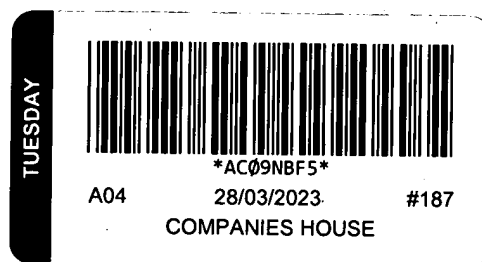


Registered number: 2114486

Fulham Football Club Limited

Annual Report and Financial Statements

30 June 2022



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Fulham Football Club Limited Offices and Advisors

For the year ended 30 June 2022

Registered Office:

Fulham Football Club Training Ground
Motspur Park
New Malden
Surrey
KT3 6PT

Auditor:

KPMG LLP
One St Peter's Square
Manchester
M2 3AE

Bankers:

Metro Bank Plc	Santander UK Plc
One Southampton Row	Bridle Road
London	Bootle
WC1B 5HA	L30 4GB

Solicitor:

Squire Patton Boggs (UK) LLP
7 Devonshire Square
Cutlers Gardens
London
EC2M 4YH



Fulham Football Club Limited

Strategic Report

For the year ended 30 June 2022

Review of the business

During the 2021/22 financial year the Club participated in the English Football League Championship (EFL), ending with promotion as Champions to the English Premier League. The season was the first for two seasons where there were no restrictions on ticket sales due to Covid-19.

Financially, the company recorded a loss for the year of £57.9m (2021: £94.4m). During the year revenue decreased to £71.6m compared to £116.1m in 2020/21 due to the Club competing in the EFL, resulting in reduced distributions.

During the year, the company, in conjunction with a fellow Group subsidiary, Fulham Stadium Limited, continued to redevelop the Riverside Stand which will create a unique Thameside destination with first class facilities for supporters and partners on match day as well as for the wider community year round. The planned works commenced following the final game of the 2018/19 season in May 2019. The costs associated with this development are included in the financial statements of Fulham Stadium Limited.

The Club's parent company, Fulham Football Leisure Limited, continued to develop plans for the former BBC sports ground purchased in May 2017. Plans are being drawn up to develop this into a second elite training facility to benefit the Club and Academy for many years to come.

During the year to 30 June 2022, the Company saw the following changes in the key indicators of financial and non-financial performance:

Indicator	2022	Year to 30 June		
		2021	+/- change	%
Turnover (£m)	71.6	116.1	(44.5)	(38.3)
Total staff costs (£m)	90.4	113.9	(23.5)	(20.6)
Staff costs as % of revenues	126.3%	98.1%	28.2%	28.7
Net operating (loss) before depreciation, amortisation & impairment (£m)	(38.5)	(16.5)	(22.0)	(133.3)
Final position in EFL/Premier League	1 st	18 th	-	-
Total EFL/Premier League*attendance	285,253	4,000	281,253	7,031.3
Average EFL/Premier League* attendance per game	12,402	2,000	10,402	520.1

* Attendances are based on the 2 home league games where fans were in attendance due to the restrictions due to Covid-19.

The Directors consider these to be the most useful measures of performance, as they link on-field performance by the team to financial results achieved by the Company.

Impact of Covid-19

Both the 2019/20 and 2020/21 seasons were majorly disrupted by the worldwide Covid-19 pandemic. The 2019/20 season was paused on 13 March 2020 and then resumed on 20 June 2020. The remaining nine league games of the season, the two Play-Off Semi Finals and the Play-Off Final at Wembley Stadium were all played without the attendance of fans in the stadiums. This continued into the 2020/21 season, where only two home games in the season were played in the presence of fans, and at a much reduced capacity.

A total of nine games of the 2019/20 season were played during the 2020/21 financial year. Any central revenues, broadcasting revenues and commercial revenues relevant to these 2019/20 fixtures were deferred in the June 2020 financial statements and have been recognised as revenue in the June 2021 financial statements, as well as any relevant costs associated with these fixtures. This has had an impact on the 2020/21 financial year revenues and loss for the year.

The impact of the Covid-19 pandemic is still being felt in the 2021/22 season. Although, to the date of signing of the accounts, all home matches have been played in front of an unrestricted crowd, there have been continuing costs and measures being made to ensure all activities can take place safely.

The 2021/22 season was unaffected from Covid-19 with regards to fans returning to stadiums.



Fulham Football Club Limited

Strategic Report (continued)

For the year ended 30 June 2022

Principal risks and uncertainties

The principal risk affecting the Company and the Group to which it belongs is its exposure to the financial impacts of changes in on the pitch performance of the Club. As experienced over recent seasons, the Club's league status has a significant impact on its revenue generating capacity, with broadcasting, sponsorship and other revenues being significantly reduced whilst playing in the Football League Championship as compared to the Premier League.

To mitigate this risk, the Directors have taken steps to control the Company's and the Group to which it belongs cost base. The Directors continue to monitor financial and footballing performance so that adjustments can be made as necessary.

The Directors are also mindful of profit and sustainability rules imposed by the Football League and other footballing bodies when preparing future operating budgets. Penalties for breaching these profit and sustainability rules vary between the Football League and Premier League, and could include fines, transfer embargoes and points deductions.

From time to time the Club engages in transactions in foreign currencies. This includes significant player transfer agreements denominated in Euros which may include provisions for deferred settlements. In these cases, the Company's policy is to accept the risk of a movement in the exchange rate to Sterling. No forward purchases of currency are made, nor does the Company or Group to which it belongs use hedging instruments.

Stakeholders and our engagement

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors recognise their responsibility with regards to these interests and invite representatives from various stakeholders to attend meetings to express their views. The Directors describe below how they have engaged with various key stakeholders during the year.

(a) Supporters

One of the key stakeholders are the supporters who are represented by the Fulham Supporters' Trust ("FST"). The Club and FST meet once a month to ensure that the opinions of the supporters are considered in the decision making of the Directors. The Club are proud of this relationship and at the 2018 Football Business Awards, the Club and FST were the winners of the 'Best Club & Supporters Group Relationship' category, underlining the commitment in the relationship.

(b) Employees

During the Covid-19 pandemic, the Directors have made a conscientious effort to enhance the engagement with employees. Weekly Club updates are circulated by the Chief Executive Officer to ensure all employees are regularly updated with Club news and strategic updates, with increased and over communication between employees and the Directors actively encouraged. The Club's values are consistently reinforced by the Directors, who encourage an open and inclusive workplace. This has continued, with staff starting to return to offices in a safe and restricted manner.



Fulham Football Club Limited

Strategic Report (continued)

For the year ended 30 June 2022

Stakeholders and our engagement (continued)

(c) Fulham Football Club Foundation / Community

The Club continues to have a close working relationship with the Fulham Football Club Foundation and in turn the wider community. The Chief Executive Officer of the Fulham Football Club Foundation is a member of the management team at the Club and is involved in all the key decisions taken by the Directors. Ongoing support from the Club to the Fulham Football Club Foundation in all areas and capacities continued during the year.

Key decisions made in the year and the consideration of key stakeholders are as follows:

(a) Continuation of Riverside Stand development

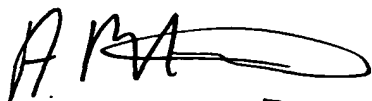
Various decisions during the year were made with regards to the Riverside Stand development. All decisions were made with the focus on all stakeholders involved, whether that be suppliers, customers, employees, the community, or the Shareholder. The Directors recognise that this development is key for all stakeholders. These decisions included but weren't limited to decisions relating to the building layout and design; appointment of contractors; and possible future tenants and operators.

(b) Appointment of First Team coaching staff contracts

Following the conclusion of the final game of the 2020-21 season, the decision was made to terminate the contracts of the First Team coaching staff with immediate effect. The new First Team management team were appointed in July 2021. The decision to terminate was taken in the best interests of the stakeholders, with the view of a new coaching team to take the First Team in a new and more positive direction.

Post balance sheet events

Since the year-end the Company has acquired and disposed of a number of player registrations. The cost of acquiring new player registrations post year end amounted to £78.8m (2021: £18.1m) and the profit on the disposal of player registrations post year end was £7.4m (2021: £4.9m).



By order of the Board

A J Mackintosh

Chief Executive

24 March 2023



Fulham Football Club Limited

Directors' Report

For the year ended 30 June 2022

The Directors present their report and the accounts for the year ended 30 June 2022.

Principal activities

The Company's principal activity during the period was the operation of a professional football club.

Financial Instruments

The Company does not routinely engage in complex financial instruments in the operation of its business. The Company receives funding from its parent entity under undocumented loan facilities that are deemed to be repayable on demand and do not bear interest.

From time to time, the Company issues new equity shares to its parent entity which are offset against loan balances outstanding in order to improve the financial position of the Company. However, there is no pre-existing right or obligation to do so attached to any of the loan facilities in place. During the year, £89.4m of loans were converted into equity shares, taking the total called up share capital of the Company to £618.3m.

The Company enters into contracts for the purchase and sale of player registrations which may provide for the deferred payment or receipt of transfer fee installments. Such installments are measured at amortised cost using the effective interest rate method where this value is materially different to the transaction price.

Further explanation of the accounting for financial instruments is included in the accounting policies from page 16 of these financial statements.

Directors

The Directors who served during the year and up to the signing date of these financial statements are as follows:-

S R Khan

M Lamping

A J Mackintosh

A R Khan

D Daly

Charitable donations

During the year, the Company donated £28,000 (2021: £32,600) to various charitable causes, including £4,400 (2021: £32,600) to the Fulham Football Club Foundation.

Political donations

The Company made no political donations and did not incur any political expenditure during the year (2021: £Nil).

Going concern

Notwithstanding a loss for the year ended 30 June 2022 of £57,890k, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

Fulham Football Club Limited is a wholly owned subsidiary of Cougar Holdco London Limited, the principal activity of the Group being the operation of a professional football club. The ongoing operations of Fulham Football Club Limited are therefore intrinsically linked to the going concern status of that Group. Cougar Holdco London Limited includes the following disclosures in respect of going concern in its financial statements.

Notwithstanding the Group's loss for the year ended 30 June 2022 of £57,627k and operating cash outflows for the year of £29,001k, the Consolidated and Company financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.



Fulham Football Club Limited

Directors' Report (continued)

For the year ended 30 June 2022

Going concern (continued)

The Company and Group meet their day to day working capital requirements from shareholder loans that are subsequently converted to equity. During the year ended 30 June 2022, amounts due to shareholders of £116,500,000 were converted to equity (see note 16). Subsequent to 30 June 2022, the Group and Company has received further financial support amounting to £40,500,000 from its ultimate owner and immediate parent company, Mr S R Khan and K2TR Family Holdings 2, Corporation.

The Directors have prepared base and sensitised cash flow forecasts for a period 15 months from the date of approval of these financial statements. Those forecasts assume the continued development of the Riverside Stand, utilising additional funds that the Company expects to be made available by the Company's shareholder for that purpose. The base case forecasts are based on assumptions in respect of league position, attendances and the related matchday income and costs, together with assumptions on league status of the Club, central distributions and possible rebates. The Directors consider further downside scenarios with assumptions of reduced tickets and higher inflation to costs.

All forecasts indicate that, even taking account of controllable mitigating actions, the Group and Company will require significant additional funding in addition to that required to complete the Riverside Stand development. In a downside scenario the Group and Company's forecast cash requirements may increase by 8% over the base case in the forecast period as the majority of the Group's costs are not sensitive to downside variations, given the contractual and predetermined nature of a large proportion of the Group's income and expenditure. The Directors are confident that any additional required funding will be available from its ultimate owner and immediate parent company, Mr S R Khan and K2TR Family Holdings 2, Corporation, to meet its liabilities as they fall due for that period. K2TR Family Holdings 2, Corporation has expressed this intention to the Directors in writing.

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so. Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Fulham Football Club Limited is dependent on continued financial support from Cougar Holdco London Limited, provided via its intermediate holding companies in the Group. At the date of approval of these financial statements the Directors have considered the forecasts of Cougar Holdco London Limited group, the disclosure in the Group accounts and the committed support between Group companies and have assessed that the conclusions reached by the Directors of Cougar Holdco London Limited regarding the going concern status of the Group are appropriate and as such that, through support to be provided, this Company will be in a position to meet its liabilities as they fall due.

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so. Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Employees

The Directors believe that all persons, regardless of age, race, religion, sex, sexuality or disability should have equal opportunities to work and are committed to the promotion of equal opportunities within the Company. It is the Company's policy to keep all staff informed as to the development of the business and encourage them to contribute their ideas, criticisms and comments through a management process which recognises and rewards genuine involvement in the success of the Company.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report from page 3.

Dividends

The Directors do not recommend the payment of a dividend (2021: £nil).



Fulham Football Club Limited Directors' Report (continued)

For the year ended 30 June 2022

Disclosure of information to auditor

Each of the Directors has confirmed that:

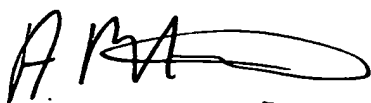
- (a) so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- (b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 3 to 5.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.



By order of the Board

A J Mackintosh

Chief Executive

24 March 2023



Fulham Football Club Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and Financial Statements

For the year ended 30 June 2022

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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

Opinion

We have audited the financial statements of Fulham Football Club Limited ("the company") for the year ended 30 June 2022 which comprise the the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatements due to fraud

To identify risks of material misstatements due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board minutes;
- using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to adhere to financial fair play regulations, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the carrying value of Player Registration Intangible Assets. We also identified a fraud risk related to the potential impairment of Player Registration Intangible Assets in response to pressures to adhere to financial fair play regulations. On this audit we do not believe there is a fraud risk related to revenue recognition due to limited opportunities to manipulate revenue.

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

Fraud and breaches of laws and regulations – ability to detect (continued)

We performed procedures including:

- identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts;
- assessing significant accounting estimates for bias;
- critically evaluating the approach taken to the impairment of player registration intangible assets.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance through the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation or the loss of the Group's license to operate. We identified the following areas as those most likely to have such an effect; health and safety, anti-bribery, employment law, financial fair play regulations and certain aspects of company legislation recognizing the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Refer to note 8 regarding a distribution which was not within the requirements of Company Law.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

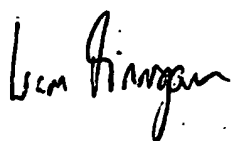
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Liam Finnigan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St Peter's Square
Manchester
M2 3AE
24 March 2023

Fulham Football Club Limited

Profit and Loss Account and Other Comprehensive Income

For the year ended 30 June 2022

		<u>2022</u>	<u>2021</u>
	Notes	£'000	£'000
Turnover	2	71,589	116,111
Operating expenses before depreciation, amortisation & impairment	3	(110,099)	(132,621)
Operating loss before depreciation, amortisation & impairment		(38,510)	(16,510)
Depreciation and amortisation	3	(31,890)	(57,110)
Impairment	4	-	(20,906)
Operating loss after depreciation, amortisation and impairment		(70,400)	(94,526)
Profit on disposal of players' registrations		12,479	146
Loss on disposal of other assets		2	-
Loss before interest and taxation		(57,919)	(94,380)
Net interest receivable	7	29	2
Loss before taxation		(57,890)	(94,378)
Taxation on loss	8	-	26
Loss for the year		(57,890)	(94,352)
 Total comprehensive loss for the year		 (57,890)	 (94,352)

All amounts relate to continuing operations.

The notes on pages 16 to 31 form part of these financial statements.



Fulham Football Club Limited

Balance Sheet

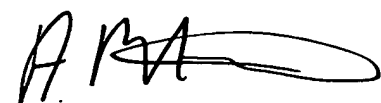
Company number: 2114486

As at 30 June 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	9	60,798	77,118
Tangible assets	10	<u>3,671</u>	<u>2,852</u>
		64,469	79,970
Current assets			
Stocks		222	423
Debtors (includes £15,199 (2021: £8,068) due after more than one year)	11	36,143	17,546
Cash at bank and in hand		<u>30,755</u>	<u>18,214</u>
		67,120	36,183
Creditors: amounts falling due within one year	12	<u>(47,942)</u>	<u>(70,000)</u>
Net current assets / (liabilities)		<u>19,178</u>	<u>(33,817)</u>
Total assets less current liabilities		83,647	46,153
 Creditors: amounts falling due after more than one year	12	 (10,400)	 (10,021)
Deferred income	13	<u>(9,524)</u>	<u>(3,916)</u>
Net assets		<u>63,723</u>	<u>32,216</u>
 Capital and reserves			
Called up share capital	14	618,339	528,942
Profit and loss account		<u>(554,616)</u>	<u>(496,726)</u>
Shareholders' funds		<u>63,723</u>	<u>32,216</u>

The notes on pages 16 to 31 form part of these financial statements.

These financial statements were approved by the Board of Directors on 24 March 2023 and signed on its behalf by:



A J Mackintosh
Director



Fulham Football Club Limited

Statement of Changes in Equity

For the year ended 30 June 2022

	Called up share capital	Profit & loss account	Total equity
	£'000	£'000	£'000
Balance at 1 July 2020	<u>432,548</u>	<u>(402,374)</u>	<u>30,174</u>
Total comprehensive income for the period			
Loss for the year	-	(94,352)	(94,352)
	<u>-</u>	<u>(94,352)</u>	<u>(94,352)</u>
Transactions with owners			
Share issue	96,394	-	96,394
	<u>96,394</u>	<u>-</u>	<u>96,394</u>
Balance at 30 June 2021	<u>528,942</u>	<u>(496,726)</u>	<u>32,216</u>

	Called up share capital	Profit & loss account	Total equity
	£'000	£'000	£'000
Balance at 1 July 2021	<u>528,942</u>	<u>(496,726)</u>	<u>32,216</u>
Total comprehensive income for the period			
Loss for the year	-	(57,890)	(57,890)
	<u>-</u>	<u>(57,890)</u>	<u>(57,890)</u>
Transactions with owners			
Share issue	89,397	-	89,397
	<u>89,397</u>	<u>-</u>	<u>89,397</u>
Balance at 30 June 2022	<u>618,339</u>	<u>(554,616)</u>	<u>63,723</u>

The notes on pages 16 to 31 form part of these financial statements.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements

For the year ended 30 June 2022

1 Accounting policies

Fulham Football Club Limited (the "Company") is a company limited by shares and incorporated and domiciled in England, the UK.

These Company financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's parent undertaking, Fulham Football Leisure Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Fulham Football Leisure Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosure:

- Cash Flow Statement and related notes

The Company is also included in the consolidated financial statements of Cougar Holdco London Limited. As these financial statements include the equivalent disclosures, the Company has also taken the exemption under FRS 102 available in respect of the following disclosures:

- Key Management Personnel compensation.
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.
- Disclosures in respect of transactions with wholly owned subsidiaries.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 21.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value:

- Deferred installments payable / receivable on player transfer contracts are carried at amortised cost using the effective interest rate method, where the difference between this measurement convention and the transaction price is material.

1.2 Going concern

Notwithstanding a loss for the year ended 30 June 2022 of £57,890k, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

Fulham Football Club Limited is a wholly owned subsidiary of Cougar Holdco London Limited, the principal activity of the Group being the operation of a professional football club. The ongoing operations of Fulham Football Club Limited are therefore intrinsically linked to the going concern status of that Group. Cougar Holdco London Limited includes the following disclosures in respect of going concern in its financial statements.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1.2 Going concern (continued)

Notwithstanding the Group's loss for the year ended 30 June 2022 of £57,627k and operating cash outflows for the year of £29,001k, the Consolidated and Company financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Company and Group meet their day to day working capital requirements from shareholder loans that are subsequently converted to equity. During the year ended 30 June 2022, amounts due to shareholders of £116,500,000 were converted to equity (see note 16). Subsequent to 30 June 2022, the Group and Company has received further financial support amounting to £40,500,000 from its ultimate owner and immediate parent company, Mr S R Khan and K2TR Family Holdings 2, Corporation.

The Directors have prepared base and sensitised cash flow forecasts for a period 15 months from the date of approval of these financial statements. Those forecasts assume the continued development of the Riverside Stand, utilising additional funds that the Company expects to be made available by the Company's shareholder for that purpose. The base case forecasts are based on assumptions in respect of league position, attendances and the related matchday income and costs, together with assumptions on league status of the Club, central distributions and possible rebates. The Directors consider further downside scenarios with assumptions of reduced tickets and higher inflation to costs.

All forecasts indicate that, even taking account of controllable mitigating actions, the Group and Company will require significant additional funding in addition to that required to complete the Riverside Stand development. In a downside scenario the Group and Company's forecast cash requirements may increase by 8% over the base case in the forecast period as the majority of the Group's costs are not sensitive to downside variations, given the contractual and predetermined nature of a large proportion of the Group's income and expenditure. The Directors are confident that any additional required funding will be available from its ultimate owner and immediate parent company, Mr S R Khan and K2TR Family Holdings 2, Corporation, to meet its liabilities as they fall due for that period. K2TR Family Holdings 2, Corporation has expressed this intention to the Directors in writing.

As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so. Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Fulham Football Club Limited is dependent on continued financial support from Cougar Holdco London Limited, provided via its intermediate holding companies in the Group. At the date of approval of these financial statements the Directors have considered the forecasts of Cougar Holdco London Limited group, the disclosure in the Group accounts and the committed support between Group companies and have assessed that the conclusions reached by the Directors of Cougar Holdco London Limited regarding the going concern status of the Group are appropriate and as such that, through support to be provided, this Company will be in a position to meet its liabilities as they fall due. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so. Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Foreign currency

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. The Company does not hold any non-monetary assets or liabilities that are recorded in foreign currencies. Foreign exchange differences arising on translation are recognised in the profit and loss account.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.5 Financial instruments

All of the entities financial instruments are classified as 'Basic Financial Instruments' as defined by FRS 102 Section 11.

1.5.1 Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

1.5.2 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, current accounts and call deposits.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at note 1.13 below.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

Leasehold improvements	Over the period of the lease
Plant, equipment, fixtures & fittings	3-25 years



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1.6 Tangible fixed assets (continued)

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.7 Intangible assets

1.7.1 Player registrations

Fees payable in connection with the transfer of players' registrations, including transfer fees and compensation payable to other clubs, agents' fees and league levies, are recorded as intangible fixed assets and stated at cost less any accumulated amortisation and accumulated impairment losses. Fees payable which are contingent on a future event are recognised at fair value, taking into account the Directors assessment of the likelihood of that event occurring during the life of the players' employment contract. Subsequently, if a future event does occur which was not deemed probable at the time of the transfer, the related additional transfer fees are recognised as an addition to the intangible asset at the point at which it becomes probable that an additional transfer fee will be payable. Fees receivable which are contingent on a future event are recognised if the receipt is deemed virtually certain. Where the contingent fee is deemed probable, it is disclosed as a contingent asset.

Player registration costs are amortised over the life of the players' contract with the club. These intangible assets are written down for impairment when the carrying amount exceeds the amount recoverable through use or sale. In the event that the initial contract is renegotiated prior to expiry, the written down value at the date of recognition is amortised over the extended period.

1.7.2 Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Player registrations	Over the life of the related contract
----------------------	---------------------------------------

The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date. Intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that an intangible asset may be impaired.

1.7.3 Impairment of Intangibles

The Directors review the carrying value of the players' registrations for impairment where events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. In completing their assessment of impairments required the Directors consider the playing squad to be one cash generating unit ("CGU") such that no impairment is recorded if the overall value of the playing squad is greater than its carrying value. Where certain players are no longer part of the playing squad, for example due to long-term injury, they are treated as a separate CGU and the carrying value assessed accordingly. To the extent that the carrying value exceeds the recoverable amount, the asset is impaired and the impairment loss is recognised in the profit and loss account.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1.9 Impairment excluding stocks, deferred tax assets and intangible assets

1.9.1 Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.9.2 Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, 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 recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.10 Employee benefits

1.10.1 Defined contribution plans and other long term employee benefits

The Company operates an optional contributory defined contribution pension plan for its employees. The Company pays fixed contributions on behalf of member employees to an external pension provider and has no legal or constructive obligation to pay further amounts. Obligations for contributions to the scheme are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees. Professional football players employed by the Company are also members of the Professional Footballers Association pension scheme which is a non-contributory scheme funded out of transfer levy payments.

1.10.2 Termination benefits

Termination benefits are recognised as an expense when the entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the entity has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1.11 Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.12 Turnover

Turnover represents broadcasting, sponsorship, gate receipts, catering and hospitality and all other income associated with the principal activity of running a professional football club.

- Gate receipts are inclusive of season ticket income, and are all recognised as revenue once the match has been completed;
- Central awards are recognised equally over the number of months in the football season to which they relate, including where the football season may cover two financial years;
- Broadcasting revenue can be recognised in two parts. Any minimum award for the season is recognised as revenue equally over the number of months in the football season to which it relates. Any broadcasting revenue that is earned once a televised match has taken place is recognised once that match has been completed;
- Compensation revenue is comprised of sums from collaboration agreements with other Clubs and remediation of lost income, and is recognised as revenue over the period of the agreement or in the case of lost income recognised in the period in which the income relates;
- Sponsorship and other commercial revenue comprises of sponsorship revenue, marketing revenue, catering income, hospitality income and any other event related income. These are recognised evenly over life of the contract (if multi-year contract), the season to which they relate (if seasonal) or after the event to which they relate has been completed.

Where the Company receives income on behalf of players who have been loaned out to other Clubs, the treatment of this income is as follows. Where a loan fee is received in exchange for the loan, this is recognised as a credit within the profit on disposal of player registrations. Where contributions towards a players' salary cost is received, these are credited against the associated cost within staff costs, and any excess contribution over and above that players' salary is recognised as other income.

Income from season tickets, sponsorship, broadcasting and other commercial contracts, which has been received prior to the year end in respect of future football seasons, is treated as deferred income.

1.13 Expenses

1.13.1 Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.13.2 Finance leases

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

1.13.3 Signing-on fees

Signing on fees relating to players' contracts are charged to the profit and loss account in the period in which they become due. Signing on fees are considered to be part of players' emoluments packages and are included in these financial statements as part of staff costs, which are within operating expenses before depreciation, amortisation and impairment.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

1.13 Expenses (continued)

1.13.4 Performance related bonuses

Performance related bonuses are charged to the profit and loss account evenly over the period in which they become due. Where these costs are earned over more than one financial year, they are recognised based on the number of months in each financial year that is relevant to the footballing season that the bonus was earned. Performance related bonuses are considered to be part of the players' emoluments packages and are included in these financial statements as part of staff costs.

1.13.5 Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on finance leases recognised in profit or loss using the effective interest method and the unwinding of the discount on provisions.

Interest receivable represents the return from on-demand deposit accounts and interest charges on the late payment of transfer fees receivable and other trade debtors.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

1.14 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Included within Taxation on Loss are Research and Development (R&D) tax credits. These are recognised in the period in which they are received.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

2 Turnover

	2022	2021
	£'000	£'000
Gate Receipts	6,824	231
Central Awards	49,215	90,504
Broadcasting	1,590	14,413
Compensation	4,497	25
Sponsorship and other Commercial Activities	9,463	10,938
	<u>71,589</u>	<u>116,111</u>

All income is derived from operations within the UK.

3 Loss before taxation

The loss before taxation is stated after charging the following:

	2022	2021
	£'000	£'000
Auditors' remuneration for audit services	50	33
Auditor's remuneration for audit related assurance services	10	7
Staff costs	90,360	113,871
Amounts paid under operating leases		
- Plant and machinery	155	146
- Land and buildings	2,232	2,224
	<u>2,387</u>	<u>2,370</u>
Profit on disposal of players' registrations	12,479	146
Depreciation		
- Owned fixed assets	862	658
- Assets under finance leases	-	-
Amortisation of player registrations	31,028	56,452
	<u>31,890</u>	<u>57,110</u>

4 Impairment

	2022	2021
	£'000	£'000
Impairment loss	<u>-</u>	<u>20,906</u>

The impairment loss arose from a write down of certain players' registrations to reflect their estimated net realisable value. The revised carrying amounts are based on the Directors' assessments of achievable sale values, taking into account current conditions in the transfer market.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

5 Staff costs

Company staff costs during the year (including Directors' emoluments) amounted to:

	2022 £'000	2021 £'000
Wages and salaries	79,079	99,927
Social security costs	10,898	13,564
Payments to defined contribution pension schemes	383	380
	<u>90,360</u>	<u>113,871</u>

The average monthly number of employees in the Company during the year was made up as follows:

	2022 Number	2021 Number
Administrative and ground staff	195	198
Players	72	77
	<u>267</u>	<u>275</u>
Part-time staff for match days	<u>209</u>	<u>194</u>

6 Directors' remuneration

Aggregate Directors' remuneration during the year totalled £619,000 (2021: £860,000) excluding defined contribution pension contributions of £nil (2021: £nil). The highest paid Director's emoluments totalled £574,000 (2021: £815,000). Retirement benefits are accruing to no Directors (2021: 0) under defined contribution schemes. No charge has been recognised for the services of Mr S R Khan, Mr M Lamping and Mr A R Khan as this is immaterial.

7 Net interest receivable

	2022 £'000	2021 £'000
Interest receivable:		
Bank interest	24	2
Other interest	5	-
	<u>29</u>	<u>2</u>
Interest payable on borrowings repayable within five years:		
Other interest payable	-	-
	<u>-</u>	<u>-</u>
Net interest receivable	<u>29</u>	<u>2</u>



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

8 Tax on loss

	2022 £'000	2021 £'000
(a) The tax for the year comprises:		
Current tax (credit) / charge	-	(26)
Total tax (note 8 (b))	<u>-</u>	<u>(26)</u>

(b) Factors affecting tax charge/credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The difference is explained below:

(Loss) before tax	<u>(57,890)</u>	<u>(94,378)</u>
(Loss) at standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(10,999)	(17,932)
Effects of:		
Fixed asset differences	73	19
Expenses not deductible for tax purposes	10,468	64
Effects of group relief / other reliefs	407	414
Remeasurement of recognised and unrecognised deferred tax for changes in tax rates	-	(27,386)
Deferred tax not recognised	51	44,821
R&D expenditure credits	-	(26)
Tax (credit) for the year	<u>-</u>	<u>(26)</u>

The deferred tax not recognised balance relates to both changes in tax rates as well as movements in the temporary differences in the year.

Expenses not deductible for tax purposes includes a cap on deductible expenses arising from the anti-hybrid mismatch rules, as a result of these expenses also being included in the US group to which the company belongs.

(c) Factors that may affect future tax charges

At the year end, the Company has an unrecognised deferred tax asset of approximately £62,820,000 (2021: £113,781,000), as analysed overleaf. This asset has not been recognised as there is uncertainty over the company's ability to generate taxable profits against which it would be utilised.

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The unrecognised deferred tax asset has been calculated based on these rates, reflecting the expected timing of reversal of the related timing differences (2021: 25%).



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

8 Tax on loss (continued)

(c) Factors that may affect future tax charges (continued)

The unrecognised deferred tax asset is analysed below:

	2022	2021
	£'000	£'000
Depreciation in excess of capital allowances	2,265	2,186
Short term timing differences	90	153
Tax losses carried forward	60,465	111,442
	<u>62,820</u>	<u>113,781</u>

The Directors have identified that losses totalling £0.4m in the current year and £4.5m in prior years have been surrendered to Fulham Stadium Limited and FL Property Management Limited for nil consideration. Fulham Stadium Limited and FL Property Management Limited are fellow subsidiaries of Fulham Football Leisure Limited.

Whilst the Company does not recognise a deferred tax asset on its own balance sheet in respect of any losses, as a result of uncertainty over future profits against which to utilise the losses, the Directors do consider that the losses have a fair value greater than zero. As the Company had negative distributable reserves in each of the periods tax losses were surrendered, doing so at nil consideration essentially represented a distribution to its parent company which was unlawful according to the requirements of the Companies Act and Tech 02/17 guidance issued by the ICAEW.

Post year end the Directors have determined that the Company will undertake a capital reduction which will provide the Company with positive distributable reserves. The Directors have also determined that any asset which may have previously arisen but not recognised from these losses and which would have been owing from its parent, Fulham Football Leisure Limited, will be forgiven immediately upon the completion of the capital reduction and have agreed this with the Directors of the parent.

In addition the Directors also note that under the rules of the US tax regime applicable to its parent company K2TR Family Holdings 2. Corp an election has been made which results in the remainder of the losses being relieved in the tax computation of the ultimate parent's US group. The anti-hybrid rules adopted in the UK mean that such losses, where relieved against the US profits are then unavailable in future to the UK entity, to avoid these losses being used twice. These rules have the effect of transferring any value in the tax losses used in the US from the Company to the US ultimate parent (and its group).

Whilst there is no explicit guidance on whether this gives rise to a distribution the Directors have determined to apply the guidance on group tax relief applicable to UK tax groups to these facts by analogy and to follow the same process as set out above in relation to the UK group tax relief. The capital reduction will provide sufficient distributable reserves to ensure that the use of losses by the US ultimate parent as well as the UK group relief is lawful should no consideration be paid.



Fulham Football Club Limited
Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

9 Intangible fixed assets

	Player registrations
	£'000
Cost	
01 July 2021	233,001
Additions	24,074
Disposals	(60,115)
30 June 2022	196,960
Amortisation and impairment	
01 July 2021	155,883
Charge for the year	31,028
Disposals	(50,749)
30 June 2022	136,162
Net book amount	
30 June 2022	60,798
01 July 2021	77,118

10 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings, plant & equipment	Total
	£'000	£'000	£'000
Cost			
01 July 2021	144	9,550	9,694
Additions	-	1,681	1,681
Disposals	-	(569)	(569)
30 June 2022	144	10,662	10,806
Depreciation			
01 July 2021	144	6,698	6,842
Charge for the year	-	862	862
Disposals	-	(569)	(569)
30 June 2022	144	6,991	7,135
Net book amount			
30 June 2022	-	3,671	3,671
01 July 2021	-	2,852	2,852

The net book value of fixed assets above includes an amount of £nil (2021: £nil) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged on these assets was £nil (2021: £nil).



Fulham Football Club Limited
Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

11 Debtors

	2022 £'000	2021 £'000
Trade debtors	2,562	1,874
Player transfer debtors	25,955	13,312
Other debtors	1,400	1,485
Amounts due from related parties	502	12
Amounts due from immediate parent company	169	167
Prepayments and accrued income	5,555	696
	<u>36,143</u>	<u>17,546</u>

Included within the Player transfer debtors balance is an amount of £15,199,000 (2021: £8,068,000) which is due after more than one year.

12 Creditors

Due within one year:	2022 £'000	2021 £'000
Trade creditors	1,964	1,486
Player transfer creditors	16,675	50,116
Amounts due to related parties	1,071	675
Other taxes and social security	6,510	8,350
Accruals	16,859	4,491
Other creditors	4,863	4,882
	<u>47,942</u>	<u>70,000</u>

Due after more than one year:	2022 £'000	2021 £'000
Player transfer creditors	10,400	5,271
Other creditors	-	4,750
	<u>10,400</u>	<u>10,021</u>

13 Deferred income

	2022 £'000	2021 £'000
Season ticket sales in advance	6,071	3,070
Central awards	-	-
Commercial income and sponsorship	3,453	846
	<u>9,524</u>	<u>3,916</u>



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

14 Share capital

Ordinary shares of £1 each	2022	2021
Allotted, called up and fully paid	'000	'000
1 July	528,942	432,548
Issued in the period	89,397	96,394
30 June	618,339	528,942

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

On 30 June 2022 the company issued 89,397,000 new ordinary shares to its immediate parent company, Fulham Football Leisure Limited. There was no change in the control of the company as a result of this transaction.

In consideration for these share issues, the debt owing by the company to Fulham Football Leisure Limited was offset.

15 Operating leases

Non-cancellable operating lease rentals are payable by the Company as follows:

	2022	2021
	£'000	£'000
Less than one year	2,376	2,376
Between one and five years	261	2,587
More than five years	-	-
	2,637	4,963

During the year £2,387,000 was recognised as an expense in the profit and loss account in respect of operating leases (2021: £2,370,000).

The above amounts include amounts payable to other group companies for the use of Craven Cottage Stadium and Motspur Park Training Ground.

16 Capital commitments

Amounts contracted for by the Company but not provided for in the accounts in respect of tangible fixed assets amounted to £nil (2021: £nil).

17 Contingent transfer fees

The estimated commitment for additional transfer fees payable in respect of future possible appearances amounts to £1,410,000 (2021: £440,000). These amounts have not been included in the financial statements on the basis that they are not yet considered probable.

The Company has in place a number of transfer contracts that give rise to contingent receivables. The Directors have assessed such contracts and the Company can receive additional transfer fees in respect of future events in relation to those contracts up to a maximum of £2,343,000 (2021: £2,110,000). These amounts have not been included in the financial statements.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

18 Related party transactions

During the year there were arm's length trading transactions between the Company and Jacksonville Jaguars LLC, a company incorporated in the USA and under the common control of the Group's current ultimate controlling party. The balances owed or owing at the year end with Jacksonville Jaguars LLC are shown below. There were also transactions in the year and prior year with Union Jax LLC, a foreign incorporated company registered in the UK under the common control of the Group's ultimate controlling party, and Fulham Football Club Foundation who shares directorships with the Group. The value of the transactions during the period is shown below:

	2022	2022	2021	2021
	Purchases	Sales	Purchases	Sales
	£'000	£'000	£'000	£'000
Jacksonville Jaguars LLC	-	500	-	500
D Daly	-	9	-	6
Total	-	509	-	506

Balances with related parties as at 30 June 2022 are as follows:

	2022	2022	2021	2021
	Due To	Due From	Due To	Due From
	£'000	£'000	£'000	£'000
Union Jax LLC	-	2	-	12
Fulham Football Club Foundation	1,036	-	644	-
Jacksonville Jaguars LLC	35	500	31	-
Total	1,071	502	675	12

During the year, the Company donated £4,423 (2021: £32,600) to the Fulham Football Club Foundation. The balance outstanding as at 30 June 2021 and 2022 represents donations from players received by the Company for the benefit of Fulham Football Club Foundation.

D Daly is a listed Director of the company who purchases seasonal and matchday tickets. These amounts are not at a discounted value and are paid in full so not outstanding at the year end.

The Company provided administrative services to Union Jax LLC throughout the year. The balances as at 30 June 2021 and 2022 represents charges incurred on their behalf and subsequently recharged.

The Company received loans during the period totalling £116,500,000 (2021: £151,000,000) from Fulham Football Leisure Limited, the immediate parent company. The Company also issued ordinary shares to Fulham Football Leisure Limited during the year of £89,397,000 in exchange for the debt. See note 14 more for information.

No disclosure has been made of any transactions within these financial statements with fellow subsidiaries in accordance with the exemptions allowed under Section 33 Related Party Disclosures.

19 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Fulham Football Leisure Limited. The ultimate controlling party is Mr Shahid Khan.

The largest group in which the results of the Company are consolidated is that headed by Cougar Holdco London Limited, incorporated in the United Kingdom. The smallest group in which the results of the Company are consolidated is that headed by Fulham Football Leisure Limited. The consolidated financial statements of these groups are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.



Fulham Football Club Limited

Accompanying Notes to the Financial Statements (continued)

For the year ended 30 June 2022

20 Subsequent events

Since the year-end the Company has acquired and disposed of a number of player registrations. The cost of acquiring new player registrations post year end amounted to £78.8m (2021: £18.1m) and the profit on the disposal of player registrations post year end was £7.4m (2021: £4.9m).

21 Accounting estimates and judgements

The Directors assessment of the carrying amount of intangible fixed assets and any related impairment is a key area of estimation uncertainty in these financial statements. The valuation of player registrations is highly subjective and can be subject to frequent and sudden change dependant on individual player performance and the general conditions in the transfer market. To mitigate the risks arising from such uncertainty, the Directors adopt a prudent approach when conducting impairment reviews. The Directors' and management teams' consider that they have sufficient experience and knowledge to make these assessments. These experiences are drawn on when making these detailed assessments, with both looking back at historical trends and into the future at various possible outcomes. The assessment is completed in line with the accounting policy in note 1.7.3.

22 Long term employee benefits

Payments are made into a number of defined contribution schemes. Total contributions paid during the year amounted to £383,000 (2021: £380,000). An amount of £63,000 (2021: £61,000) remained outstanding at the balance sheet date.

