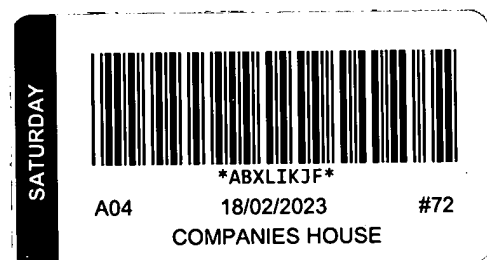


Registered Number: 11391725

Manchester United Women's Football Club Limited
Annual report and financial statements
for the year ended 30 June 2022



Manchester United Women's Football Club Limited

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Manchester United Women's Football Club Limited

Strategic report

Manchester United Women's Football Club Limited (the "Company") is a professional women's football club and part of the Red Football Limited (the parent undertaking of the smallest group of undertakings to consolidate these financial statements) group (the "Group"). The directors present their Strategic report on the Company for the year ended 30 June 2022.

Review of the business

At the start of the 2021/22 season, UK government COVID-19 restrictions were lifted resulting in all matches in the year being played with supporters in attendance. This compares to the prior year, in which all matches were played behind closed doors due to the COVID-19 restrictions in place throughout the season.

Revenue for the year increased to £5,092,000 (2021: £1,251,000), primarily as a result of improved shirt and training kit deals, also helped by the return of fans. Operating expenses increased to £4,407,000 (2021: £2,848,000) primarily due to increased matchday costs as a result of the lifting of COVID-19 restrictions and the return of fans. Operating profit before other (expenses)/income and profit/(loss) on disposal of intangible assets for the year was £685,000 (2021: loss of £1,597,000). Profit before income tax for the year was £1,152,000 (2021: £173,000).

Overall, the net assets of the Company increased by £846,000 to £1,120,000 as at 30 June 2022.

Principal risks and uncertainties

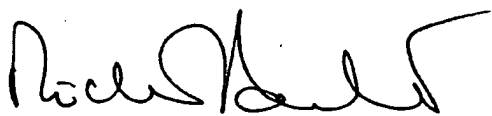
From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Strategic report section of the Red Football Limited Annual Report and financial statements which does not form part of this report.

Key performance indicators

The directors of Red Football Limited manage the Group's operations on a group basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Manchester United Women's Football Club Limited. The development, performance and position of the Group, which includes the Company, are discussed in the Strategic Report section of the Red Football Limited Annual Report and financial statements, which does not form part of this report.

The Annual Report and financial statements of Red Football Limited can be obtained from the Company Secretary, Red Football Limited, Old Trafford, Manchester, M16 0RA.

On behalf of the board



R Arnold
Director

3 February 2023

Manchester United Women's Football Club Limited

Directors' Report

The directors present their report and the audited financial statements for the year ended 30 June 2022.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for twelve months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

This conclusion is based on the continued financial support of the ultimate parent company, Manchester United plc. The directors have received confirmation that Manchester United plc will provide support to the Company for at least one year from the date of approval of these financial statements.

Dividends

No dividends were paid during the year (2021: £nil) and the directors do not recommend the payment of a final dividend (2021: £nil).

Future developments

The Company continues to explore new commercial opportunities within the United Kingdom and overseas to further leverage the business.

Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company uses derivative financial instruments to hedge certain exposures. The policy for each of these risks is described in more detail below.

a) Market risk

Currency risk

Currency risk is managed from the perspective of the Group as a whole. Further information can be found in the notes to the consolidated financial statements contained within the Red Football Limited Annual Report and financial statements.

Interest rate risk

The Company has no significant interest-bearing assets other than cash on deposit.

b) Credit risk

The Company mitigates its credit risk and potential new customers by undertaking appropriate due diligence, including third party credit checks, before entering into licensing agreements.

c) Liquidity risk

The Company's liquidity position and short-term debt finance ensures that it has sufficient funds available for short-term working capital requirements and for investment in capital projects. Ultimate responsibility for liquidity risk management rests with the Executive Directors of Manchester United plc. The Executive Directors use management information tools including budgets and cash flow forecasts to constantly monitor and manage current and future liquidity. Cash flow forecasting is performed on a regular basis which includes rolling forecasts of the Company's liquidity requirements to ensure that the Company has sufficient cash to meet operational needs.

Events occurring after the reporting period

Information about events after the end of the reporting period can be found in Note 18 to the financial statements.

Manchester United Women's Football Club Limited

Directors' Report (continued)

Directors

The directors who held office throughout the year and up to the date of signing the financial statements (unless otherwise stated) were as follows:

R Arnold

A Glazer

B Glazer

J Glazer

E Woodward (resigned 27 September 2022)

Qualifying third party indemnity provisions

At the time the report was approved a qualifying third-party indemnity provision, made by Manchester United plc was in place for the directors of Manchester United plc and its subsidiary companies. This qualifying indemnity provision was in force throughout the financial year.

Statement by the directors in performance of their statutory duties in accordance with Section 172(1) of the Companies Act 2006

The directors of the Company must act in accordance with a set of general duties. These duties are detailed in Section 172 of the Companies Act 2006 which is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of shareholders as a whole and, in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Company.

The following paragraphs summarise how the directors fulfil their duties:

Risk Management

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Strategic Report section of the Red Football Limited Group's Annual Report and financial statements which does not form part of this report.

Our People

The Company's employees include both playing and coaching staff. The interests of Group employees are discussed in the Directors' Report section of Red Football Limited Group's Annual Report and financial statements which does not form part of this report

Community and Environment

The Company is committed to a wide-ranging corporate social responsibility program through Manchester United Foundation (the "Foundation"). The associated charity of Manchester United, the Foundation's vision focuses on a future where all young people are empowered to achieve their goals. The ongoing commitment to young people ensures that, despite uncertainty in the world around them, those with whom the Foundation works on a daily basis continue to feel supported, inspired, and positive about their future.

Manchester United Women's Football Club Limited

Directors' Report (continued)

Statement by the directors in performance of their statutory duties in accordance with Section 172(1) of the Companies Act 2006 (continued)

Community and Environment (continued)

The Foundation has partnerships with over 30 high schools and SEND schools across Greater Manchester, with a presence in all ten boroughs, in which full-time coaches are based to work with the pupils, feeder primary schools and within the local community to build lasting relationships. Other initiatives, such as Street Reds evening football sessions, girls' development provision, and a disability and inclusion program, provide free football, alternative activities, qualifications and work experience opportunities for young people across Greater Manchester.

The Foundation fulfils all charitable activity for Manchester United, including supporting the Sir Bobby Charlton Foundation (finding innovative solutions to create a landmine-free world), and managing the club's long-term partnership with global children's organization Unicef. The Foundation also supports external charities by providing signed items for their own fundraising purposes.

In 2021/22 the Foundation celebrated 15 years of supporting fans and communities, in which time it has impacted the lives of over 75,000 young people, its community projects have increased from 4 to 97, and over £50,000 has been raised for other charitable causes.

The Group is committed to equality, diversity and inclusion, with the club's activity in these areas falling with its wide-ranging All Red All Equal initiative.

We recognize the need to move towards a more sustainable economy. We have taken steps to reduce the amount of waste we produce and divert all operational waste away from landfills. We also aim to minimize the use of non-renewable materials, improve our recycling rates and use more recycled materials. We have achieved the Carbon Trust Standard, which recognizes organizations that take a best practice approach to measuring and managing their environmental impacts, and through our Reds Go Green initiative we will continue to build on our carbon and renewable energy strategy to improve our performance further. We have also achieved the Gold Standard in Green Tourism Business Certification, which recognizes the commitment of tourism businesses that are actively working to become more sustainable.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to all our employees, officers and directors, including our principal executive, principal financial and principal accounting officers. Our code of Business Conduct and Ethics addresses, among other things, competition and fair dealing, conflicts of interest, financial matters and external reporting, company funds and assets, confidentiality and corporate opportunity requirements and the process for reporting violations of the Code of Business Conduct and Ethics, employee misconduct, conflicts of interest or other violations.

Shareholders

The immediate parent undertaking is Manchester United Football Club Limited. The ultimate parent undertaking and controlling party is Manchester United plc, a company incorporated in the Cayman Islands and listed on the New York Stock Exchange.

Manchester United Women's Football Club Limited

Directors' Report (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

On behalf of the board



R Arnold
Director

3 February 2023

Independent auditors' report to the members of Manchester United Women's Football Club Limited

Report on the audit of the financial statements

Opinion

In our opinion, Manchester United Women's Football Club Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2022; the statement of profit or loss and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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

Auditors' 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 auditors' 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 (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Obtained an understanding of the legal and regulatory framework applicable to the Company and how the Company is complying with that framework;
- discussions with management, in-house legal counsel and key management personnel outside of the finance function of known or suspected instances of non-compliance with laws and regulation and fraud;
- reviewing relevant meeting minutes including those of the Board;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations impacting revenue;
- challenging assumptions and judgments made by management in their significant accounting estimates, in particular in relation to fair value of player registrations; and

- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Hazel Macnamara (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
3 February 2023

Manchester United Women's Football Club Limited **Statement of profit or loss**

		Year ended 30 June	
		2022	2021
	Note	£'000	£'000
Revenue from contracts with customers	4	5,092	1,251
Operating expenses	5	(4,407)	(2,848)
Operating profit/(loss) before other (expenses)/income and profit/(loss) on disposal of intangible assets		685	(1,597)
Other income	7	-	1,754
Other expenses	7	(563)	-
Profit/(loss) on disposal of intangible assets		93	(13)
Operating profit		215	144
Finance income	8	937	29
Profit before income tax		1,152	173
Income tax expense	9	(306)	(32)
Profit for the financial year		846	141

All of the activities during the year relate to continuing operations. There were no items of other comprehensive income or loss in the current year and therefore no statement of comprehensive income has been presented.

Manchester United Women's Football Club Limited

Balance sheet

		As at 30 June	
	Note	2022 £'000	2021 £'000
ASSETS			
Non-current assets			
Intangible assets	10	163	76
Derivative financial instruments	11	684	25
Deferred tax assets	12	-	3
		847	104
Current assets			
Contract assets – accrued revenue	4.2	194	123
Trade and other receivables	13	3,501	2,529
Derivative financial instruments	11	283	15
Cash and cash equivalents		55	17
		4,033	2,684
Total assets		4,880	2,788
EQUITY AND LIABILITIES			
Equity			
Share capital	14	-	-
Retained earnings		1,120	274
Total equity		1,120	274
Non-current liabilities			
Trade and other payables	15	22	17
Derivative financial instruments	11	-	10
Deferred tax liabilities	12	237	-
		259	27
Current liabilities			
Income tax liabilities	16	99	58
Trade and other payables	15	539	361
Contract liabilities - deferred revenue	4.2	2,863	2,068
		3,501	2,487
Total equity and liabilities		4,880	2,788

The notes on pages 14 to 26 are an integral part of these financial statements.

The financial statements on pages 11 to 26 were approved by the board of directors on
were signed on its behalf by:

3 February 2023

and

R Arnold
Director

Registered Number: 11391725

Manchester United Women's Football Club Limited
Statement of changes in equity

	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2020	-	133	133
Profit for the financial year	-	141	141
Total comprehensive income for the year	-	141	141
Balance at 30 June 2021	-	274	274
Profit for the financial year	-	846	846
Total comprehensive income for the year	-	846	846
Balance at 30 June 2022	-	1,120	1,120

Manchester United Women's Football Club Limited

Notes to the financial statements

1 General information

Manchester United Women's Football Club Limited (the "Company") is a private company limited by share capital domiciled and incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is Sir Matt Busby Way, Old Trafford, Manchester, M16 0RA. The registered number of the Company is 11391725.

These financial statements are presented in pounds sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand (£'000) except when otherwise indicated.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

Manchester United Women's Football Club Limited meets the definition of a qualifying entity as defined in the Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101). The financial statements of the Company have been prepared in accordance with the Companies Act 2006 as applicable to companies using FRS 101. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative financial instruments) which are recognised at fair value through profit and loss, unless hedge accounting applies.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

The following exemptions from the requirements of International Financial Reporting Standards ("IFRS") have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, "Presentation of financial statements" comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1; and
 - (ii) paragraph 118(e) of IAS 38 "Intangible assets".
- The following paragraphs of IAS 1 "Presentation of financial statements":
 - 10(d), (statement of cash flows),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including statements of cash flows),
 - 38B-D (additional comparative information),
 - 111 (statement of cash flows information), and
 - 134-136 (capital management disclosures).
- IAS 7, "Statement of cash flows".
- Paragraphs 30 and 31 of IAS 8 "Accounting policies, changes in accounting estimates and errors" (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, "Related party disclosures" (key management compensation).
- Paragraph 18A of IAS 24, "Related party disclosures" (key management services provided by a separate management entity).
- The requirements in IAS 24, "Related party disclosures" to disclose related party transactions entered into between two or more members of a group.
- The following paragraphs of IFRS 15 'Revenue from contracts with customers':
 - 113(a),
 - 114,
 - 115,
 - 118,
 - 119(a)-(c),
 - 120-127,129.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 COVID-19 pandemic and going concern

At the start of the 2021/22 season, UK government COVID-19 restrictions were lifted resulting in all matches in the year being played with supporters in attendance. This compares to the prior year, in which all matches were played behind closed doors due to the COVID-19 restrictions in place throughout the season.

The directors have considered the business' ability to continue as a going concern and have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for twelve months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

This conclusion is based on the continued financial support of the ultimate parent company, Manchester United plc. The directors have received confirmation that Manchester United plc will provide support to the Company for at least one year from the date of approval of these financial statements.

2.1.2 New and amended standards, interpretations and related disclosure requirements adopted by the Company

No new accounting standards, or amendments to accounting standards, or IFRS IC interpretations that are effective for the year ended 30 June 2022, have had a material impact on the Company's financial statements.

2.1.3 New and amended standards, interpretations and related disclosure requirements not yet adopted

There are no other standards or interpretations that are not yet effective and that would be expected to have a material impact on the Company's financial statements in the future reporting periods or on foreseeable future transactions.

2.2 Consolidation

The Company is a wholly owned subsidiary of Manchester United Football Club Limited and of its ultimate parent undertaking and controlling party, Manchester United plc. It is included in the consolidated financial statements of Manchester United plc which can be obtained from the website www.manutd.com. The address of the ultimate parent undertaking's principal executive office is Sir Matt Busby Way, Old Trafford, Manchester M16 0RA, United Kingdom.

These financial statements are company only financial statements.

2.3 Segment reporting

The Company has one reportable segment, being the operation of a women's professional football club. The chief operating decision maker (being the Board and executive officers of Manchester United plc), who is responsible for allocating resources and assessing performance obtains financial information, being the Company's statement of profit or loss and balance sheet. The chief operating decision maker reviews the results of the wider Group as a whole and decides where to allocate resources across the Group including that of the Company.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

2.4 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Pounds Sterling which is also the Company's functional currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges. Foreign exchange gains and losses that relate to unhedged loans owed to group undertakings are presented in the statement of profit or loss within finance costs or income. All other foreign exchange gains and losses are presented in the statement of profit or loss within operating expenses.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable from the Company's principal activities excluding value added tax. The Company's principal revenue streams are Commercial, Broadcasting and Matchday. The Company recognises revenue when the transaction price can be determined, when it is probable that it will collect the consideration to which it is entitled; and when specific criteria have been met for each of the Company's activities as described below.

(i) Commercial

Commercial revenue (whether settled in cash or value in kind) comprises revenue receivable from the exploitation of the Manchester United Women's Football Club Limited brand through sponsorship and other commercial agreements, including minimum guaranteed revenue.

Revenue is recognised over the term of the sponsorship agreement in line with the performance obligations included within the contract and based on the sponsorship rights enjoyed by the individual sponsor. In instances where the sponsorship rights remain the same over the duration of the contract, revenue is recognised as performance obligations are satisfied evenly over time (i.e. on a straight-line basis).

(ii) Broadcasting

Broadcasting revenue represents revenue receivable from all UK and overseas broadcasting contracts, including contracts negotiated centrally by the FA Women's Super League. Distributions from these contracts comprise a fixed element (which is recognised evenly as each performance obligation is satisfied i.e. as each match is played) and merit awards (which, being variable consideration, are recognised when each performance obligation is satisfied i.e. as each match is played, based on management's estimate of where the team will finish at the end of the football season i.e. the most likely outcome).

(iii) Matchday

Matchday revenue is recognised based on matches played throughout the year with revenue from each match only being recognised when the performance obligation is satisfied i.e. the match has been played.

Matchday revenue includes revenue receivable from all domestic matchday activities from Manchester United Women's Football Club Limited home games.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

2.6 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as accruals and classified as current liabilities in the balance sheet.

(ii) Football staff remuneration

Remuneration is charged to operating expenses on a straight-line basis over the contract periods based on the amount payable to players and key football management staff for that period. Any performance bonuses are recognised when the Company considers that it is probable that the condition related to the payment will be achieved.

Signing-on fees are typically paid to players and key football management staff in equal annual instalments over the term of the contract. Instalments are paid at or near the beginning of each financial year and recognised as prepayments within trade and other receivables. They are subsequently charged to the statement of profit or loss (as employee benefit expenses) on a straight-line basis over the financial year. Signing-on fees paid form part of cash flows from operating activities.

Loyalty fees are bonuses which are paid to players and key football management staff either at the beginning of a renewed contract or in instalments over the term of their contract in recognition for either past or future performance. Loyalty bonuses for past service are typically paid in a lump sum amount upon renewal of a contract. These loyalty bonuses require no future service and are not subject to any claw-back provisions were the individual to subsequently leave the club during their new contract term. They are expensed once the Company has a present legal or constructive obligation to make the payment. Loyalty bonuses for ongoing service are typically paid in arrears in equal annual instalments over the term of the contract. These are paid at the beginning of the next financial year and the related charge is recognised within employee benefit expenses in the statement of profit or loss on a straight-line basis over the current financial year.

(iii) Post-employment pension obligations

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The Company's contributions into this scheme are recognised as an employee benefit expense when they are due.

2.7 Other expenses and other income

Other expenses and other income represent services recharged from other group undertakings and services recharged to other group undertakings respectively.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

2.8 Income tax

The income tax expense or credit for the year comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income, in which case the tax is also recognised in other comprehensive income.

The current tax charge or credit is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to (or recovered from) the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.9 Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised in the statement of profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use, and are calculated with reference to future discounted cash flows that the asset is expected to generate when considered as part of a cash-generating unit. Prior impairments are reviewed for possible reversal at each reporting date.

Management does not consider that it is possible to determine the value in use of an individual player in isolation as that individual (unless via a sale) cannot generate cash flows on their own. Whilst management does not consider any individual can be separated from the single cash generating unit ("CGU"), being the operations of the Company as a whole, there may be certain circumstances where an individual is taken out of the CGU, when it becomes clear that they will not participate with the women's first team again, for example, a player sustaining a career threatening injury or is permanently removed from the women's first team playing squad for another reason. If such circumstances were to arise, the carrying value of the individual would be assessed against the Company's best estimate of the individual's fair value less any costs to sell and an impairment charge made in operating expenses reflecting any loss arising.

2.10 Intangible assets

Intangible assets comprise players' and key football management staff registrations. The costs associated with the acquisition of players' registrations are capitalised at the fair value of the consideration payable. Costs include transfer fees, agents' fees incurred by the club and other directly attributable costs. Costs would also include the fair value of any contingent consideration, which is primarily payable to the player's former club, once payment becomes probable. The estimate of the fair value of the contingent consideration payable requires management to assess the likelihood of specific performance conditions being met which would trigger the payment of the contingent consideration. This assessment is carried out on an individual player basis. The amount of contingent consideration potentially payable is disclosed in Note 17. Registrations costs are fully amortised using the straight-line method over the period covered by the player's contract.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

2.11 Derivative financial instruments

Derivatives embedded in other financial instruments or host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss.

2.12 Trade and other receivables

Trade and other receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due date. Contract assets relate to unbilled revenue and have substantially the same risk characteristics as the trade receivables for the same type of contracts.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and, if applicable, other short-term highly liquid investments with original maturities of three months or less.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds of the issue.

2.15 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

3 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates, assumptions and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

3.1 Significant estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a) Estimate of fair value of registrations

The costs associated with the acquisition of players' and key football management staff registrations are capitalised at the fair value of the consideration payable, including an estimate of the fair value of any contingent consideration. Subsequent reassessments of the amount of contingent consideration payable are also included in the cost of the player's and key football management staff registration. The estimate of the fair value of the contingent consideration payable requires management to assess the likelihood of specific performance conditions being met which would trigger the payment of the contingent consideration. This assessment is carried out on an individual basis. The maximum additional amount that could be payable as of 30 June 2022 is disclosed in Note 17. The estimate over the probability of contingent consideration payable could impact the net book value of registrations and amortisation recognised in the statement of profit or loss.

Management does not consider there to be any significant judgements in the preparation of the financial statements.

Estimates, assumptions and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

4 Revenue from contracts with customers

4.1 Disaggregation of revenue

The principal activity of the Company is the operation of a women's professional football club. All of the activities of the Company support the operation of the women's football club and the success of the team is critical to the ongoing development of the Company. Consequently the chief operating decision maker (being the Board and executive officers of Manchester United plc) regards the Company as operating in one material segment, being the operation of a professional women's football club.

All revenue derives from the Company's principal activity in the United Kingdom. Revenue can be analysed into its three main components as follows:

	2022 £'000	2021 £'000
Commercial	4,470	1,118
Broadcasting	245	13
Matchday	377	120
	5,092	1,251

4.2 Assets and liabilities related to contracts with customers

The Company has recognised the following assets and liabilities related to contracts with customers:

	2022 £'000	2021 £'000
Current contract assets – accrued revenue	194	123
Total contract assets	194	123

	2022 £'000	2021 £'000
Current contract liabilities – deferred revenue	2,863	2,068
Total contract liabilities	2,863	2,068

Accrued revenue

A contract asset (accrued revenue) is recognised if commercial or Matchday revenue performance obligations are satisfied prior to the unconditional consideration being due under the contract.

Deferred revenue

Commercial and Matchday consideration which is received in advance of the performance obligation being satisfied is treated as a contract liability (deferred revenue). The deferred revenue is then recognised as revenue when the performance obligation is satisfied.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

5 Operating expenses

	2022 £'000	2021 £'000
Employee benefit expenses (Note 6)	(2,338)	(1,797)
Amortisation (Note 10)	(111)	(74)
Other operating expenses	(1,958)	(977)
	(4,407)	(2,848)

The cost of the auditors' remuneration for audit services of £10,000 (2021: £12,000) has been borne by Manchester United plc, the ultimate parent undertaking of the Company.

6 Employee benefit expenses

	2022 £'000	2021 £'000
Wages and salaries	(1,936)	(1,507)
Social security costs	(255)	(180)
Other pension costs	(147)	(110)
	(2,338)	(1,797)

No directors received any emoluments in respect of their services to the Company during the year (2021: £nil).

The average monthly number of persons (excluding directors as they are not employed by the Company) employed by the Company during the year was:

	2022 Number	2021 Number
By activity:		
Players and coaching	37	31
Average monthly number of employees	37	31

7 Other expenses and other income

	2022 £'000	2021 £'000
Services recharged by other group undertakings	563	-
	563	-
	2022 £'000	2021 £'000
Services recharged to other group undertakings	-	1,754
	-	1,754

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

8 Finance income

	2022 £'000	2021 £'000
Fair value movements on derivative financial instruments:		
Embedded foreign exchange derivatives	937	29
Finance income	937	29

9 Income tax expense

	2022 £'000	2021 £'000
Current tax:		
UK tax charge	(67)	(32)
Adjustments in respect of previous years	1	(3)
Total current income tax expense	(66)	(35)
Deferred tax		
Adjustments in respect of previous years	(7)	2
Origination and reversal of timing differences	(233)	1
Total deferred tax (expense)/credit	(240)	3
Total income tax expense	(306)	(32)

A reconciliation of the total income tax expense is shown below:

	2022 £'000	2021 £'000
Profit before tax	1,152	173
Profit before tax multiplied by the weighted average UK corporation tax rate of 19.0% (2021: 19.0%)	(219)	(33)
Tax effects of:		
Transfer pricing adjustments	(24)	1
Adjustments in respect of previous years	(7)	(1)
Impact of change in UK corporation tax rate ⁽¹⁾	(56)	1
Total income tax expense	(306)	(32)

⁽¹⁾ The Finance Act 2021 enacted on 10 June 2021 increased the main rate of UK corporation tax from 19% to 25%, effective from 1 April 2023. The UK fiscal statement on 23 September 2022 included measures to cancel the planned increase in the corporation tax rate to 25%. Subsequent events in the UK economy led the government to reverse the cancellation of the increase in the corporate income tax rate to 25% as announced in the September UK fiscal statement. As a result, the UK corporate income tax is due to rise as originally scheduled to 25% on 1 April 2023.

The credit of £1,000 arising in the current year is a result UK deferred tax being recognised at the substantively enacted tax rate of 25% which is expected to be in point from 1 April 2023. The total tax charge reconciliation is performed at the current year tax rate of 19% resulting in a reconciling item.

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

10 Intangible assets

	Registrations £'000
At 1 July 2021	
Cost	145
Accumulated amortisation	(69)
Net book amount	76
Year ended 30 June 2022	
Opening net book amount	76
Additions	198
Amortisation charge	(111)
Closing net book amount	163
At 30 June 2022	
Cost	331
Accumulated amortisation	(168)
Net book amount	163

The directors have considered the need for an impairment charge against the assets during the financial year. The carrying value of the assets have been compared to the recoverable amount of the assets, determined based on a value in use calculation. The directors have concluded that an impairment charge is not required.

11 Derivative financial instruments

	2022		2021	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Derivatives at fair value through profit or loss:				
Embedded foreign exchange derivatives	967	-	40	(10)
	967	-	40	(10)
Less non-current portion:				
Derivatives at fair value through profit or loss:				
Embedded foreign exchange derivatives	684	-	25	(10)
Non-current derivative financial instruments	684	-	25	(10)
Current derivative financial instruments	283	-	15	-

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

12 Deferred tax (liabilities)/assets

	2022 £'000	2021 £'000
Deferred tax (liabilities)/assets	(237)	3
	(237)	3

The movement in deferred tax (liabilities)/assets are as follows:

	£'000
At 1 July 2021	3
Expensed to statement of profit or loss (Note 9)	(240)
At 30 June 2022	(237)

The deferred tax liability balance primarily comprises timing differences on derivative financial assets.

Deferred tax (liabilities)/assets are recognised only to the extent that it is probable that they will be available for use against future profits and that there will be sufficient future taxable losses/profit available against which the temporary differences can be utilised. At 30 June 2022 the Company had no unrecognised deferred tax assets (2021: £nil).

13 Trade and other receivables

	2022 £'000	2021 £'000
Trade receivables	22	24
Amounts owed by group undertakings	3,460	2,445
Other receivables	17	54
Prepayments	2	6
Current trade and other receivables	3,501	2,529

Trade receivables include transfer fees receivable from other football clubs of £nil (2021: £nil), of which £nil (2021: £nil) is receivable within one year.

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

14 Share capital

	2022 £'000	2021 £'000
Allotted and fully paid:		
100 (2021: 100) ordinary shares of £0.01 each	-	-

Manchester United Women's Football Club Limited

Notes to the financial statements (continued)

15 Trade and other payables

	2022 £'000	2021 £'000
Trade payables	147	77
Amounts owed to group undertakings	99	100
Accruals	230	150
Taxation and social security	85	51
	561	378
Less: non-current portion:		
Trade payables	22	17
Non-current trade and other payables	22	17
Current trade and other payables	539	361

Trade payables include transfer fees and other associated costs in relation to the acquisition of registrations of £118,000 (2021: £65,000), of which £22,000 (2021: £17,000) is due after more than one year.

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

16 Income tax liabilities

	2022 £'000	2021 £'000
Corporation tax payable within the next year	99	58
	99	58

17 Contingent transfer fees

Under the terms of certain contracts with other football clubs in respect of player transfers, additional amounts would be payable by the Company if certain conditions are met. These excess amounts are only recognised within the cost of players' registrations when the Company considers that it is probable that the condition related to the payment will be achieved. The maximum additional amounts that could be payable is £4,000 (2021: £3,000).

18 Events occurring after the reporting period

The playing registrations of certain footballers have been disposed of on a permanent or temporary basis, subsequent to 30 June 2022, for total proceeds, net of associated costs, of £99,400. The associated net book value was £5,700.

Subsequent to 30 June 2022, the playing registrations of certain players were acquired or extended for a total consideration, including associated costs, of £455,000. Payments are due within the next 4 years.

19 Immediate parent undertaking and ultimate controlling party

The immediate parent undertaking is Manchester United Football Club Limited. The ultimate parent undertaking and controlling party is Manchester United plc, a company incorporated in the Cayman Islands and listed on the New York Stock Exchange. Manchester United plc is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 June 2022. The consolidated financial statements of Manchester United plc can be obtained from the website www.manutd.com. Manchester United plc is controlled by family trusts affiliated with the Glazer family.

Red Football Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 30 June 2022. The consolidated financial statements of Red Football Limited can be obtained from the Company Secretary, Red Football Limited, Old Trafford, Manchester, M16 0RA.