

COMPANY REGISTRATION NUMBER: 06233875

Leeds United Football Club Limited

Consolidated Financial Statements

**For the year ended
30 June 2023**

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Leeds United Football Club Limited

Financial Statements

Year ended 30 June 2023

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Leeds United Football Club Limited

Officers and Professional Advisers

The board of directors	A Radrizzani A Kinnear P V Marathe P S Lowy M Marinelli S Mencucci
Registered office	Elland Road Leeds LS11 0ES
Auditor	Gibson Booth Chartered Accountants & Statutory Auditors New Court Abbey Road North Shepley Huddersfield HD8 8BJ
Bankers	Barclays Bank plc 69 Albion Street Leeds LS1 5AA
Solicitors	Walker Morris LLP 33 Wellington Street Leeds LS1 4DL McComicks Solicitors Wharfedale House 35-37 East Parade Harrogate HG1 5LQ

Leeds United Football Club Limited

Strategic Report

Year ended 30 June 2023

Business review and principal activities

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

The Board's long term strategy is to establish Leeds United as a leading Premier League Club by delivering success on the pitch and increasing the scale and engagement of the Club's global fan base.

After narrowly securing a third successive season of Premier League football on the final day of the 2021/22 campaign, Leeds United began the new season with optimism that the club could re-capture its trajectory towards becoming an established top-flight side. However, the Club knew that this was still a significant challenge in continuing to evolve the quality of the squad from its Championship origins, whilst prudently managing the Club's finances within league Profit and Sustainability rules. Accordingly, the summer saw the transfers of Leeds United Academy developed England international Calvin Phillips and Brazilian winger Raphinha.

The Club made significant inbound investments in acquiring Brenden Aaronson, Tyler Adams, Luis Sinisterra and Wilfried Gnonto alongside Rasmus Kristensen and Marc Roca and using the proceeds of the sales of the existing players.

Whilst the season began with some promise, a run of just two wins in 17 matches triggered the termination of Head Coach Jesse Marsch. The Club tried to strengthen in January with the permanent recruits of Max Wober and Georginio Rutter, and under the guidance of Javi Gracia, as new Head Coach, enjoyed an initial upturn in results. However, ultimately, the Club was unable to retain its Premier League status.

The commercial results off the pitch belied the challenges the Club faced on it. The Leeds United supporter base's unflinching commitment led to record ticket, hospitality, membership and retail income.

Simultaneously a successful pre-season tour to Australia and partnerships with international brands SBOTOP, Wish and Hisense demonstrated the global growth of the Leeds United brand.

Principal risks and uncertainties

The primary risk facing the group remains the divisional status of the First Team due to the impact on key revenue streams, however, the group is confident that it has built a commercial and player trading model that can withstand relegation and optimise the chances of an immediate return to the top-flight.

The group is exposed to financial risk in the form of exchange rate risk, interest rate risk and cash flow risk. To manage these issues the group utilises fixed rate borrowing where available, takes steps to mitigate exposure to foreign currency exposure on player transactions and closely manages cash flow. Credit checks and other appropriate financial due diligence are performed prior to the group entering into new material contracts.

Commercial risks include the negotiation and pricing of broadcast contracts, ticketing demand and the renewal of commercial agreements on similar or improved terms.

The Board is in contact regularly throughout the year to monitor these risks, whilst the day-to-day management of operational risks is delegated to the executive management team.

Key performance indicators

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

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

The group saw a £0.5m increase in turnover from £189.2m to £189.7m, driven by a 22% increase in Ticketing revenues, growing by £5.3m from £24.6m to £29.9m. Broadcasting income fell by 2.4m reflecting a 19th place finishing place at the conclusion of the 2022-23 season versus 17th place the season prior. This was offset by an increased number of live TV facility fees. Merchandise sales fell by 4% from £25.1m to £24.0m. Other commercial revenue stream comprising catering, sponsorship, advertising, and other events rose by £0.3m from £23.9m to £24.2m.

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

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

Section 172 Companies Act 2006 statement

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

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

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

Long term consequences

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

The interest of employees

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

The interest of other stakeholders

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

The Community

- The associated charity of Leeds United, the Leeds United Foundation remains inspired by the community 'marching on together' to support health, wellbeing, education and sports participation for all. The Foundation uses the power of Leeds United to support and inspire those who live in our city
- The mission of the Foundation continues to be delivered through a range of activities including health and social education in primary and secondary schools, community volunteering, fully inclusive sports participation and enabling young people to make positive choices about their lives. The Foundation is an "all age" charity and works with more senior community members through its Dementia Café, over 50's Social Club and Veterans Club.
- Women and girls football remains a focus area, ensuring a targeted pathway of education from grassroots to elite sport which has been recognized by the FA as best in class.
- In the year ending June 2023, the Foundation engaged with and supported 69,984 individuals through its 25 core programmes, the growth helped by a 14.5% increase in revenues from the previous year.
- The group and Foundation staff partner with local and international charities, delivering over 100 food parcels through working with Islamic Relief and Give a Gift. In addition, the Healthy Holidays programme supports children experiencing food poverty across six priority areas within Leeds.
- Active through Football continues to significantly impact the diverse culture of our local community with a large range of targeted programmes held weekly at 29 locations whilst the Premier League Kicks programme supports beneficiaries with informal drop-in football sessions, helping communities to develop their pre-social attitude and skills, in addition to providing routes into education and employment.

Leeds United Football Club Limited

Strategic Report (continued)

Year ended 30 June 2023

Equality and Diversity

- Ensuring equality, diversity and inclusion are at the heart of Leeds United is a strategic priority. We endeavour to ensure that all stakeholders of the Club feel an equal sense of belonging in a manner which is fair and free from discrimination.

Some key initiatives from 2022-23 were;

- The Club was awarded the Premier League Equality Diversity and Inclusion Standard (PLEDIS) preliminary award.
- The Group in partnership with LGBTQ+ supporters' group 'Marching Out Together' sponsored Leeds City's annual Pride event.
- Implementation of 'All Leeds Aren't We', an anti-discrimination campaign aimed at supporters attending matches.
- The Club opened a sensory room and prayer room for supporter access during home games.

Safeguarding

- The Club passed the Barnardo's PL safeguarding audit in 2023.
- Mental Health First Aiders have been trained across all departments to provide support for staff and visitors.
- A wellbeing team have been formed to support children, young people and adults at risk who attend our home games.

High standards

- The group is committed to paying the right amount of tax, in the right place and on a timely basis in accordance with tax laws.
- The group is committed to ensuring there is transparency in our business and in our approach to tackling modern slavery within both our business and our supply chains.

Act fairly between members

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

This report was approved by the board of directors on 1 March 2024 and signed on behalf of the board by:

Angus Kinnear

Angus Kinnear (Mar 1, 2024, 2:10pm)

A Kinnear
Director

Registered office:
Elland Road
Leeds
LS11 0ES

Leeds United Football Club Limited

Directors' Report

Year ended 30 June 2023

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

Directors

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

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

On 25 September 2023, following the sale of the company A Radrizzani, M Marinelli and S Mencucci resigned as directors. R Cline-Thomas was also appointed as a director on the same date.

Dividends

The directors do not recommend the payment of a dividend.

Greenhouse gas emissions and energy consumption

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

Emissions in tonnes

	2022-23	2021-22
Electricity	1,317	1,345
Gas	832	899
Transport fuels	74	83
Gross annual total	<u>2,223</u>	<u>2,327</u>

Total consumption in kWh 10,744,387 (2022: 11,243,592).

Emissions in tonnes

	2022-23	2021-22
Per £000,000 of revenue	12	12
Per number of employees	1	2

Method of Calculation for Emissions

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

Principal measures taken to increase energy efficiency

The group recognises its responsibility to proactively limit its impact on the environment and reduce its carbon footprint.

In March 2023, we established our environmental policy which aims to improve the Club's environmental footprint, including the organising of events and management of facilities. Environmental policy, activities and objectives are centrally managed by the Facilities Team, in coordination with nominated champions and responsible persons across the club, with senior management holding overall accountability.

Our ongoing environmental activities continue to build upon our progress in recent years, including across energy efficiency, single-use plastics, waste management, low-carbon food and biodiversity.

Recent highlights include:

- The club has been supplied by 100% renewable energy since June 2023.
- Energy usage at the stadium and academy is intelligently controlled, with a systematic LED lighting upgrade and energy efficiency programme in place.
- All waste is segregated and sorted off-site for recycling and processing, with residual waste used to generate energy.
- The cups used at Elland Road are either made from paper or are reusable plastic cups which are washed for reuse.
- Remedial works undertaken on the Thorp Arch pond to increase rainfall capacity integrated biodiversity improvements.
- Finished 3rd place in the Green Football Weekend leaderboard for 2023.

Employment of disabled persons

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

Employee involvement

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

Employee engagement

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

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

Financial instruments

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

Financial risk management and exposure to risk

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

Cash flow

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

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 27 to the financial statements.

Qualifying indemnity provision

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

Disclosure of information in the strategic report

Details about future developments are included in the strategic report.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Leeds United Football Club Limited

Directors' Report *(continued)*

Year ended 30 June 2023

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

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

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

1 March 2024

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

Angus Kinnear

Angus Kinnear (Mar 1, 2024, 2:10pm)

A Kinnear
Director

Registered office:
Elland Road
Leeds
LS11 0ES

Opinion

We have audited the financial statements of Leeds United Football Club Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2023 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Leeds United Football Club Limited

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

Year ended 30 June 2023

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

Use of our report

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

AJR Russell

Alistair Russell (Mar 1, 2024, 2:18pm)

Alistair Russell FCA (Senior Statutory Auditor)

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

01 Mar 2024

Leeds United Football Club Limited

Consolidated Statement of Comprehensive Income

Year ended 30 June 2023

		2023 £	2022 £
Turnover	Note 4	189,683,547	189,206,769
Cost of sales		(20,577,557)	(20,174,675)
Gross profit		169,105,990	169,032,094
Administrative expenses		(275,080,123)	(203,502,431)
Operating loss	5	(105,974,133)	(34,470,337)
Gain on disposal of players' registrations		73,345,427	889,647
Interest receivable and similar income	9	11,909,865	6,598,522
Interest payable and similar expenses	10	(12,985,289)	(9,728,259)
Loss before taxation		(33,704,130)	(36,710,427)
Tax on loss	11	—	—
Loss for the financial year and total comprehensive income		<u>(33,704,130)</u>	<u>(36,710,427)</u>

All the activities of the group are from continuing operations.

The notes on pages 17 to 29 form part of these financial statements.

Leeds United Football Club Limited

Consolidated Statement of Financial Position

30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	204,631,564	149,327,914
Tangible assets	13	22,414,231	24,106,439
		<u>227,045,795</u>	<u>173,434,353</u>
Current assets			
Stocks	15	10,276,398	2,265,451
Debtors: due within one year	16	11,493,218	10,208,008
Debtors: due after more than one year	16	5,077,474	4,439,750
Cash at bank and in hand		1,560,857	4,596,553
		<u>28,407,947</u>	<u>21,509,762</u>
Creditors: amounts falling due within one year	17	(204,441,679)	(163,919,204)
Net current liabilities		<u>(176,033,732)</u>	<u>(142,409,442)</u>
Total assets less current liabilities		51,012,063	31,024,911
Creditors: amounts falling due after more than one year	18	(144,666,869)	(90,975,587)
Net liabilities		<u>(93,654,806)</u>	<u>(59,950,676)</u>
Capital and reserves			
Called up share capital	22	52,936,742	52,936,742
Share premium account	23	33,704,662	33,704,662
Unrealised profit reserve	23	10,066,563	4,929,739
Profit and loss account	23	(190,362,773)	(151,521,819)
Shareholders deficit		<u>(93,654,806)</u>	<u>(59,950,676)</u>

These financial statements were approved by the board of directors and authorised for issue on 1 March 2024, and are signed on behalf of the board by:

Angus Kinnear

Angus Kinnear (Mar 1, 2024, 2:10pm)

A Kinnear
Director

Company registration number: 06233875

The notes on pages 17 to 29 form part of these financial statements.

Leeds United Football Club Limited

Company Statement of Financial Position

30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	204,631,565	149,327,914
Tangible assets	13	21,685,836	23,237,639
Investments	14	4	4
		<u>226,317,405</u>	<u>172,565,557</u>
Current assets			
Stocks	15	10,230,271	2,175,717
Debtors: due within one year	16	11,360,366	10,048,772
Debtors: due after more than one year	16	5,077,474	4,439,750
Cash at bank and in hand		<u>1,539,522</u>	<u>4,517,354</u>
		<u>28,207,633</u>	<u>21,181,593</u>
Creditors: amounts falling due within one year	17	<u>(213,105,924)</u>	<u>(169,027,764)</u>
Net current liabilities		<u>(184,898,291)</u>	<u>(147,846,171)</u>
Total assets less current liabilities		<u>41,419,114</u>	<u>24,719,386</u>
Creditors: amounts falling due after more than one year	18	<u>(144,666,869)</u>	<u>(90,975,587)</u>
Net liabilities		<u>(103,247,755)</u>	<u>(66,256,201)</u>
Capital and reserves			
Called up share capital	22	52,936,742	52,936,742
Share premium account	23	33,704,662	33,704,662
Unrealised profit reserve	23	10,066,563	4,929,739
Profit and loss account	23	<u>(199,955,722)</u>	<u>(157,827,344)</u>
Shareholders deficit		<u>(103,247,755)</u>	<u>(66,256,201)</u>

The loss for the financial year of the parent company was £36,991,554 (2022: £39,191,919).

1 March 2024

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

Angus Kinnear

Angus Kinnear (Mar 1, 2024, 2:10pm)

A Kinnear
Director

Company registration number: 06233875

The notes on pages 17 to 29 form part of these financial statements.

Leeds United Football Club Limited

Consolidated Statement of Changes in Equity

Year ended 30 June 2023

	Called up share capital £	Share premium account £	Unrealised profit reserve £	Profit and loss account £	Total £
At 1 July 2021	52,936,741	27,704,663	3,393,109	(113,274,762)	(29,240,249)
Loss for the year				(36,710,427)	(36,710,427)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	—	—	6,598,523	(6,598,523)	—
Notional interest charged on financial liability	—	—	(5,061,893)	5,061,893	—
Total comprehensive income for the year	—	—	1,536,630	(38,247,057)	(36,710,427)
Issue of shares	1	5,999,999	—	—	6,000,000
Total investments by and distributions to owners	1	5,999,999	—	—	6,000,000
At 30 June 2022	52,936,742	33,704,662	4,929,739	(151,521,819)	(59,950,676)
Loss for the year				(33,704,130)	(33,704,130)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	—	—	11,788,576	(11,788,576)	—
Notional interest charged on financial liability	—	—	(6,651,752)	6,651,752	—
Total comprehensive income for the year	—	—	5,136,824	(38,840,954)	(33,704,130)
At 30 June 2023	<u>52,936,742</u>	<u>33,704,662</u>	<u>10,066,563</u>	<u>(190,362,773)</u>	<u>(93,654,806)</u>

The notes on pages 17 to 29 form part of these financial statements.

Leeds United Football Club Limited

Company Statement of Changes in Equity

Year ended 30 June 2023

	Called up share capital £	Share premium account £	Unrealised profit reserve £	Profit and loss account £	Total £
At 1 July 2021	52,936,741	27,704,663	3,393,109	(117,098,795)	(33,064,282)
Loss for the year				(39,191,919)	(39,191,919)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	—	—	6,598,523	(6,598,523)	—
Notional interest charged on financial liability	—	—	(5,061,893)	5,061,893	—
Total comprehensive income for the year	—	—	1,536,630	(40,728,549)	(39,191,919)
Issue of shares	1	5,999,999	—	—	6,000,000
Total investments by and distributions to owners	1	5,999,999	—	—	6,000,000
At 30 June 2022	52,936,742	33,704,662	4,929,739	(157,827,344)	(66,256,201)
Loss for the year				(36,991,554)	(36,991,554)
Other comprehensive income for the year:					
Revaluation of financial liability to fair value	—	—	11,788,576	(11,788,576)	—
Notional interest charged on financial liability	—	—	(6,651,752)	6,651,752	—
Total comprehensive income for the year	—	—	5,136,824	(42,128,378)	(36,991,554)
At 30 June 2023	<u>52,936,742</u>	<u>33,704,662</u>	<u>10,066,563</u>	<u>(199,955,722)</u>	<u>(103,247,755)</u>

The notes on pages 17 to 29 form part of these financial statements.

Leeds United Football Club Limited

Consolidated Statement of Cash Flows

Year ended 30 June 2023

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial year	(33,704,130)	(36,710,427)
<i>Adjustments for:</i>		
Depreciation of tangible assets	4,629,405	4,216,793
Amortisation of intangible assets	81,136,170	57,726,125
Impairment of intangible assets	20,347,359	–
(Loss)/gain on disposal of players' registrations	(73,345,427)	(889,647)
Interest payable and similar expenses	5,484,006	3,326,437
Gains on disposal of tangible assets	–	(5,317)
Accrued income	(10,532,289)	(1,664,961)
<i>Changes in:</i>		
Stocks	(8,010,947)	5,887,073
Trade and other debtors	(1,729,691)	(9,125)
Trade and other creditors	10,096,219	(6,473,340)
Cash generated from operations	(5,629,325)	25,403,611
Interest paid	(4,769,028)	(3,256,656)
Net cash (used in)/from operating activities	<u>(10,398,353)</u>	<u>22,146,955</u>
Cash flows from investing activities		
Purchase of tangible assets	(2,958,741)	(5,936,703)
Proceeds from sale of tangible assets	21,544	1
Purchase of intangible assets	(84,296,699)	(67,276,011)
Proceeds from sale of intangible assets	86,601,071	2,632,117
Net cash used in investing activities	<u>(632,825)</u>	<u>(70,580,596)</u>
Cash flows from financing activities		
Proceeds from issue of ordinary shares	–	6,000,000
Proceeds from borrowings	15,700,995	28,894,108
Repayments of borrowings	(12,801,771)	(21,556,404)
Proceeds from loans from group undertakings	5,152,000	17,000,000
Repayments of loans from group undertakings	(10,354,803)	(8,612,814)
Payments of finance lease liabilities	(348,939)	(260,505)
Proceeds from related parties	10,648,000	2,450,000
Net cash from financing activities	<u>7,995,482</u>	<u>23,914,385</u>
Net decrease in cash and cash equivalents	(3,035,696)	(24,519,256)
Cash and cash equivalents at beginning of year	4,596,553	29,115,809
Cash and cash equivalents at end of year	<u>1,560,857</u>	<u>4,596,553</u>

The notes on pages 17 to 29 form part of these financial statements.

Notes to the Financial Statements

Year ended 30 June 2023

1. General information

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

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

Going concern

At 30 June 2023 the group had net liabilities of £93,654,806 (2022: £59,950,676) and net current liabilities (after adjusting for debtors due after more than one year) of £181,111,206 (2022: £146,849,192). The directors have prepared and reviewed forecasts and, as part of their assessment of the going concern status of the company, they have received written confirmation from 49ers Enterprises Global Football Group LLC confirming that they will continue to financially support the group in order that it meets debts as they fall due during the next twelve months and also stating that amounts payable will not be called in for a period of no less than twelve months from approval of the financial statements. As a result, the directors consider that it is appropriate to prepare the accounts on the going concern basis.

Consolidation

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

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

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

Judgements and key sources of estimation uncertainty

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

Key sources of estimation uncertainty

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

Financial instruments

A discount rate is applied to long term debts on which interest below market rates are charged to restate the balances to fair value. The discount rate has been selected with reference to the expected commercial rate for a loan with similar terms. The discount rate is reviewed annually and adjusted where necessary. The carrying amount of the financial instruments are included in note 21.

Useful economic lives of intangible and tangible assets

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

3. Accounting policies *(continued)*

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

Significant judgements

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

Impairment of intangible and tangible fixed assets

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

Revenue recognition

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

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

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

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

Taxation

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

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

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

Foreign currencies

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

3. Accounting policies *(continued)*

Intangible assets - goodwill

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

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

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

Intangible assets - player registrations

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

Intangible assets - trademarks

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

Intangible assets - computer software

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

Tangible assets

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

Depreciation

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

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

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

Investments in subsidiary undertakings

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

Impairment of fixed assets

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

Stocks

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

3. Accounting policies (continued)

Leases

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

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

Financial instruments

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

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

Debt instruments are subsequently measured at amortised cost.

Pension costs

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

Signing-on fees

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

4. Turnover

Turnover arises from:

	2023	2022
	£	£
Gate receipts	29,921,168	24,579,185
Television and broadcasting income	17,442,130	19,802,631
Merchandising income	24,017,167	25,054,640
Central distributions	94,102,405	95,870,294
Other commercial revenue	18,302,149	18,935,151
Catering income	5,736,823	4,693,913
Educational services	161,705	270,955
	<u>189,683,547</u>	<u>189,206,769</u>

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

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2023	2022
	£	£
Amortisation of intangible assets	81,136,170	57,726,125
Depreciation of tangible assets	4,629,405	4,216,793
Impairment of intangible assets recognised in:		
Administrative expenses	20,347,360	–
Gains on disposal of tangible assets	–	(5,317)
Impairment of trade debtors	24,990	805
Foreign exchange differences	(1,456,150)	(283,776)
Operating lease costs	<u>1,354,366</u>	<u>(2,543,502)</u>

6. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>22,000</u>	<u>21,000</u>
Fees payable to the company's auditor and its associates for other services:		
Audit of subsidiaries	9,000	9,000
Taxation compliance services	22,690	16,250
Other assurance services	10,100	8,750
Other non-audit services	<u>6,660</u>	<u>4,110</u>
	<u>48,450</u>	<u>38,110</u>

7. Staff costs

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

	2023	2022
	No.	No.
Full-time playing staff	58	53
Apprentices	17	18
Football team management	44	37
Management/administration	186	146
Casual match day staff	<u>914</u>	<u>745</u>
	<u>1,219</u>	<u>999</u>

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

	2023	2022
	£	£
Wages and salaries	129,397,614	106,535,289
Social security costs	16,211,403	14,441,337
Other pension costs	<u>248,079</u>	<u>428,953</u>
	<u>145,857,096</u>	<u>121,405,579</u>

Included in wages and salaries are redundancy and ex-gratia payments of £9,523,474 (2022: £3,535,593).

8. Directors' remuneration

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

	2023	2022
	£	£
Remuneration	1,339,795	548,239
Company contributions to defined benefit pension plans	<u>17,618</u>	<u>20,551</u>
	<u>1,357,413</u>	<u>568,790</u>

Leeds United Football Club Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2023****8. Directors' remuneration (continued)**

The remuneration of the highest paid director in respect of qualifying services is £1,399,795 (2022: £548,239) for aggregate remuneration and £17,618 (2022: £20,551) for company contributions to defined contribution pension plans. The aggregate remuneration comprised: £522,195 of base remuneration for the year ending June 2023; salary backpay for the three years ending June 2022, 2021 and 2020; delayed bonus payments for promotion from the Championship; two years of Premier League retention/positional bonuses; and recognition for securing equity investment.

The number of directors who are accruing benefits under defined contribution pension schemes was one (2022 - one).

9. Interest receivable and similar income

	2023 £	2022 £
Interest receivable and similar income	<u>11,909,865</u>	<u>6,598,522</u>

Other interest payable and similar charges includes £11,788,576 (2022: £6,598,522) relating to the revaluation to fair value of the financial liability described in note 21.

10. Interest payable and similar expenses

	2023 £	2022 £
Interest on obligations under finance	24,697	202,820
Other interest payable and similar charges	<u>12,960,592</u>	<u>9,525,439</u>
	<u>12,985,289</u>	<u>9,728,259</u>

Other interest payable and similar charges includes £6,651,752 (2022: £5,061,893) relating to the revaluation to fair value of the financial liability described in note 21.

11. Tax on loss**Reconciliation of tax income**

The tax assessed on the loss on ordinary activities for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 20.50% (2022: 19%).

	2023 £	2022 £
Loss on ordinary activities before taxation	<u>(33,704,130)</u>	<u>(36,710,427)</u>
Loss on ordinary activities by rate of tax	(6,909,347)	(6,974,981)
Effect of expenses not deductible for tax purposes	(16,783)	40,500
Effect of capital allowances and depreciation	457,812	212,977
Unused tax losses	6,720,424	6,576,847
Other timing differences	<u>(252,106)</u>	<u>144,657</u>
Tax on loss	<u>-</u>	<u>-</u>

Factors that may affect future tax income

The company has losses of approximately £240 million (2022: £204 million) to carry forward against future profits.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

12. Intangible assets

Group	Goodwill £	Negative goodwill £	Trademarks £	Computer software £	Player registrations £	Total £
Cost						
At 1 Jul 2022	6,403,883	(717,255)	42,619	835,089	250,844,689	257,409,025
Additions	–	–	17,610	30,496	170,187,960	170,236,066
Disposals	–	717,255	–	–	(39,261,018)	(38,543,763)
At 30 Jun 2023	6,403,883	–	60,229	865,585	381,771,631	389,101,328
Amortisation						
At 1 Jul 2022	2,194,473	(717,255)	21,726	418,816	106,163,351	108,081,111
Charge for the year	119,948	–	3,538	113,658	80,899,026	81,136,170
Disposals	–	717,255	–	–	(25,812,131)	(25,094,876)
Impairment losses	–	–	–	–	20,347,359	20,347,359
At 30 Jun 2023	2,314,421	–	25,264	532,474	181,597,605	184,469,764
Carrying amount						
At 30 Jun 2023	4,089,462	–	34,965	333,111	200,174,026	204,631,564
At 30 Jun 2022	4,209,410	–	20,893	416,273	144,681,338	149,327,914
Company						
	Goodwill £		Trademarks £	Computer software £	Player registrations £	Total £
Cost						
At 1 July 2022	5,984,321		42,619	835,089	250,844,689	257,706,718
Additions	–		17,610	30,496	170,187,960	170,236,066
Disposals	–		–	–	(39,261,018)	(39,261,018)
At 30 June 2023	5,984,321		60,229	865,585	381,771,631	388,681,766
Amortisation						
At 1 July 2022	1,774,910		21,726	418,816	106,163,351	108,378,803
Charge for the year	119,948		3,538	113,658	80,899,026	81,136,170
Disposals	–		–	–	(25,812,131)	(25,812,131)
Impairment losses	–		–	–	20,347,359	20,347,359
At 30 June 2023	1,894,858		25,264	532,474	181,597,605	184,050,201
Carrying amount						
At 30 June 2023	4,089,463		34,965	333,111	200,174,026	204,631,565
At 30 June 2022	4,209,411		20,893	416,273	144,681,338	149,327,915

A total of £20,347,359 (2022: £nil) has been charged to the profit and loss in respect of an impairment following a review of the First Team Squad.

Capital commitments

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Contracted for but not provided for in the financial statements	–	44,754,551	–	44,754,551

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

13. Tangible assets

Group	Leasehold land and buildings £	Alterations and improvements £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 July 2022	4,562,678	28,082,188	16,154,028	48,798,894
Additions	—	762,280	2,196,461	2,958,741
Disposals	—	—	(21,544)	(21,544)
At 30 June 2023	4,562,678	28,844,468	18,328,945	51,736,091
Depreciation				
At 1 July 2022	1,644,095	13,567,403	9,480,957	24,692,455
Charge for the year	209,965	2,545,990	1,873,450	4,629,405
At 30 June 2023	1,854,060	16,113,393	11,354,407	29,321,860
Carrying amount				
At 30 June 2023	2,708,618	12,731,075	6,974,538	22,414,231
At 30 June 2022	2,918,583	14,514,785	6,673,071	24,106,439
Company				
	Leasehold land and buildings £	Alterations and improvements £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 July 2022	3,723,348	26,586,667	14,546,346	44,856,361
Additions	—	762,280	2,184,845	2,947,125
Disposals	—	—	(13,665)	(13,665)
At 30 June 2023	3,723,348	27,348,947	16,717,526	47,789,821
Depreciation				
At 1 July 2022	1,083,790	12,538,948	7,995,984	21,618,722
Charge for the year	171,424	2,480,984	1,832,855	4,485,263
At 30 June 2023	1,255,214	15,019,932	9,828,839	26,103,985
Carrying amount				
At 30 June 2023	2,468,134	12,329,015	6,888,687	21,685,836
At 30 June 2022	2,639,558	14,047,719	6,550,362	23,237,639

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

Finance leases

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

Group and company	Fixtures, fittings and equipment £
At 30 June 2023	1,736,410
At 30 June 2022	1,768,652

14. Investments

The group has no investments.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

14. Investments (continued)

Company	Shares in group undertakings £
Cost	
At 1 July 2022 and 30 June 2023	<u>4</u>
Impairment	
At 1 July 2022 and 30 June 2023	<u>–</u>
Carrying amount	
At 1 July 2022 and 30 June 2023	<u>4</u>
At 30 June 2022	<u>4</u>

The parent company owns 100% of the ordinary share capital in the following companies, all of which are incorporated in England and Wales:

	Principal activity
Leeds United Conference and Events Limited	Providing conferencing and events facilities
Leeds United Media Limited	Digital media and online advertising
Leeds United College Limited	Educational services
Leeds United Women Football Club Limited	Football club

15. Stocks

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Goods held for resale	<u>10,276,398</u>	<u>2,265,451</u>	<u>10,230,271</u>	<u>2,175,717</u>

16. Debtors

Debtors falling due within one year are as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	3,712,481	5,384,940	3,487,570	5,086,756
Amounts owed by group undertakings	–	–	213,855	241,187
Prepayments and accrued income	4,758,546	2,972,751	4,650,130	2,883,723
Transfer fee debtors	1,268,281	1,075,038	1,268,281	1,075,038
Other debtors	1,753,910	775,279	1,740,530	762,068
	<u>11,493,218</u>	<u>10,208,008</u>	<u>11,360,366</u>	<u>10,048,772</u>

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

16. Debtors (continued)

Debtors falling due after one year are as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Prepayments and accrued income	4,187,500	4,437,500	4,187,500	4,437,500
Transfer fee debtors	889,974	2,250	889,974	2,250
	<u>5,077,474</u>	<u>4,439,750</u>	<u>5,077,474</u>	<u>4,439,750</u>

17. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Other loans	41,605,740	38,706,516	41,605,740	38,706,516
Trade creditors	19,607,784	7,432,052	19,078,349	7,081,666
Amounts owed to group undertakings	5,178,136	11,069,785	14,831,327	17,058,567
Accruals and deferred income	44,313,416	43,078,884	44,089,990	42,770,979
Social security and other taxes	7,762,351	9,536,671	7,539,460	9,328,659
Obligations under finance leases	325,437	266,551	325,437	265,825
Transfer fee creditors	73,613,689	52,557,812	73,613,689	52,557,812
Amounts owed to related parties	10,648,904	–	10,648,904	–
Other creditors	1,386,222	1,270,933	1,373,028	1,257,740
	<u>204,441,679</u>	<u>163,919,204</u>	<u>213,105,924</u>	<u>169,027,764</u>

Included in accruals and deferred income are £15,044,328 (2022: £21,709,864) representing advance payment of tickets and sponsorship that would only become a liability of the company should it fail to fulfill all of its fixtures for future seasons.

Obligations under finance leases are secured on the related assets.

The other loans of £41,605,740 (2022: £38,706,516) are secured on the parachute payments of the 2023/24 season

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Accruals and deferred income	4,667,211	16,434,032	4,667,211	16,434,032
Obligations under finance leases	725,172	458,945	725,172	458,945
Transfer fee creditors	116,108,456	51,224,946	116,108,456	51,224,946
Pension	298,066	407,664	298,066	407,664
Amounts owed to related parties	22,867,964	22,450,000	22,867,964	22,450,000
	<u>144,666,869</u>	<u>90,975,587</u>	<u>144,666,869</u>	<u>90,975,587</u>

Obligations under finance leases are secured on related assets.

See note 28 for interest rate and repayment date of the amounts owed to related parties.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

19. Finance leases

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	366,922	267,610	366,922	266,884
Later than 1 year and not later than 5 years	743,973	468,955	743,973	468,955
	<u>1,110,895</u>	<u>736,565</u>	<u>1,110,895</u>	<u>735,839</u>
Less: future finance charges	(60,286)	(11,069)	(60,286)	(11,069)
Present value of minimum lease payments	<u>1,050,609</u>	<u>725,496</u>	<u>1,050,609</u>	<u>724,770</u>

20. Employee benefits

Defined contribution schemes

Certain professional footballing staff are members of the Football League Players Retirement Income Scheme, a non-contributory defined contribution scheme. In addition the company operates a defined contribution scheme open to all other employees. Costs of all defined contribution schemes, totalling £108,298 (2022: £407,202), have been charged to the profit and loss account in the period.

Defined benefit scheme

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

Following a review of the Minimum Funding Requirement ("MFR") of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the Pensions Act 1985, participating employers will be required to contribute to the deficiency. The latest actuarial valuation of the scheme was carried out as at 1 September 2020. The allocation of the deficit under this valuation is repayable at £9,097 per month effective from 1 September 2022.

21. Financial instruments

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

Financial liabilities measured at fair value through profit or loss

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Financial liabilities measured at fair value through profit or loss	<u>128,982,368</u>	<u>85,238,244</u>	<u>128,982,368</u>	<u>85,238,244</u>

A financial liability of £128,982,368 (2022: £85,238,244) relates to transfer fee creditors. The creditors are recognised at the present value of future payments discounted at a market rate of interest for a similar debt instrument, deemed to be 6%, resulting in a fair value adjustment of £11,788,576 (2022: £6,598,522). The deemed interest payable of £6,651,752 (2022: £5,061,893) is recognised in interest payable and transferred to the unrealised profit reserve. This financial liability is included in transfer fee creditors and is repayable in line with the transfer agreements.

Leeds United Football Club Limited

Notes to the Financial Statements (continued)

Year ended 30 June 2023

22. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary A shares of £1 each	27,630,245	27,630,245	27,630,245	27,630,245
Ordinary B shares of £1 each	11,000,000	11,000,000	11,000,000	11,000,000
Ordinary A1 shares of £1 each	14,306,497	14,306,497	14,306,497	14,306,497
	<u>52,936,742</u>	<u>52,936,742</u>	<u>52,936,742</u>	<u>52,936,742</u>

23. Reserves

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

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

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

24. Analysis of changes in net debt

	At 1 Jul 2022	Cash flows	Other changes	At 30 Jun 2023
	£	£	£	£
Cash at bank and in hand	4,596,553	(3,035,696)	–	1,560,857
Debt due within one year	(50,042,852)	(7,729,255)	10,662,794	(47,109,313)
Debt due after one year	(458,945)	(266,227)	–	(725,172)
	<u>(45,905,244)</u>	<u>(11,031,178)</u>	<u>10,662,794</u>	<u>(46,273,628)</u>

25. Operating leases

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	2,649,057	2,338,132	2,649,057	2,338,132
Later than 1 year and not later than 5 years	9,221,497	9,148,155	9,221,497	9,148,155
Later than 5 years	12,842,000	14,580,633	12,842,000	14,580,633
	<u>24,712,554</u>	<u>26,066,920</u>	<u>24,712,554</u>	<u>26,066,920</u>

26. Contingencies

Under the terms of the financial provisions relating to transfer of player registrations, future payments of up to £6,456,484 (2022: £3,095,130) may be payable dependent on the club's promotion to (2022: retention of) the FA Premier League status and/or players appearances for the club. Promotion to (2022: retention of) FA Premier League status may also incur bonuses payable of £21,857,912 (2022: £42,090,068) conditional on the performance of both players and football management throughout the 2023/24 season.

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

27. Events after the end of the reporting period

On 25 September 2023 the company reclassified 14,306,497 A1 ordinary shares, 27,630,245 A ordinary shares and 11,000,000 B ordinary shares all into ordinary shares.

On 25 September 2023 the company's remaining shares held by Greenfield Investment PTE Limited were sold to the 49ers Enterprises Global Football Group LLC.

Leeds United Football Club Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2023****28. Related party transactions**

Company

Entities with control over the company

	2023 £	2022 £
Creditors	5,178,133	10,069,123
Interest payable	50,791	120,411
Management charges payable	1,200,000	350,000
Debtors	3,683	—

The creditors balance represents one (2022: three) unsecured loans with advances during the year of £5,152,000 (2022: £16,000,000) and £10,000,000 (2022: £6,000,000) was repaid. Interest was charged at 5% (2022: 6%) on all loans during the year. The three loans brought forward were repaid in full on 15 July 2022.

Other related parties

	2023 £	2022 £
Management charges payable	200,000	200,000
Sales	35,398	—
Purchases	(170,000)	170,000
Creditor	34,410,543	24,277,971
Interest payable	1,370,346	1,291,257
Rent payable	1,700,000	1,700,000

Creditor balance includes:

- £22,867,964 (2022: £22,450,000) is repayable in April 2026, attracts an interest rate of 6% and is listed on The International Stock Exchange. Total advances in the period were £nil (2022: £2,450,000).
- A loan of £6,600,904 (2022: £1,000,658) with advances during the year of £6,600,000 (2022: £1,000,000) and repaid during the year £1,000,658 (2022: £nil). Interest is charged on the loan of 5% (2022: 6%) and £1,000,658 was repaid on 15 July 2022. The creditor balance of £6,600,904 is repayable on demand.
- £4,048,000 is a loan that is unsecured, interest free and repayable on demand.

The company entered into a lease agreement in December 2020 for the stadium until June 2032, with an entity under common control. Included in creditors is an amount of £665,217 (2022: £739,130) of accrued rent.

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

29. Controlling party

Aser Group Holding Pte Limited, a company registered in Singapore, is the ultimate parent company. A Radrizzani was the ultimate controlling party throughout the year and Greenfield Investment Pte Limited was the immediate parent company until 25 September 2023.

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

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

On 25 September 2023 49ers Enterprises Global Football Group LLC, a company registered in USA, purchased the remaining share capital of Leeds United Football Club Limited and became the ultimate parent company.