 2023

	Note	30 June 2023 £	31 May 2022 £
Fixed assets			
Investments	14	-	-
Current assets			
Debtors	16	274,999	274,999
Net assets		<u>274,999</u>	<u>274,999</u>
Capital and reserves			
Called up share capital		177,206,262	154,706,262
Share premium reserve		9,969,543	9,969,543
Profit and loss account		<u>(186,900,806)</u>	<u>(164,400,806)</u>
Shareholders' funds		<u>274,999</u>	<u>274,999</u>

The company has taken the exemption in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account. The company made a loss after tax for the financial period of £22,500,000 (2022 - loss of £15,278,639).

Approved and authorised by the Board on ^{14 June 2023} ~~14 June 2023~~ and signed on its behalf by:


G T Marshall
Director

Company Registration Number: 01501663

Bristol City Holdings Limited

Statement of Changes in Equity

Period from 1 June 2022 to 30 June 2023

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 June 2022	154,706,262	9,969,543	(164,400,806)	274,999
Loss for the period	-	-	(22,500,000)	(22,500,000)
New share capital subscribed	22,500,000	-	-	22,500,000
At 30 June 2023	177,206,262	9,969,543	(186,900,806)	274,999

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 June 2021	139,400,622	9,969,543	(149,122,167)	247,998
Loss for the period	-	-	(15,278,639)	(15,278,639)
New share capital subscribed	15,305,640	-	-	15,305,640
At 31 May 2022	154,706,262	9,969,543	(164,400,806)	274,999

Bristol City Holdings Limited

Consolidated Statement of Cash Flows

Period from 1 June 2022 to 30 June 2023

	Note	1 June 2022 to 30 June 2023 £	Year ended 31 May 2022 £
Cash flows from operating activities			
Loss for the period		(22,137,917)	(28,224,783)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	10,574,033	11,743,217
Profit on disposal of player contracts		(9,532,483)	(1,261,092)
Loss on disposal of tangible assets		476,919	2,147
Finance income	9	(151,846)	(17,908)
Finance costs	10	3,209,787	2,145,038
Tax credit		(68,417)	(303,415)
		<u>(17,629,924)</u>	<u>(15,916,796)</u>
Working capital adjustments			
Decrease/(increase) in stocks	15	28,795	(126,294)
Decrease/(increase) in debtors	16	4,067	(1,915,354)
(Decrease)/increase in creditors	19	(1,408,423)	441,936
Increase in deferred income		<u>1,568,661</u>	<u>328,303</u>
Net cash flow from operating activities		<u>(17,436,824)</u>	<u>(17,188,205)</u>
Cash flows from investing activities			
Interest received		2,843	-
Acquisitions of tangible assets		(1,483,363)	(411,651)
Proceeds from sale of tangible assets		-	1,346
Acquisition of intangible assets	12	(4,446,574)	(8,073,228)
Proceeds from sale of intangible assets		<u>4,948,359</u>	<u>12,091,018</u>
Net cash flows from investing activities		<u>(978,735)</u>	<u>3,607,485</u>
Cash flows from financing activities			
Interest paid	10	(2,242,739)	(743,413)
Proceeds from issue of ordinary shares, net of issue costs		22,500,000	15,305,640
Proceeds from other borrowing draw downs		300,000	2,082,500
Repayment of other borrowing		(3,061,454)	(3,472,290)
Payments to finance lease creditors		<u>(41,877)</u>	<u>(42,382)</u>
Net cash flows from financing activities		<u>17,453,930</u>	<u>13,130,055</u>
Net decrease in cash and cash equivalents		(961,629)	(450,665)
Cash and cash equivalents at 1 June		<u>158,641</u>	<u>609,306</u>
Cash and cash equivalents at 30 June		<u>(802,988)</u>	<u>158,641</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Ashton Gate

Bristol

BS3 2EJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Companies Act 2006. There are no material departures from the requirements of FRS 102.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The company meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its individual financial statements. Exemptions have been taken in relation to presentation of a statement of cash flows and key management personnel compensation. Equivalent information is presented in relation to these group accounts.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 June 2023.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Subsidiary undertakings are included using the acquisition method of accounting. Under this method the group profit and loss account and statement of cash flows include the results and the cash flows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposal of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Disclosure of long or short period

The entity has extended its financial year to 30 June 2023 for commercial reasons, and therefore the reporting period length for these financial statements cover a 13-month period from 1 June 2022 to 30 June 2023. As such, the information given in the financial statements is not directly comparable.

Going concern

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements.

The group has continued, as expected by the directors, to generate significant accounting losses in the year which has required the financial support of its parent, Pula Sport Limited. While the group continues to develop, it is dependent on this support to ensure it has adequate working capital to continue its operations. Pula Sport Limited is a company owned and controlled by Mr & Mrs S P Lansdown that invests in the group via debt and equity injections. Pula Sport Limited and in turn, Mr & Mrs S P Lansdown, have confirmed their long-term commitment to the company and the group which has been demonstrated through a further equity injection during the year of £22,500,000 (2022 - £15,305,640) and the provision of long term loan facilities to Bristol City Football Club Limited and Ashton Gate Limited as disclosed in note 20.

In forming their opinion as to the going concern status, the directors have also considered the known and potential impacts of the cost-of-living crisis and other economic uncertainty on Bristol City Football Club Limited, the other sports users, entertainment, hospitality and business customers of the stadium.

The directors, whilst acknowledging there can be no certainty as to the economic outlook for the company or its subsidiaries, are confident that, taking into account trading performance and the continued commitment from Pula Sport Limited, that the group will have sufficient working capital for the foreseeable future, being not less than 12 months from the date of approval of these financial statements. Accordingly, the directors consider it appropriate to prepare these financial statements on a going concern basis.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Key accounting judgements and sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements which have a significant effect on the financial statements are in respect of going concern, as described in the accounting policy above, and:

Fair value assessment of loan at market rate

During the period the terms of the company's main loan facility were subject to variation. In applying the revised rate of interest, management have made enquiries and reviewed the interest rates available to the company on such debt, in order to ascertain whether the new rate is representative of market rate. Management have determined that the rate was equivalent to market rate at the date of inception of the new terms.

The key estimates that have a significant effect on the amounts recognised in the financial statements are described below:

Land and buildings

Properties are carried at cost, less accumulated depreciation and any subsequent accumulated impairment loss. This requires an estimation in the depreciation rates used as well as assessment of the the loss excluding player trading as to whether an indicator of permanent impairment has occurred. There is estimation in respect of the assumptions regarding future cash generation in respect of the player performance, attracting gate receipts and broadcasting revenue. The carrying amount is £53,771,840 (2022 - £55,553,137).

Player contracts

The costs associated with acquiring players' registrations, or extending their contracts, is carried at cost, less accumulated amortisation and accumulated impairment losses. The carrying value of players contracts is reviewed for impairment in light of post year end performance, injuries and the sales value achieved for any players sold to other clubs. This review requires significant estimation by management in respect of player performance and value in the player market. The carrying amount is £4,884,717 (2022 - £7,940,385).

Intercompany debtor recoverability

This requires estimation by management as to the recoverability of the debtor and the amount of any provision required against the debt at the year end. The directors have considered recoverability with reference to regular settlement, overall going concern assessment of group and ongoing interrelationship and trading between entities. The directors consider the balances fully recoverable at the period end. The carrying amount is £3,074,425 (2022 - £3,635,263).

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company.

Income is recognised as follows:

Income from matchday revenue, season tickets, broadcasting revenue and those elements of commercial income relating to matches, including recharge of stadium running costs to fellow Pula Sport Limited group companies, are recognised when the related matches are played. Income from advance ticket sales, including season tickets, is deferred accordingly;

Event income is recognised when the relevant event takes place;

Income from the Football League is recognised on a receivable basis;

Income in respect of other commercial and retail income, including advertising and sponsorship, is recognised in the period to which it relates; and

Income arising from administrative and other services provided to fellow Pula Sport Limited group companies is recognised when the service is rendered.

Cup ticket revenue is shown net of the gate share payable to the away team, as the group acts as agent. The gate share payable in the current period amounted to £447,257 (2022 - £34,769).

Government grants

Government revenue grants are accounted for under the accruals method. These are credited to the profit and loss account when the company is entitled to the income.

Tax

Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 group operates and generates taxable income.

The group receives/ passes some of its tax losses from/ to fellow Pula Sport Limited group companies via group relief. It makes/ receives payment for these losses at the average rate of tax for the financial period in which the losses are relieved.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets in respect of tax losses carried forward are not recognised as they do not meet the recognition criteria set out in FRS 102 given there is no certainty as to when the losses will be utilised.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

UK Research and Development tax incentive regimes

The group accounts for amounts claimed under the RDEC scheme as other income.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date.

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Players' contracts and transfer fees

The costs associated with acquiring players' registrations, or extending their contracts, are capitalised as intangible assets and amortised, in equal instalments, over the period of the respective players' contracts. Where a contract is renegotiated prior to the expiry of its original term, the net book value at that time, and any new costs relating to the contract extension, are amortised over the remaining revised contract life.

Under the conditions of certain transfer agreements or contract renegotiations, further fees will be payable in the event of the players concerned making a certain number of first-team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional transfer fees are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur.

Provision is made for any impairment and player registrations are written down when the carrying amount exceeds the amount recoverable through use or sale.

Profit on disposal of players' contracts

Profits or losses arising on the disposal of players' contracts are credited or charged to the profit and loss account in the year in which the player is sold. They are calculated as the difference arising between the transfer fees received and the net book value of the contracts at the time of this disposal.

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Amortisation method and rate
Players' contracts	Over the term of the contract
Operating software	Over 4 to 7 years straight line
Goodwill	Fully impaired

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Tangible fixed assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Assets under construction represents the development of the training ground. Depreciation is not charged on assets under construction. Upon formal completion of each stage of the development the cost of assets will be transferred to the freehold buildings category.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	20 - 50 years straight line
Leasehold buildings	Over the lease term
Plant and machinery	7 years straight line
Fixtures and fittings	4 - 10 years straight line
Motor vehicles	4 years straight line

Investments

Investments in subsidiaries where fair value cannot be reliably measured are carried at cost less impairment.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated selling costs.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Defined contribution pension obligation

The group operates a defined contribution pension scheme to which it contributes for members. The group also contributes to some employees' personal pension plans. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Financial instruments

Classification

The group holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Short term intra-group debtors and creditors;
- Debtors and creditors in relation to transfer fees;
- Long term intra-group loans; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Basic financial assets comprise short term trade and other debtors and cash and bank balances, including short term loans. Basic financial liabilities comprise short term trade and other creditors. Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Long term intra-group loan liabilities are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

Long term debtors and creditors in relation to transfer fees constitute a financing transaction and are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument at inception. As the discount unwinds it is charged/ credited to the Profit and Loss account.

Long term other borrowings are initially measured at transaction price, including transactions costs, and are subsequently carried at amortised cost using the effective interest method.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

3 Revenue

The analysis of the group's revenue for the period, all of which arose in the UK, is as follows:

	1 June 2022 to 30 June 2023 £	Year ended 31 May 2022 £
Sale of goods	7,172,155	5,549,673
Rendering of services	14,707,879	10,560,118
Ticket sales	6,280,313	5,195,292
Football League income	8,398,140	8,370,077
	<u>36,558,487</u>	<u>29,675,160</u>

The analysis of the group's turnover for the period by class of business is as follows:

	1 June 2022 to 30 June 2023 £	Year ended 31 May 2022 £
Matchday revenue	2,883,176	2,021,239
Season ticket revenue	3,397,137	3,174,053
Broadcasting revenue	511,390	321,390
Football League pool	3,598,140	3,570,077
Solidarity payment	4,800,000	4,800,000
Other football related income	1,903,401	1,282,269
Other commercial and retail income	19,465,243	14,506,132
	<u>36,558,487</u>	<u>29,675,160</u>

4 Other operating income

The analysis of the group's other operating income for the period is as follows:

	2023 £	2022 £
Government grants	<u>94,113</u>	<u>327,072</u>

Income in respect of government grants relates to £nil (2022 - £28,159) for the Coronavirus Job Retention Scheme and £94,113 (2022 - £298,913) for the Research and Development tax credit which is recognised as taxable income.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

5 Operating loss

Arrived at after charging:

	1 June 2022 to 30 June 2023	Year ended 31 May 2022
	£	£
Depreciation expense	3,589,294	3,288,327
Amortisation expense	6,844,739	7,449,762
Impairment loss	140,000	1,005,128
Foreign exchange losses/(gains)	337	67,261
Loss on disposal of property, plant and equipment	<u>476,919</u>	<u>2,147</u>

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2023	2022
	£	£
Wages and salaries	32,011,224	26,894,551
Social security costs	3,587,337	3,324,650
Pension costs, defined contribution scheme	<u>353,104</u>	<u>105,850</u>
	<u>35,951,665</u>	<u>30,325,051</u>

The average number of persons employed by the group (including directors) during the period, analysed by category was as follows:

	1 June 2022 to 30 June 2023	Year ended 31 May 2022
	No.	No.
Stadium operations	322	263
Football administration and support	129	145
Food and beverage	423	211
Stadium administration and sales	32	25
Players	<u>76</u>	<u>90</u>
	<u>982</u>	<u>734</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

7 Directors' remuneration

The remuneration of the directors of the company for the period paid by the group was as follows:

	2023 £	2022 £
Remuneration	220,122	99,045
Contributions paid to money purchase pension schemes	9,298	7,800
	<u>229,420</u>	<u>106,845</u>

During the period the number of directors who were receiving benefits was as follows:

	2023 No.	2022 No.
Accruing benefits under money purchase pension schemes	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2023 £	2022 £
Remuneration	195,833	-
Company contributions to money purchase pension schemes	<u>8,417</u>	<u>-</u>

8 Auditor's remuneration

	2023 £	2022 £
Audit of these financial statements	1,750	1,780
Audit of the financial statements of subsidiaries of the company pursuant to legislation	33,000	29,925
	<u>34,750</u>	<u>31,705</u>

Other fees to auditors

Taxation compliance services	7,950	2,700
All other assurance services	13,900	5,685
	<u>21,850</u>	<u>8,385</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

9 Other interest receivable and similar income

	1 June 2022 to 30 June 2023 £	Year ended 31 May 2022 £
Other finance income	<u>151,846</u>	<u>17,908</u>

Certain agreements for the sale of players' contracts include an element of deferred consideration. The deferred element of the consideration has, where a financial asset has been recognised, been discounted to its present value at the date of the contract, using a market rate of interest for a debt instrument of a similar amount and duration. Other finance income represents the unwinding of this discount to the period end.

10 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and borrowings	3,116	8,413
Interest on obligations under finance leases and hire purchase contracts	4,032	5,504
Interest expense on other finance liabilities	285,684	87,715
Interest payable on loans from group undertakings	<u>2,916,955</u>	<u>2,043,406</u>
	<u>3,209,787</u>	<u>2,145,038</u>

Certain agreements for the purchase of player's contracts include an element of deferred consideration. The deferred element of the consideration has, where a financial liability has been recognised, been discounted to its present value at the date of the contract, using a market rate of interest for a debt instrument of a similar amount and duration. Interest expense on other finance liabilities represents the unwinding of this discount to the period end.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

11 Taxation

Tax charged/(credited) in the income statement

	1 June 2022 to 30 June 2023 £	Year ended 31 May 2022 £
Current taxation		
R&D tax credit relating to prior periods	151,334	56,793
Group relief payable/(receivable)	<u>(219,751)</u>	<u>(360,208)</u>
	<u>(68,417)</u>	<u>(303,415)</u>

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2022 - higher than the standard rate of corporation tax in the UK) of 20.38% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Loss before tax	<u>(22,206,334)</u>	<u>(28,528,198)</u>
Corporation tax at standard rate	(4,525,651)	(5,420,358)
Effect of revenues exempt from taxation	(15,411)	(56,793)
Effect of expense not deductible for tax purposes	438,760	167,775
Remeasurement of deferred tax	(910,221)	(1,562,894)
Increase in UK current tax from adjustment for prior periods	16,265	56,793
Deferred tax not recognised on losses for the period	<u>4,927,841</u>	<u>6,512,062</u>
Total tax credit	<u>(68,417)</u>	<u>(303,415)</u>

Deferred tax

Group

There are £203,338,000 of unused tax losses (2022 - £183,333,000) for which no deferred tax asset is recognised in the balance sheet.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

12 Intangible assets

Group

	Goodwill £	Players' contracts £	Software £	Total £
Cost or valuation				
At 1 June 2022	44,137	34,883,282	292,651	35,220,070
Additions	-	4,417,350	35,992	4,453,342
Disposals	-	(24,342,710)	-	(24,342,710)
At 30 June 2023	44,137	14,957,922	328,643	15,330,702
Amortisation				
At 1 June 2022	44,137	26,942,897	273,130	27,260,164
Amortisation charge	-	6,834,873	9,866	6,844,739
Amortisation eliminated on disposals	-	(23,844,565)	-	(23,844,565)
Impairment	-	140,000	-	140,000
At 30 June 2023	44,137	10,073,205	282,996	10,400,338
Carrying amount				
At 30 June 2023	-	4,884,717	45,647	4,930,364
At 31 May 2022	-	7,940,385	19,521	7,959,906

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

13 Tangible assets

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Plant and equipment £	Total £
Cost or valuation					
At 1 June 2022	68,043,065	7,290,622	126,644	6,794,750	82,255,081
Additions	659,115	1,101,924	-	64,309	1,825,348
Disposals	(620,144)	(386,657)	(126,644)	(502,938)	(1,636,383)
At 30 June 2023	68,082,036	8,005,889	-	6,356,121	82,444,046
Depreciation					
At 1 June 2022	12,489,928	5,708,587	126,644	4,266,320	22,591,479
Charge for the year	1,984,128	994,501	-	610,665	3,589,294
Eliminated on disposal	(163,860)	(385,879)	(126,644)	(483,081)	(1,159,464)
At 30 June 2023	14,310,196	6,317,209	-	4,393,904	25,021,309
Carrying amount					
At 30 June 2023	53,771,840	1,688,680	-	1,962,217	57,422,737
At 31 May 2022	55,553,137	1,582,035	-	2,528,430	59,663,602

Included within the net book value of land and buildings above is £53,771,840 (2022 - £55,553,137) in respect of freehold land and buildings. Included within land and buildings is freehold land with a cost of £1,303,876 (2022 - £1,303,876) which is not depreciated.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

14 Investments

Company Subsidiaries

£

Cost or valuation

At 1 June 2022	143,463,925
Additions	<u>22,500,000</u>
At 30 June 2023	<u>165,963,925</u>

Provision

At 1 June 2022	143,463,925
Provision	<u>22,500,000</u>
At 30 June 2023	<u>165,963,925</u>

Carrying amount

At 30 June 2023	<u>-</u>
At 31 May 2022	<u>-</u>

Group Associates

£

Cost

Additions	<u>1</u>
At 30 June 2023	<u>1</u>

Carrying amount

At 30 June 2023	<u>1</u>
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Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2023	2022
Subsidiary undertakings				
Bristol City Football Club Limited*	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
Ashton Gate Limited*	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
BCFC Limited*	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
Bristol City Women Football Club Limited	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
Associates				
BCFC Heritage and Archives Limited	Robins High Performance Centre, Clevedon Road, Bristol, BS8 3TN	Limited by guarantee	33.3%	0%

* Indicates direct investment of the company

Subsidiary undertakings

Bristol City Football Club Limited

The principal activity of Bristol City Football Club Limited is that of running a professional football club.

Ashton Gate Limited

The principal activity of Ashton Gate Limited is stadium facilities and stadium management.

BCFC Limited

The principal activity of BCFC Limited is that of a dormant company.

Bristol City Women Football Club Limited

The principal activity of Bristol City Women Football Club Limited is the running of a professional football club.

Associate undertakings

BCFC Heritage and Archives Limited

The principal activity of BCFC Heritage and Archives Limited is that of a dormant company. The company is limited by guarantee.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

15 Stocks

	30 June 2023	Group 31 May 2022	30 June 2023	Company 31 May 2022
	£	£	£	£
Stock of consumables	<u>146,274</u>	<u>175,069</u>	<u>-</u>	<u>-</u>

16 Debtors

	Note	2023 £	Group 2022 £	2023 £	Company 2022 £
Trade debtors		989,485	784,081	-	-
Amounts due from group undertakings		3,074,425	3,635,263	274,999	274,999
Other debtors		810,362	325,465	-	-
Transfer fees receivable		5,999,439	665,350	-	-
Prepayments		1,599,307	1,655,850	-	-
Accrued income		115,002	3,000	-	-
Income tax asset	11	<u>-</u>	<u>242,120</u>	<u>-</u>	<u>-</u>
		<u>12,588,020</u>	<u>7,311,129</u>	<u>274,999</u>	<u>274,999</u>

Group

An impairment loss of £8,170 (2022 - £Nil) has been recognised against debtors owed to the company during the year.

Details of non-current trade and other debtors

Group

£2,755,841 (2022 - £254,133) of amounts receivable in respect of transfer fees is classified as non current.

17 Cash and cash equivalents

	30 June 2023	Group 31 May 2022	30 June 2023	Company 31 May 2022
	£	£	£	£
Cash on hand	3,000	1,000	-	-
Cash at bank	<u>1,784,900</u>	<u>2,125,895</u>	<u>-</u>	<u>-</u>
	1,787,900	2,126,895	-	-
Bank overdrafts	<u>(2,590,888)</u>	<u>(1,968,254)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u>(802,988)</u>	<u>158,641</u>	<u>-</u>	<u>-</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

18 Analysis of net debt

	At 1 June 2022 £	Cash flow £	Non cash movements £	At 30 June 2023 £
Cash at bank and on hand	2,126,895	(338,995)	-	1,787,900
Bank overdrafts	(1,968,254)	(622,634)	-	(2,590,888)
Cash and cash equivalents	158,641	(961,629)	-	(802,988)
Hire purchase contracts	(105,599)	41,881	-	(63,718)
Other loans	(95,307,356)	2,761,454	(754,603)	(93,300,505)
Net debt	(95,254,314)	1,841,706	(754,603)	(94,167,211)

19 Creditors

	Note	30 June 2023 £	Group 31 May 2022 £	30 June 2023 £	Company 31 May 2022 £
Due within one year					
Loans and borrowings	20	5,602,866	5,800,567	-	-
Trade creditors		1,525,533	1,404,272	-	-
Amounts due to group undertakings		1,226,790	1,253,587	-	-
Social security and other taxes		1,262,464	1,319,922	-	-
Outstanding defined contribution pension costs		9,735	4,230	-	-
Other creditors		253,691	549,893	-	-
Transfer fees payable		1,427,787	1,667,884	-	-
Accrued expenses		1,148,966	1,909,503	-	-
		<u>12,457,832</u>	<u>13,909,858</u>	<u>-</u>	<u>-</u>
Due after one year					
Loans and borrowings	20	90,352,245	91,580,642	-	-
Other creditors		-	7,494	-	-
Transfer fees payable		610,879	215,011	-	-
		<u>90,963,124</u>	<u>91,803,147</u>	<u>-</u>	<u>-</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

20 Loans and borrowings

	30 June 2023	Group 31 May 2022	30 June 2023	Company 31 May 2022
	£	£	£	£
Due within one year				
Bank overdrafts	2,590,888	1,968,254	-	-
Hire purchase contracts	40,510	39,492	-	-
Other borrowings	2,971,468	3,792,821	-	-
	<u>5,602,866</u>	<u>5,800,567</u>	<u>-</u>	<u>-</u>

	30 June 2023	Group 31 May 2022	30 June 2023	Company 31 May 2022
	£	£	£	£
Due after one year				
Hire purchase contracts	23,208	66,107	-	-
Other borrowings	90,329,037	91,514,535	-	-
	<u>90,352,245</u>	<u>91,580,642</u>	<u>-</u>	<u>-</u>

Group

Bank borrowings

The bank overdraft is denominated in sterling with a nominal interest rate of 1.75% plus base rate, and is repayable on demand. The carrying amount at period end is £2,590,888 (2022 - £1,968,254).

The bank overdraft is secured by limited guarantees given by S P Lansdown totalling £4,500,000.

Other borrowings

Hire purchase lease liabilities are denominated in sterling with a nominal interest rate of 4-6%, and the final instalment of the liabilities in existence at the balance sheet date is due on 31 January 2025. The carrying amount at the year end is £63,718 (2022 - £105,599).

The first 'other borrowings' loan has been provided by Pula Sport Limited and is denominated in sterling with a nominal interest rate of 3%. There is no fixed repayment date. The loan is secured by a fixed charge over the stadium together with fixed charges over the plant and machinery, securities, debts, goodwill and insurances held by the company and a floating charge over the undertaking and assets of the company. During the period, the terms of the loan agreement were amended. The interest rate was changed to a fixed rate of 3% and repayments were deferred indefinitely. In accordance with FRS 102, on 1 September 2022 the loan was derecognised and rerecognised, due to the substantial change in terms. The new terms are considered to be market rate and therefore this has had no impact on the profit and loss account. There were no changes to the security. The carrying amount as at 30 June 2023 is £72,652,576 (31 May 2022 - £69,497,263).

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

The second 'other borrowings' loan has been provided by Pula Sport Limited and is denominated in sterling with a nominal interest rate of 3%. There is no fixed repayment date. The loan is secured by a floating charge over the undertakings and assets of the company. During the period, the terms of the loan agreement were amended. The interest rate was changed to a fixed rate of 3% and repayments were deferred indefinitely. In accordance with FRS 102, on 1 September 2022 the loan was derecognised and rerecognised, due to the substantial change in terms. The new terms are considered to be market rate and therefore this has had no impact on the profit and loss account. There were no changes to the security. The loan had a carrying value as at 30 June 2023 of £17,699,669 (31 May 2022 - £17,101,143).

The third 'other borrowings' is an interest free loan of £584,000 from the English Football League denominated in sterling. The loan is repayable in six instalments every six months beginning on 1 October 2021. The first five instalments being of £97,300 and a final instalment of £97,500. The final instalment is due on 1 April 2024. This loan, presented in accordance with FRS 102, was measured at the present value of the future payments discounted at a market rate of interest, had a carrying value as at 30 June 2023 of £194,800 (31 May 2022 - £387,185), with the unwinding of the discount being charged to the profit and loss account as an interest expense.

The fourth 'other borrowings' is an interest free loan of £8,330,000 from the English Football League denominated in sterling. The loan is repayable in six instalments of £1,388,333 every six months beginning on 15 August 2021. The final instalment is due on 15 January 2024. This loan, presented in accordance with FRS 102, was measured at the present value of the future payments discounted at a market rate of interest, had a carrying value as at 30 June 2023 of £2,766,668 (31 May 2022 - £5,521,765), with the unwinding of the discount being charged to the profit and loss account as an interest expense.

Included in the loans and borrowings are the following amounts due after more than five years:

	30 June 2023 £	31 May 2022 £
After more than five years by instalments	<u>90,329,037</u>	<u>85,398,406</u>

21 Obligations under leases

Group

Operating leases

The total of future minimum lease payments is as follows:

	2023 £	2022 £
Not later than one year	45,025	31,080
Later than one year and not later than five years	<u>45,284</u>	<u>55,168</u>
	<u>90,309</u>	<u>86,248</u>

The amount of non-cancellable operating lease payments recognised as an expense during the period was £31,190 (2022 - £28,537).

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

22 Pension schemes

The group operates a defined contribution pension scheme and contributes to certain employees' personal pension plans. The pension cost charge for the period represents total contributions payable and amounted to £353,104 (2022 - £105,850). Contributions totalling £69,991 (2022 - £47,230) were payable to the scheme at the period end and were included in creditors.

23 Share capital

Allotted, called up and fully paid shares

	No.	2023 £	No.	2022 £
Ordinary shares of £1 each	<u>177,206,262</u>	<u>177,206,262</u>	<u>154,706,262</u>	<u>154,706,262</u>

New shares allotted

During the period 22,500,000 Ordinary shares having an aggregate nominal value of £22,500,000 were allotted for an aggregate consideration of £22,500,000. The allotment was undertaken by way of debt to equity swap.

Rights, preferences and restrictions

Ordinary shares have the right to one vote per share held at general meetings.

24 Commitments

Group

Capital commitments

The total amount contracted for but not provided in the financial statements in respect of the new pitch at Ashton Gate stadium was £359,984 (2022 - £Nil).

25 Contingent liabilities

Group

Contractual liabilities under players' contracts may be payable of £Nil (2022 - £108,872) at various stages in the future contingent on the relevant players meeting certain performance conditions.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

26 Non adjusting events after the financial period

Since the end of the financial period, the group has contracted for the purchase and sale of various players. The net cash inflow from these transfers, taking into account the applicable levies and excluding value added tax, is £18,990,000 (2022 - outflow of £180,000). These transfers will be accounted for in the year ended 30 June 2024.

The group is also due to receive £48,250 (2022 - receivable £472,000) in respect of sell on clauses for players disposed of in previous years.

27 Related party transactions

Group

Key management compensation

	2023 £	2022 £
Key management compensation	<u>2,024,920</u>	<u>1,750,807</u>

Summary of transactions with parent

Immediate parent company

During the period, the immediate parent company provided funding to the group of £22,500,000 (2022 - £15,305,640), of which £22,500,000 (2022 - £15,305,640) was converted to equity. During the period, the group recharged staff costs of £482,105 (2022 - £186,212) to the immediate parent company. At the balance sheet date, the amount due within one year to the immediate parent company was £1,009,633 (2022 - £1,009,633). This funding was advanced interest free and is repayable on demand.

In the prior period the group received a loan facility of £17,000,000 from the immediate parent company. During the period the group was charged interest of £584,312 (2022 - £401,143) and paid interest of £265,409 (2022 - £nil). At the balance sheet date the amount due to the immediate parent company was £17,676,641 (2022 - £17,401,143). Note 20 details the terms of the long-term loan arrangement and its carrying value in these financial statements.

In a prior period, the group received a long-term loan of £70,000,000 from the immediate parent company. During the period the group drew down further £300,000 (2022 - £nil), was charged interest of £2,332,643 (2022 - £1,472,500), and paid interest of £1,977,330 (2022 - £735,000). At the balance sheet date the amount due to the immediate parent company was £71,744,562 (2022 - £71,997,263). Note 20 details the terms of the long-term loan arrangement and its carrying value in these financial statements.

Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

Summary of transactions with other related parties

Non-wholly owned fellow subsidiaries of the wider group

During the year, the group recognised sales in respect of income collected on its behalf by wider group companies in respect of ticket sales, online merchandise sales, corporate hospitality and car parking. The group recharged expenditure and was recharged expenditure by the wider group. The group also made purchases in respect of merchandise, management charges and other costs from the wider group. The group recognised receivables in respect of payment for group relief from its fellow subsidiaries.

Income and receivables from related parties

	Other related parties £
2023	
Expenditure recharged to related parties	16,150,840
Sales to related parties	713,988
Group relief payments receivable from related parties	84,350
	<u>16,949,178</u>

Amounts receivable from related parties	<u>2,970,041</u>
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	Other related parties £
2022	
Expenditure recharged to related parties	10,019,285
Sales to related parties	969,296
	<u>10,988,581</u>

Amounts receivable from related parties	<u>3,394,642</u>
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Expenditure with and payables to related parties

	Other related parties £
2023	
Purchases from related parties	<u>3,785,148</u>

Amounts payable to related parties	<u>83,942</u>
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	Other related parties £
2022	
Purchases from related parties	<u>2,477,840</u>
	<u>2,477,840</u>

Amounts payable to related parties	<u>2,253</u>
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Bristol City Holdings Limited

Notes to the Financial Statements

Period from 1 June 2022 to 30 June 2023

28 Parent and ultimate parent undertaking

The company's immediate parent is Pula Sport Limited, incorporated in Guernsey.

The ultimate parent is Pula Limited, incorporated in Guernsey.

The ultimate controlling party is Mr & Mrs S P Lansdown, by virtue of their majority shareholding in the ultimate parent company.