



**RANGERS INTERNATIONAL
FOOTBALL CLUB PLC
Annual Report 2023**



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Directors and Advisors

Directors

John Bennett
Graeme Park
Alastair Johnston
Julian Juul Wolhardt
George Taylor
John Halsted

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Auditor

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Solicitors

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Bankers

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Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU

Stockbrokers

JP Jenkins, 80 Cheapside, London, EC2V 6EE

Company Registration Number

SC437060



Business Review

Chairman's Report

For the first time as Chairman of Rangers Football Club, it is my great pleasure and honour to address you in our annual report.

The last year has been one of significant change, both on and off the park. The Board expresses its thanks to those who have given their service in taking us to the present position.

I'd like, in particular, to thank my predecessor, Douglas Park, for his dedication to the role and to the club. A fellow lifelong Rangers man, Douglas remains on hand to offer his valued guidance and support.

Now, myself, the RIFC Board and our new executive management team must continue the work. Yet, it is not simply a continuation that is required: it is a raising of the bar.

Having spent recent months getting closer to the daily operations of the club, it is clear to me that there is widespread scope for improvement.

To this end, we have installed a new executive management team, led by James Bisgrove, our Chief Executive Officer, who officially took up his position on August 1.

James' track record speaks for itself, having transformed our commercial operation and setting it on a trajectory of sustained growth. His knowledge of the game through his time with UEFA complements his skillset as he leads our club on a daily basis.

Supporting James in his role are three new appointments on the executive team. Karim Virani has joined us as our Chief Commercial Officer, James Taylor is our new Chief Financial Officer, while Creag Robertson has transitioned within the club to become our Director of Football Operations.

This new team has been tasked not only with growing our club, but with driving the operational efficiencies alluded to above. We look forward to seeing clear, tangible results in the current financial year.

On the main Board, we have been pleased to welcome investor John Halsted. Together with his financial backing John brings excellent strategic support to the table.

Moving now, most importantly, to the football. At the end of September, the Board took the difficult decision to change our men's first team manager. This is not a call which was made lightly. Nevertheless, the Board acted with the best interests of the club solely in our minds. Our thanks go to Michael Beale and his staff for their efforts during their time at Rangers.

A thorough recruitment process began immediately, based upon the succession planning process already installed by the Board and football department.

Myself, James Bisgrove, members of the Board, investors and former players were involved in the process. We were delighted to reach the unanimous decision to appoint Philippe Clement as the club's 19th permanent manager.

Philippe was the outstanding candidate based on his personality, leadership, football vision and, crucially, his pedigree as a winner.

Together with your Board, Philippe is laser focused on the one thing that matters more than any other at this football club: delivering trophies. Everyone at the club looks forward greatly to the Viaplay Cup final just prior to Christmas.

Turning attention to our women's first team, and it is pleasing to see the superb progress under new head coach, Jo Potter. Malky Thomson, our previous head coach, returned to his Academy position at the end of last season with our sincere thanks and best wishes, having delivered two firsts for the club during his tenure: the SWPL title and the Sky Sports Cup.

Jo has made a clear impact across all areas of our women's programme, most importantly on the pitch. She is an outstanding leader and her experiences in the English top flight, as well as national set up are being brought to bear at Rangers.

Our Academy has also undergone change in recent months. Previous Academy Director, Craig Mulholland, moved on with our best wishes for the future. His replacement, Zeb Jacobs has brought a number of innovative ideas to the club in his time prior to stepping up to his new role. We fully expect this to continue in the years ahead to ensure that Rangers is at the forefront of the development of young players in Scotland.

Financials

The club has, for the second year in succession, returned an operating profit.

Turnover for the year to 30 June 2023 was £83.8m, generating an operating profit of £252k.

While successive years of operating profitability can be seen as encouraging, especially in light of what had gone before, there is still much work to be done. The club vision must be simple and clear: sustainable success. This applies both on and off the pitch and it must be a mantra by which all at the club live.

Football is a business which is particularly prone to being reactive. While this may be inherent to the industry, sustainable success can only come when we are systematic in our processes and in our actions. It is my firm conviction that this is a pre-cursor to returning the club to the status of serial winners.

I have talked previously of the four components of financial sustainability: season ticket sales, commercial revenue, European football and player trading. While the first of these components will never be taken for granted, it is the fourth that requires attention.



Business Review (continued)

Chairman's Report (continued)

Financials (continued)

Player trading will always be inherently volatile, yet Rangers must replace sporadic "wins" with systematic success. It is a given that it all begins with player recruitment. This is an area of priority for your Board, and we anticipate that the coming months will see a strengthening in the leadership and processes of our football department, specifically with this in mind.

Infrastructure

As well as committing substantial investment in our playing squad, the club continues to invest in off the pitch initiatives to improve the matchday experience of our supporters.

Edmiston House has opened in the last year. Contained within the facility is the club museum, a truly excellent dedication to our unique club's history and heritage. The feedback from our supporters and visitors has been overwhelmingly positive and those who have dedicated many years to its creation deserve tremendous credit for their work.

Following premium initiatives such as the Gordon Ramsay hospitality suite and the Blue Sky lounge, the coming months will see the opening of our new G51 Sports Bar. This will enhance the matchday experience and further improve the Ibrox campus.

The Board continues to drive improvement of our facilities for disabled fans. Our twin aim is to deliver a much-improved experience for our disabled supporters as well as a net stadium capacity increase.

As I bring my report to a close, I do so in remembrance of those from our Rangers family whom we have lost in the last twelve months.

In September, we were deeply saddened to hear of the passing of both Ronnie MacKinnon, and Jim Forrest. Their contributions to the club were enormous. I was deeply humbled, alongside James Bisgrove, to travel to Stornoway for the warmest of tribute nights at the Lewis and Harris Rangers Supporters Club in honour of Mr MacKinnon, just a few days before his sad passing.

Trevor Francis, a real icon of the game who spent a season here in the late 80s, sadly died in July, while former goalkeeper and goalkeeping coach, Billy Thompson, left us in February.

At the end of October, the club was mourning the passing of Mary 'Tiny' Gallacher, who gave the club over 50 years of devoted service, while Tommy Moller Nielsen, a former coach under Walter Smith and Dick Advocaat, died in July. We also remember Craig Brown, a man who made a massive impact on the Scottish game, and began his playing career at Ibrox.

It is now two years since we lost Walter Smith – a man to whom the word 'legend' does not do justice. He was an extraordinary, everyday inspiration to everyone connected to our football club. Rangers exists to win, and Walter epitomised that in every way, both on and off the pitch.

His immense contribution to Rangers can never be forgotten. Thus, the Board commissioned a statue of Walter for the grounds of Ibrox Stadium. I am pleased to report that this is now nearing completion and feedback from his family, who have personally visited the sculptor on a number of occasions, has been excellent.

By the spring, the statue will have a permanent home at Ibrox, allowing supporters of this current generation and those generations to come to remember and commemorate a very special man.

I wish to end by again thanking everyone connected to Rangers: fellow Board members, staff, players, investors, and of course, our lifeblood, the supporters, for their unrivalled backing of our club.

John Bennett, Chairman

9 November 2023

Business Review (continued)

Football Manager's Review

It is my pleasure to be addressing you in our annual report as the manager of Rangers Football Club.

This is one of the iconic names of European football, and it is a real honour to have been asked to lead it forward. Since my appointment, I have spent time assessing the squad and everything around our men's first-team to set us up to be successful in the future.

I am a winner – I have won as a player, I have won as a manager, and now I want to win here at Rangers. This club is built on collecting trophies on a regular basis – that has to be our objective both this season and in the seasons ahead.

In my discussions with the board prior to being offered the job, we were very clear with each other on what we believe is required here to improve us on the pitch, what we expect from each other and our shared desire to be successful. That strong bond between myself, James Bisgrove, our CEO, Creag Robertson, our Director of Football Operations and the wider Board and executive team will be crucial going forward.

As I intimated when I joined the club, and on occasions since, we are stronger when we are all pulling in the one direction. Our supporters are such a massive asset for us at home and away, and what you can add to us on a matchday can make all the difference.

I have been humbled by the welcome I have received from you all, and myself and my staff are determined to repay you for that.

Thank you again for your continued support.



Philippe Clement

9 November 2023



Business Review (continued)

Operational Report

Overview

On the pitch, the Club celebrated returning to the UEFA Champions League for the first time since 2010/11. Negotiating through two rounds against Union St Gilloise and PSV Eindhoven meant we qualified for a tough group stage containing Liverpool, Napoli and Ajax, three strong teams. Although results were very disappointing, the experience of being back in Europe's top competition will stand the Club and team in good stead going forward.

In November 2022, Michael Beale was appointed as the 18th Rangers manager. After a period of inconsistency at the start of the season, the new manager's appointment resulted in a good period of league results. Ultimately though, the team were unable to bridge the points deficit that Michael inherited, and in the cup competitions we lost in the semi-finals of the Scottish Cup, and in the final of the Viaplay Cup.

In light of that, the Board backed the manager with nine player purchases over the summer window. With a squad that should now be better equipped to challenge domestically and compete in Europe, results were inconsistent in the first part of this current season, and Michael and his team were released from their duties. After a rigorous recruitment process, the Club were delighted to announce Philippe Clement as the new manager. The aim for everyone at the Club is to get back to winning silverware in the current season. We look forward to competing again in the UEL, bringing back memories of our strong run two years ago in that competition.

The Board have stated clearly that the business is built on four pillars of revenue; ticket income, commercial income, European football, and player trading. In respect of player trading there were sales in the year of Calvin Bassey and Joe Aribo, and post year end we also sold Glen Kamara, Antonio Colak, Fashion Sakala Jnr and Lewis Mayo. This trading model is vital for the success of the Club, and we wish all of these players well in their future careers.

As a business, one of the key factors this year was the opening of Edmiston House, a world-class space that is not just for Rangers fans but also for the local community and the city of Glasgow, with event space that can host seminars, conferences, gigs, exhibitions and awards ceremonies. The facility, presented by Park's Motor Group, opened in January, and the Rangers Museum followed over the summer.

The Museum has opened to hugely positive reviews and is an exciting and immersive experience for any Rangers or, indeed, football fan. It showcases the rich history of our Club, with exhibits ranging from the team's beginnings to our most recent victories. Everyone involved in its creation should be rightly proud, and it will attract visitors to the campus for many years to come. Having a fan space on a matchday has been a long-held aim for the Board, and the fanzones have proved popular with young and old fans alike to use pre and post-match, for a drink, to sit in the café, or visit Castore's multi-storey retail space.

As well as investing in Edmiston House, the year saw exciting openings of the Blue Sky Lounge and the Gordon Ramsay Restaurant in the Ibrox Suite on a matchday.

This state-of-the-art, multi-purpose Blue Sky Lounge boasts panoramic views of Ibrox. It allowed the Club to add three additional rows of seats in the Sandy Jardine Stand, which can provide for up to 330 guests on a match day, as well as incorporating the new stadium restaurant on non-matchdays.

At last year's AGM, the club unveiled a project to upgrade the disabled facilities in the stadium, including works to create additional capacity, as well as new accessible toilets. This will be a major project in the coming years.

The final part of the financial year saw the Club announce changes in the executive team. Stewart Robertson stepped down as Managing Director, to be replaced by James Bisgrove as Chief Executive Officer. Stewart leaves with the best wishes and gratitude for all he achieved during his eight years at the club, during a transformative period in the club's history where he has helped to rebuild every facet of the club. In addition, Ross Wilson also left as Sporting Director to move to Nottingham Forest. Ross helped shape a squad and football department which delivered a 55th league title for the club, a Scottish Cup win, a Europa League final and a return to UEFA Champions League football.

Women's football

The Women's first team had a mixed year. Winning the SWPL title in the previous season meant that the team qualified for the UEFA Champions League for the first time. The team successfully managed to progress through the first round of playoff matches, before losing to strong opposition in Benfica in the second round. Everyone involved in the team recognises that set a tremendous standard for themselves from which to progress.

The 2022/23 league season ended with the team finishing third in a very close league which went down to the final round of fixtures. This meant that the squad missed out on European football for this current season. At the end of the season, the women's manager Malky Thomson stepped down to return to his previous role within the Academy, and the Club appointed Jo Potter to lead the team into the coming season. Jo has made a tremendous start and we look forward to seeing the development of the team in the coming weeks and months.

The development of the Women's game has been rapid, and this year we have seen the team play home fixtures at Ibrox. They have also created record levels of fan engagement, social media presence and commercial revenues. We thank our partners



Business Review (continued)

Operational Report (continued)

Women's football (continued)

for the Women's department of BioWave, DCP and TGI Fridays, who are all continuing to support the work being done.

This first team success flows down to the younger age groups, and we are already seeing girls progress through the Academy, sign professional contracts, and play for the first team.

In addition to this, the Club knows it is vital to continue this development, and with this in mind are part of the ECA Women's Football Working Group, playing a prominent role in shaping the game.

Youth football

The progression of Academy players is fundamental to the future of the Club. As well as the feel-good factor of having a homegrown player in the first team, any sustainable player trading model needs a steady supply of quality Academy players.

This year, the first team benefitted from 56 appearances by 12 different Academy graduates, with Leon King, Adam Devine and Alex Lowry stepping up to be regular squad members. Leon also played nearly 400 minutes of UEFA Champions League football, a tremendous step in the development of an U19 player. Leon was also invited to train with the Scotland National 'A' squad in the year, one of five current or ex-Academy players to represent the senior team in the period.

We also had 41 youth international call-ups across five different nations – England, Scotland, Wales, Northern Ireland and the USA.

The 'B' team and Emerging Talent squad had a second year participating in the Scottish Lowland League, allowing the squad to develop further in senior men's football. The team finished second in the division, as well as reaching the final of the Glasgow Cup and the third round of the SPFL Trust Trophy.

For the 2022/23 season, Carrick Packaging continued as our Main Partner of the Academy, with their logo appearing on the front of all shirts for Academy and Development team matches, including UEFA Youth League games. We are very pleased that they have extended this agreement.

During the year, Craig Mulholland stepped down as Head of Academy after 20 years with the Club, being replaced by Zeb Jacobs, who was already at the club as Head of Coaching.

The department announced an exciting new concept in how it develops primary school-age kids in its 'Rangers READY' centres. Seven locations will be set up nationwide to be attended by kids chosen by our extensive scout network. This will be a new model that promotes the teaching and love of the game ahead of putting any pressure on being scouted by a professional club. It will support and develop young people in a playful and creative way, while at the same time building strong relationships within the grassroots football community.

Commercial and other operations

Away from the pitch, the Commercial department achieved success by hitting turnover of £28m for the second year in a row.

The Club's online presence continues to grow. The channel covered 172 matches across men's, women's and 'B' teams – over a third of those live to a global audience. The quality of product being offered contributed to a seventh successive year of subscription revenue increase.

Our kit and retail partnership with Castore entered its third season in Season 22/23 and as part of the offering to supporters, four kits were released at retail.

All four kits were positively received by supporters with the third kit in particular driving a similar level of commercial performance as our home kit that season. This was partially driven by the ability of Rangers and Castore to be nimble to the opportunity presented by reaching the UEFA Europa League final as our 2022/23 third kit launch was brought forward by a number of months to capitalise on unprecedented demand.

Our partnership with Castore benefits from five dedicated Rangers Stores across the United Kingdom plus a dedicated retail website, retail app and in-stadium kiosks. In addition, sales benefited from a continued focus on global wholesale opportunities and distribution.

Season 2022/23 marked the opening of our brand new, multi-storey, flagship retail store within Edmiston House which is the biggest retail space the club has ever had on the stadium footprint. This new store represents a huge step forward in terms of the retail experience we can offer to visitors and it has also significantly increased the breadth of Rangers products that we are able to retail on-site.

The opening of Edmiston House as a world-class multi-purpose arena will also create significant opportunities for the club to deliver more amazing moments for our fans and supporters across the Ibrox campus. We also saw some incredible support for this project from a number of fans in wanting to be involved with the venue; resulting in 11 becoming founding fathers of Edmiston House and contributing significant revenue as part of their commitment to us.

Business Review (continued)

Operational Report (continued)

Commercial and other operations (continued)

Turning our attention to our stadium, the Club has installed self-order units in the Broomloan and Copland stands which on a matchday allow fans to order their pre-match and half-time refreshments. This self-service speeds up the ordering process and will be expanded across other stands if successful. Plans are also well under way to convert the old megastore into a new Sports Bar, as we continue to try and evolve the matchday experience for our fans with new and innovative propositions.

A key development in the year, was a change of in-house caterer at the Stadium, with Levy UK joining us as partners in a venture which ensures that the majority of profit from these activities stays with the Club. The innovation and quality of product they promise to bring to all areas of the Club, including matchdays in Hospitality and the Kiosks, on non-matchdays in the Restaurant and New Edmiston House, in providing meeting and conference spaces, and delivering the catering needs of the players at the Training Ground, will be vital in Ibrox being seen as a fantastic venue for sport and entertainment.

Their support has been crucial in launching both the Blue Sky Lounge and the Gordon Ramsay Restaurant.

In regards to the Gordon Ramsay lounge, it was a very special moment in the year for us to be able to launch our new fine dining experience in collaboration with the world's most famous chef. With an aspiration of serving sports hospitality dining that is second to none, we have high ambitions for the lounge and thank our supporters that have already experienced dining with us in the lounge.

It is also important to note that none of our success could have been achieved without the loyal support of our Club Partners. As a club we were delighted to welcome a number of brilliant new partners to our stable, including the chance for us to collaborate with one of the UK's leading home improvement businesses BOXT, whom became our sleeve partner this year. Another highlight for our team was to join forces with global gaming brand EA Sports on a partnership to help promote the world's leading sports football title, FIFA. Continuing to grow our partnership portfolio with significant local and global partners will remain at the forefront of our growth strategy.

EA Sports and BOXT joined a stable of existing partners, such as SEKO, Kindred Group, Utilita, Tennents, Carrick Packaging, NordVPN, Douglas Laing, Cadbury, Vitality, TGI Fridays, and Coca-Cola, who all extended their commercial deals.

Supporter relations

One aspect which the Board identified as being critical, was the improvement of fan and customer communication channels. This work is ongoing. The Customer Service department, implemented in the previous year, acts as a first point of contact for external queries to the Club. In the year, the team has resolved over 106,000 queries, maintaining targets on response rates throughout peak periods of activity like season ticket renewals.

This department will continue to have key performance targets – to reply quickly to queries, and to resolve them successfully. Through this, and by utilising the Club's existing social media platforms, we aim to pass information quickly to fans, to help them enjoy the match, and to enjoy using Ibrox safely. To complement this, the team assisted in fan engagement events in Edmiston House, such as season ticket renewal workshops, CEO Fan Forums and supporter collaboration sessions on proposed signing sections.

One of the major achievements in Fan Engagement was the launch of our comprehensive Supporter Engagement Strategy in June 2023, which sets out our vision, mission, values, objectives, and action plan for season 2023/24. Supporters are the lifeblood of our club, and we value their opinions, feedback, and involvement in all aspects of our operations. We want to ensure that they have a voice in the matters that affect them. The Fan Advisory Board, which reflects the wide and diverse Rangers support, will provide input and advice on crucial club issues and policies at a strategic level, liaising directly with the SLO and CEO of the Club.

A second key aspect identified by the Board to improve information flow to the supporters is by improving our media relations. Significant work has gone on in the last year to meet with many different media organisations. We have worked hard to shift our mentality when it comes to the media – aligned with the Club's commitment to increased transparency and communication, we are determined to hold strong relationships with as many media organisations as possible. This has been done in conjunction with a revamp of the media facilities and press room facilities in the Stadium, to meet UEFA competition requirements.

The season saw the further expansion of the MyGers membership scheme. By the end of the season, over 50,000 members enjoyed exclusive benefits such as a welcome gift, ticketing priority, discounts and speciality experiences. As part of the scheme, members enjoy MyGers Loyalty Points, which rewards supporters for activities like match attendance and purchases of club products such as tickets and RTV subscriptions. The scheme will continue to evolve and be reviewed as it continues, but it is already one of the biggest membership schemes in the UK.

The Club continues to give its full backing to its campaign Everyone Anyone, which aims to promote diversity and inclusion, and show Rangers as a modern football club through which fans can come together and support a common cause of equality and understanding. Rangers is for everyone and anyone and this campaign will send a clear message of zero tolerance to all forms of discrimination, on and off the pitch. The Club was also happy to receive excellent feedback on the in-depth nature of our Diversity and Inclusion work. We work hard also on our Child Wellbeing and Protection procedures. Having employed a full-time Child Wellbeing Officer, excellent procedures and policies have been put in place.



Business Review (continued)

Operational Report (continued)

Supporter relations (continued)

The team again received wonderful support from the fans for the 2022/23 season, with over 45,000 season tickets sold, and over 1,500 hospitality season tickets sold. Over 1.6m tickets were processed by the ticket centre across the year. The support received is always greatly appreciated and never taken for granted.

Community and charity

The courses run by the Soccer Schools are another important way of expanding the reach of the Club. We now have three official international partnerships, with Orange County in USA, Bengaluru in India, and Hamburg in Germany. We were also excited to launch further strategic partnerships with All India Football Federation, Hong Kong Football Club, and with the ongoing development of a Rangers Soccer Academy in Abu Dhabi.

Domestically, the Soccer Schools engaged with over 20,000 children across Scotland and Northern Ireland, through the delivery of over 1,000 term-time, holiday course and roadshow classes. Thirty four groups travelled between Scotland and Northern Ireland to play and learn. Internationally, the Soccer Schools held camp events across the world, and have working relationships with over 30 youth organisations around the globe, engaging with over 1,500 players and spreading the brand of our club.

The Club continues to be a responsible employer and business partner, and to improve in these respects wherever possible. Its Equality and Diversity Statement, as well as its latest Gender Pay Gap report, are available on the Club's website.

The Rangers Charity Foundation was delighted to celebrate its 20th Anniversary in the year. The Foundation supported Glasgow Children's Hospital Charity, Glasgow City Mission, Bowel Cancer UK, UNICEF UK and several armed forces charities last season reaching over 10,000 people of all ages with its wide range of community programmes - more than ever before. Its programmes are aimed at improving health, offering educational and employment opportunities and championing diversity and inclusion.

It continued to arrange for letters of support from first team players to be sent to those affected by illness and bereavement and provided special Dream Day experiences to those in real need of a boost.

The Foundation also secured the long-term lease of the Ibrox Community Complex, and with the backing of the Club, is excited about the opportunities which revitalising this facility will bring for the Foundation and the wider community.

Its unique work is delivered by an expert, compassionate and dedicated team and we're proud to have been able to make such a positive difference for so many people.

Full details of the Foundation's work can be found in its own Annual Report.

John Bennett, Chairman
9 November 2023



Business Review (continued)

Finance Report

The year under review was notable for the Club's return to the UEFA Champions League. Although in comparison to the team's strong run to the UEFA Europa League final in the previous season, prize revenues were not dramatically increased, and home European fixtures decreased from nine to five, it did contribute to us achieving an Operating Profit of £0.3m. This is a key performance target for the business, before interest and exceptional items are taken into account.

The Board are committed to their sustainable business model. With UEFA having this year replaced the previous Financial Fair Play rules with new Financial Sustainability Regulations, these will introduce more focus on costs and squad spending and trading controls. The Club is well positioned to take these on board and continue to comply with all regulations.

A decrease to turnover of £3.1 million is driven largely by not having post-group stage knockout European football. We also saw the normalisation of domestic TV rights, which had been shared temporarily with the clubs during the pandemic. However outwith those factors, the support of the loyal fans continued, with over 45,000 season tickets and over 1,500 seasonal hospitality places sold. Commercial department revenues also went beyond £28m for the second year running.

Alongside these trading results, we have had some one-off items. We saw a record player sale for the Club, with the transfer of Calvin Bassey to Ajax, as well as further sales including Joe Aribo which contributed to a record player trading profit of £23.6m. The Board are pleased to see the player trading model continue to evolve, and further sales since the year end further reflects that. We also paid out £1.3m of this in non-recurring costs, which includes legal costs and resolution of contractual settlements.

The financial performance, coupled with new investment received last year, allowed the Board to again invest heavily in the Men's and Women's squads, and the Stadium. A squad investment of £17.5m in the year under review, adds to the £7.5m in the previous year and was supplemented further by £21.0m of spend since the year end, in the summer transfer window. Further to that, £18.9m has been invested in the Stadium, Training Ground and New Edmiston House over the past two year period.

Due to this squad and infrastructure investment, the business incurred player amortisation and depreciation of £15.0m. This contributed to the overall net loss for the year of £4.2m.

During the year, 15 million shares were issued, converting £3.7m of shareholder loans to equity.

John Bennett, Chairman
9 November 2023



Strategic Report

About Rangers International Football Club plc (the "Company", "RIFC", "RIFC plc" and including its Subsidiaries, the "Group"), and Rangers Football Club (the "Club")

Rangers Football Club, formed in Scotland in 1872, is one of the world's most successful clubs, having won 55 League titles, 34 Scottish Cups, 27 League Cups and the European Cup Winners' Cup in 1972. The Club's loyal and sizeable supporter base, both in Scotland and around the world, enables the Club to boast one of the highest percentages of season ticket holders in the UK. Playing at the 50,817-seater Ibrox Stadium and benefitting from the world class 37 acre Rangers Training Centre, Rangers have been a leading force in Scottish football for decades. This world class stadium, training infrastructure and a loyal and passionate global fanbase provide an excellent foundation for the Company.

The Club finished second in the SPFL (Scottish Professional Football League) Premiership in season 2022/23. The history, facilities and ambition of the Club are such that the Club remains a desirable destination for foreign and domestic players alike. The first team squad is managed by Philippe Clement.

The Directors, in preparing this Strategic Report, have complied with s414A to E of the Companies Act 2006.

This Strategic Report has been prepared for Rangers International Football Club plc and its subsidiary undertakings (the Group) as a whole and therefore gives greater emphasis to those matters which are significant to the Group when viewed as a whole.

Directors Duties

Section 172(1) of the Companies Act 2006 requires the Directors of the Group, to act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole. Amongst other matters, the Board have considered the following:-

- The likely consequences of any decisions in the long-term;
 - The Directors meet regularly to establish and drive the long-term direction of the Group
 - Note 20 details the Groups' risk management and objectives
- The interests of the Company's employees;
 - As outlined in the Directors Report, the Group places considerable value on the involvement of its employees in the business and aims to keep employees well-informed on matters affecting them as employees and the wider Group.
- The impact of the Company's operations on the community and environment;
 - The Group has policies in place to remove or minimise any possible adverse impact of the Group's operations on the wider community and environment. The Group commits to adhere to and where possible go beyond all relevant legislation that seeks to protect the community and environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
 - The Group seeks to ensure that it operates on an ethical and fair basis in a manner that helps foster agreeable relationships with its customers, suppliers and the wider business community. The Group considers and takes steps where possible to mitigate and reduce the impact of adverse factors that may place unacceptable strain on valued business relationships. Aligned with this the Group strives to set sector leading standards and achieve a reputation for a high degree of professional business conduct starting with employees through to suppliers, customer, shareholders and the wider community both locally and beyond.
- The need to act fairly as between shareholders of the Company.

The Group seeks to ensure that it operates on an ethical and fair basis in a manner that helps foster agreeable relationships with its customers, suppliers and the wider business community. The Group considers and takes steps where possible to mitigate and reduce the impact of adverse factors that may place unacceptable strain on valued business relationships. Aligned with this the Group strives to set sector leading standards and achieve a reputation for a high degree of professional business conduct starting with employees through to suppliers, customer, shareholders and the wider community both locally and beyond.

Likewise, the Group has policies in place to remove or minimise any possible adverse impact of the Group's operations on the wider community and environment.



Strategic Report (continued)

Consolidated Results of Operations

REVENUE

The table below sets out the Group's revenue during the year:

	Year ended 30 June 2023	Year ended 30 June 2022
	£'000	£'000
Gate receipts and hospitality	39,852	41,901
Commercial partnerships and sponsorships	6,254	7,304
Broadcasting rights	6,178	7,199
Retail and other commercial activities	11,121	9,894
UEFA prize money and solidarity	18,522	17,300
Other revenue	1,847	3,251
Total revenue	83,774	86,849

Revenue for the year ended 30 June 2023 totalled £83.8 million. Of this total, gate receipts and hospitality income contributed £39.9 million. During the year, the Club played nineteen home league matches, four home cup matches, five home European ties and three home friendlies (2022: nineteen home league matches, three home cup matches, nine home European ties and three home friendlies). No revenue is recognised in respect of away fixtures except for a small share of ticket revenue from away cup matches.

A decrease to turnover of £3.1 million is driven largely by not having post-group stage knockout European football. The previous year had a strong run to the UEFA Europa League final (2022: £17.3 million). Season ticket income of £18.2 million was recognised during the year to 30 June 2023 based on sales of 45,172 season tickets (2022: £17.4 million from 45,600).

Broadcasting revenues reduced back to normal levels, after having improved during the pandemic period as Sky shared broadcasting rights with the clubs.

Commercial partnerships and sponsorship income of £6.3 million, and Retail and other commercial activities of £11.1 million recognised during the year to 30 June 2023 includes revenue earned from agreements with the Club's sponsors and commercial partners, as well as the sale of matchday publications.

Retail income of £7.2 million is included and relates to this season's merchandising arrangements (2022: £5.5 million).

Other revenue includes income from security, non-stadium football activity, and profit shares relating to the current catering partner contracts.

OPERATING EXPENDITURE

RIFC has incurred the following operating expenses during the year:

	Year ended 30 June 2023	Year ended 30 June 2022
	£'000	£'000
Staff costs	64,037	54,804
Other operating charges	28,275	28,363
Short-term leases	167	153
Depreciation of property, plant and equipment	2,603	2,124
Amortisation of trademarks & other intangibles	16	17
Amortisation and impairment of players' registrations	12,854	11,822
Auditor's remuneration	90	90
Total operating expenses	108,042	97,373

Other operating charges include overheads and matchday costs, such as catering, policing, stewarding and pitch costs.



Strategic Report (continued)

CASH FLOW

The main sources of income for RIFC and its subsidiaries are season ticket sales, other match related revenue, commercial income and proceeds from the sale of players' registrations.

Cash payments primarily consist of the player and staff wages, direct costs and the payment of player transfer fees payable in respect of acquired players.

The following table shows information regarding RIFC's cash flows for the year to 30 June 2023.

	Year ended 30 June 2023	Year ended 30 June 2022
	£'000	£'000
Net cash used in operating activities	(3,764)	15,284
Net cash used in investing activities	(8,157)	(18,248)
Net cash from financing activities	4,171	12,784
Net (decrease)/increase in cash and cash equivalents	(7,750)	9,820

There was a net cash outflow of £3.8 million from operating activities compared to an inflow of £15.3 million in the prior year. Net cash outflow on investing activities amounted to £8.2 million, compared to £18.2 million in the prior year.

Included within financing activities is the net receipt of loans from investors totaling £4.9 million. These balances were used to fund the Club's working capital requirements.

KEY PERFORMANCE MEASURES

RIFC uses a number of key performance measures in its business, including statutory measures, such as revenue and operating profit/(loss), before and after player trading. The most significant non statutory measures used include the wages/turnover ratio and season ticket sales. Key non-financial measures include on-pitch performance and attendance. The table below shows some KPIs for the year to 30 June 2023.

	Year ended 30 June 2023	Year ended 30 June 2022
Total revenue (£'000s)	83,774	86,849
Operating profit/(loss) (£'000s)	252	5,854
Operational EBITDA (£'000s)*	(7,876)	8,648
First Team Wages/Turnover ratio	51%	44%
Number of games played (total)	60	71
Number of games played (SPFL home)	19	19
Number of games played (SPFL away)	19	19
Number of games played (Cup home)	4	3
Number of games played (Cup away)	4	5
Number of games played (Euro home)	5	9
Number of games played (Euro away)	5	10
Number of other games (Friendlies home)	3	3
Number of other games (Friendlies away)	1	3
Number of season tickets sold	45,172	45,600
Season ticket sales (£'000s)	18,205	17,443
Average season ticket price ex. VAT (£)	403	383
Average attendance (league home matches)	49,116	45,314

*Operational EBITDA (earnings before interest, tax, depreciation and amortisation) is the Group's Operating profit / (loss) from the year adjusted for any non-recurring, depreciation, amortisation and financial items not already shown below this line.



Strategic Report (continued)

CURRENT TRADING AND PROSPECTS

Last season, the Club's first team finished 2nd in the SPFL Premiership. In addition, the Club reached the final of the Viaplay League Cup and the semi-final of the Scottish Cup. In the current season, at the time of writing, the Club sits in 2nd place in the Premiership. Having qualified through to the playoff rounds for the UEFA Champions League, the team exited from that tournament at that stage, and will compete in the UEFA Europa League this season.

The women's first team finished third in the SWPL Premier League, and played in the 1st and 2nd Rounds of last season's UEFA Women's Champions League.

RISKS AND UNCERTAINTIES

The Board sets out below the principal risks and uncertainties that it considers to be associated with the running of a professional football club. Due to the nature of professional football there are many risks and inherent uncertainties due to the nature of participating in competitive sport. These risks are regularly reviewed by executive management. Each risk when identified is analysed to determine the likelihood of the risk occurring, the potential impact it may have on the Group if it did occur, and the steps that have been or should be taken to reduce the likelihood of occurrence and mitigate any potential impact. Management personnel are responsible for managing these risks and the required steps to be taken are subject to direction and on-going review by executive management and Directors.

The Directors consider that the principal risks to the performance of the business fall under the following headings:

Future funding

Building a team to challenge for the SPFL Premiership and compete in European competition requires continued investment for success in these areas to generate a significant contribution to the revenues and cash flows of the Club. Due to the cycle of trading revenues, from time to time the Group requires funding support from its investors. Funding is provided by way of a secured term loan facility and a revolving credit facility. The current and future financial position of the Group, its cash flows and liquidity position have been reviewed by the Directors. Based on these forecasts the board are satisfied that the club has adequate working capital and undrawn facilities to meet its forecast cash requirements.

Litigation

The Group operates at risk of litigation procedures from third parties, which are dealt with as they arise and on an individual basis. The key litigations to which the Group are party are identified later in this report alongside other pre-existing claims.

Retail revenue

The sale of replica strips in the year ended was the third year of our manufacturing deal with Castore. Under the current terms, with our current Retail and Manufacturing Partner, the Club is better able to make use of its stadium megastore, a new online platform, and the intention for additional stores going forward.

Season ticket revenues

Significant revenue is earned from the sale of season tickets. Current economic conditions can affect supporters' available income and there is a risk that the season ticket sales may fall. As well as the level of supporter engagement, the quality on the pitch, the standard of matchday entertainment, the level of success from the previous season, the level of opposition, together with pricing all have an effect on the decision to buy. Many of these factors are beyond the control of the Group.

Matchday attendances

Substantial income is derived from matchday ticket sales and the sale of various products and services on match days, including hospitality, catering and programmes. Worse than expected results and inclement weather, especially during the winter months can lead to a drop in attendances.

Broadcasting contracts and football competitions

The SPFL sells domestic broadcasting rights centrally. The Club currently competes in the SPFL Premiership, and the SPFL provide revenue streams to the Group. The Club also competes in European competition and UEFA provide revenue streams to the Club in these circumstances. The future level of revenue is not contractually guaranteed and is subject to influence from third parties.

Player transfer market and wages

The football club is subject to two transfer windows within the year. The unpredictable nature of these, with players able to move relatively freely, despite their contracts and many clubs looking to buy players with comparative skills, means that all clubs cannot guarantee that they will retain or add to the squad to meet their requirements. The short transfer window can also have an inflationary effect on prices or alternatively drive selling prices down.

Player trading will always be inherently volatile. A successful trading model begins with player recruitment and this is an area of priority for the Board.

Player wages are subject to influence from competing clubs, particularly in those leagues with lucrative media contracts, significantly exceeding those available in smaller domestic markets. Consequently, all transactions are affected by a series of variable factors which result in the market being unpredictable.



Strategic Report (continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Group's business the financial risk that the Directors consider particularly relevant to the Group is cash flow risk. The Group addresses cash flow risk by carefully managing its working capital inflows and outflows. The Group manages its working capital inflows and outflows to minimise any material foreign exchange risk. The Group does not enter into complex financial instruments for speculative purposes. Further information is provided in note 20 to the financial statements.

GOING CONCERN

The Board of Directors ("the Board") are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business. In satisfaction of this responsibility the Board has considered the Group's ability to meet its liabilities as they fall due.

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The Strategic Report also describes how the Group manages its capital, its liquidity risk and its exposure to credit risk.

The Group meets its day to day working capital requirements through existing cash facilities, bank loans, investor loans, and leases.

During the previous year, the Club entered into a formal loan agreement with certain investors providing a secured loan facility available to 31 July 2028. During the year under review, and in addition to the term loan, a revolving credit facility was agreed to provide a more efficient and cost effective funding mechanism to the Club. Subsequent to the year end, the club agreed additional loan facilities with certain investors.

Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity. The Board acknowledges that there is a level of uncertainty in the general economic environment which may impact the trading position of its customers and suppliers.

The Board has undertaken a recent and thorough review of the Group's forecasts and the associated risks. These forecasts extend for a period beyond one year from the date of approval of these financial statements. The extent of this review reflected the current economic environment, the Club's current and projected trading and position in Scottish football. These forecasts have been prepared for a range of possible scenarios with sensitivity analysis applied to the key revenue streams and costs. Based on these forecasts the board are satisfied that the club has adequate working capital and undrawn facilities to meet its forecast cash requirements.

Key assumptions in respect of the Group's forecasts are discussed within note 1 to the financial statements.

The Board of Directors believe that there is a reasonable expectation that the Group will at all times have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this report and the statutory financial statements.

LIQUIDITY AND CAPITAL RESOURCES

The RIFC Group maintains cash to fund the daily cash requirements of its business.

As at 30 June 2023, there are loans with investors amounting to £13.4 million, other loans of £3.1 million, whilst the Group also has lease agreements totalling £1.8 million.

As at 30 June 2023, the Group held £5.3 million within cash and bank balances.

Approved by the Board and signed on its behalf by:

John Bennett, Chairman
9 November 2023



Directors' Report

The Directors present their report on the affairs of the Group together with the financial statements and Auditor's Report for the year ended 30 June 2023.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Group continue to be the operation of a professional football club in Scotland together with related commercial activities. A review of the Group's business, an indication of the likely future developments of its business and a description of the principal risks and uncertainties facing the Group are contained in the Business Review on pages 5 to 12, and the Strategic Report.

STRATEGIC REPORT

As the Company and its principal subsidiaries are managed and controlled as a single entity, the review of business and future developments, which is set out in the Strategic Report on pages 13 to 17, reflects the performance of the Group. A separate review of the Company would not be meaningful and is therefore not presented.

ENVIRONMENTAL MATTERS AND EMPLOYEE MATTERS

The Company aims to operate as a responsible employer. We seek to minimise the Group's impact on the environment and endeavour to achieve this through recycling and energy conservation wherever possible. We are also committed to maintaining a workplace of the highest standard and seek to do so by ensuring that we provide training programmes, appropriate remuneration and a positive working environment.

The Club has chosen to adopt the voluntary Living Wage rate as a minimum for employees over the age of 25.

RESULTS AND DIVIDENDS

The audited consolidated income statement for the year ended 30 June 2023 is set out on page 25. The Directors have not recommended the payment of a dividend (2022: nil).

DIRECTORS

The Directors serving throughout the year and to the date of this report were as follows:-

Name	Position	
Douglas Park	Chairman	Resigned 4 April 2023
John Bennett	Chairman	
Graeme Park	Non-exec Director	
Alastair Johnston	Non-exec Director	
Julian Juul Wolhardt	Non-exec Director	
Barry Scott	Non-exec Director	Resigned 11 October 2022
George Taylor	Non-exec Director	Appointed 26 July 2022
John Halsted	Non-exec Director	Appointed 15 August 2023

OTHER INFORMATION

The Directors have included other information, in accordance with S414(C) of the Companies Act 2006, within the Strategic Report, being information on the exposure to risks and uncertainties.

DIRECTORS' INDEMNITIES

The Group or Company has not made any qualifying third-party indemnity provisions for the benefit of its Directors during the period.

CHARITABLE AND POLITICAL DONATIONS

The Group made cash donations of £59k (2022: £75k) to international, UK-based and local charities during the period. The Group made no political donations during the year (2022: nil).

DISABLED EMPLOYEES

Applications for employment by disabled persons are always considered fully, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Group continues. Suitable training and adjustments to their work environment are arranged where appropriate, to allow staff to reach their potential. It is the policy of the Group that the training, career development and promotion of disabled people should, as far as possible, be identical to that of other employees.



Directors' Report (continued)

EMPLOYEES CONSULTATION

The Group places considerable value on the involvement of its employees throughout the business. Employees are kept well-informed on matters affecting them as employees and on the various factors affecting the Group, such as performance. This is achieved by regular departmental meetings, email correspondence and intranet notices.

SUPPLIER PAYMENT POLICY

The Group's policy on payment of creditors is to negotiate payment terms when agreeing the terms of each transaction. In the majority of cases this involves payment within 30 days of the invoice date; however, where discounts are available it is generally the policy to pay earlier and benefit accordingly.

KEY PERFORMANCE INDICATORS

The Directors monitor the business based on a number of key performance measures, being both financial and football-related, as shown in the Strategic Report.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the year-end is given in the notes to the financial statements.

ENERGY AND CARBON REPORTING

The Group has analysed its consumption of UK gas and energy as part of its obligations as an industrial user and emitter of CO₂ greenhouse gases, and to reduce consumption and protect the environment. All new equipment purchases or stadium and facility upgrades are procured with energy reduction in mind. All existing infrastructure is under constant review to seek out opportunities for more power efficient alternatives, with the understanding that this will also reduce cost.

Recent improvements include the installation of solar panels on New Edmiston House, a rain-collection and irrigation system, and replacing gas boilers with inverter-driven heat pumps.

The total Kwh consumption across all our properties is 10,500,000 Kwh for the year ended 30 June 2023. This is split between electricity (5,200,000 Kwh) and Gas (5,300,000 Kwh). This converted into emissions in tonnes of carbon dioxide equivalent (CO₂e) equates to 2,000 tonnes, which is a tonne per £19,000 of revenue in the year (2022: a tonne per £28,000 of revenue). The methodology used by the group to calculate UK energy CO₂ emission was taken from the UK Government GHG Conversion Factors for Company Reporting advisory.

AUDITOR

In the case of each of the persons who are Directors of the Company at the date when this report was approved:

- so far as each of the Directors are aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the Company's auditor is unaware; and
- each of the Directors has taken all of the steps that he ought to have taken as a Director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

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

A resolution to reappoint Azets Audit Services will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:

John Bennett, Chairman
9 November 2023



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 chosen to prepare the Group and Parent Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether IFRS as adopted by the UK has been followed subject to any material departures disclosed or explained in the financial statements;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that the financial statements comply with the Companies Act 2006, and as regards the Group accounts, article 4 of the IAS Regulations. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

John Bennett, Chairman
9 November 2023



Corporate Governance Statement

CORPORATE GOVERNANCE

The Board of Rangers International Football Club plc are committed to maintaining principles of strong corporate governance and standards of good practice that are appropriate to the size of the Company and that meet the standards expected of the Company's shareholders and other stakeholders including fans, employees and suppliers.

THE BOARD OF DIRECTORS

The Board of Directors operates within the framework discussed below.

The Board meets quarterly to consider all aspects of the Company's activities. A formal schedule of matters reserved for the Board is maintained and includes overall strategy, approval of major capital expenditure and consideration of significant financial and operational matters. The Board currently consists of the Chairman, five non-executive Directors and a company secretary.

OPERATIONAL BOARD

A separate operational Board functions within The Rangers Football Club Limited, and liaises directly with the RIFC plc Board. The operational Board consists of members of executive management and is responsible for implementing the Board's strategy and for monitoring the day to day operations of the Club.

INTERNAL CONTROL

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage the risk of failure to achieve the Company's strategic objectives. It cannot totally eliminate the risk of failure but will provide reasonable, although not absolute, assurance against material misstatement or loss.

The Company's key risk management processes and system of internal control procedures include the following:

MANAGEMENT CONTROL SYSTEMS

The Company continues to review and invest in IT software and infrastructure in anticipation of future growth, and to ensure maximum functionality and efficiency in its operations. Ticket, hospitality and event bookings are controlled and monitored by the Company's own bespoke booking software. Business-wide income and expenditure is controlled by in-house accounting systems.

These systems provide tight cash and cost controls, aid maximisation of attendance at matches and provide the necessary information for company management and the Board to effectively and efficiently run the business. The Company receives a large amount of its income in cash from its activities and the Directors have implemented rigorous cash control measures at each of its sites, particularly the Ticket Centre, which include: daily reconciliations of cash; daily monitoring of upcoming matches; use of safes; and regular reviews by company and department management.

PERFORMANCE MEASUREMENT

The Company's financial reporting procedures include detailed operational budgets for the year ahead and a five year plan, reviewed and approved by the Board. Performance is monitored throughout the year through monthly reporting of results versus budget, and key performance indicators. Relevant action is then taken including the preparation of updated forecasts for the year.



Independent auditor's report to the members of Rangers International Football Club plc

OPINION

We have audited the financial statements of Rangers International Football Club plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2023 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted international accounting and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 and 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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.



Independent auditor's report to the members of Rangers International Football Club plc (continued)

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 their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

We have nothing to report in respect of the following matters 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 set out on page 20, 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 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.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Report of the Auditors.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.



Independent auditor's report to the members of Rangers International Football Club plc (continued)

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD (CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the 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.

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.

Azets Audit Services

Greig McKnight (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

9 November 2023



Consolidated Income Statement

For the year ended 30 June 2023

		Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
	Notes		
REVENUE	2	83,774	86,849
Operating expenses	3	(95,188)	(85,551)
		(11,414)	1,298
Other operating income	3	919	5,208
OPERATING PROFIT/(LOSS) BEFORE PLAYER REGISTRATION TRANSACTIONS		(10,495)	6,506
Amortisation and impairment of player registrations	3	(12,854)	(11,822)
Profit on disposal of player registrations	3	23,601	11,170
OPERATING PROFIT		252	5,854
Non-recurring costs	28	(1,335)	(6,070)
Net finance costs	7	(2,025)	(1,973)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,108)	(2,189)
Taxation	8	(1,036)	1,270
LOSS FOR THE YEAR		(4,144)	(919)
Loss for the year attributable to:			
Owners of the Company		(4,144)	(919)
Non-controlling interests		-	-
		(4,144)	(919)
Basic and diluted earnings per ordinary share	29	(0.95p)	(0.22p)

All profits and losses are derived from continuing operations.

The notes on pages 31 to 60 form an integral part of the financial statements.



Consolidated Statement of Comprehensive Income

For the year ended 30 June 2023

		Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
	Notes		
LOSS FOR THE YEAR		(4,144)	(919)
Deferred tax relating to components of other comprehensive income	8	-	-
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(4,144)	(919)
Total comprehensive loss for the year attributable to:			
Owners of the Company		(4,144)	(919)
Non-controlling interests		-	-
		(4,144)	(919)



Consolidated Balance Sheet

As at 30 June 2023

	Notes	2023 £'000	2022 £'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	63,642	53,130
Intangible assets	10	34,224	30,712
Trade and other receivables	13	5,950	3,463
Deferred tax asset	19	-	1,300
		103,816	88,605
CURRENT ASSETS			
Trade and other receivables	13	26,158	22,224
Cash and bank balances	14	5,335	13,085
		31,493	35,309
TOTAL ASSETS		135,309	123,914
CURRENT LIABILITIES			
Other loans	15	(7,961)	(4,136)
Trade and other payables	16	(24,579)	(21,192)
Lease liabilities	17	(646)	(431)
Deferred income	18	(31,357)	(28,037)
Provisions	28	-	(425)
		(64,543)	(54,221)
NET CURRENT LIABILITIES		(33,050)	(18,912)
NON-CURRENT LIABILITIES			
Other loans	15	(8,545)	(11,433)
Trade and other payables	16	(9,000)	(4,682)
Lease liabilities	17	(1,176)	(945)
Deferred income	18	(4,520)	(4,500)
Deferred tax liability	19	(6,900)	(7,083)
		(30,141)	(28,643)
TOTAL LIABILITIES		(94,684)	(82,864)
NET ASSETS		40,625	41,050
EQUITY			
Share capital	22	4,472	4,323
Share premium account	23	91,140	87,570
Merger reserve	23	12,960	12,960
Revaluation reserve	24	22,100	22,440
Retained earnings	25	(90,047)	(86,243)
TOTAL EQUITY		40,625	41,050

The financial statements of Rangers International Football Club plc (registered number SC437060) were approved by the Directors and authorised for issue on 9 November 2023. They were signed on its behalf by:

John Bennett, Chairman

The notes on pages 31 to 60 form an integral part of these financial statements.



Company Balance Sheet

As at 30 June 2023

	Notes	2023 £'000	2022 £'000
NON-CURRENT ASSETS			
Investment in subsidiaries	11	52,254	53,535
CURRENT ASSETS			
Amounts due from subsidiary undertakings		12,444	11,832
TOTAL ASSETS		64,698	65,367
CURRENT LIABILITIES			
Other loans	15	(7,623)	(3,739)
Accruals		(207)	(207)
		(7,830)	(3,946)
NET CURRENT ASSETS		4,614	7,886
NON-CURRENT LIABILITIES			
Other loans	15	(5,800)	(8,439)
TOTAL LIABILITIES		(13,630)	(12,385)
NET ASSETS		51,068	52,982
EQUITY			
Share capital	22	4,472	4,323
Share premium account	23	91,140	87,570
Merger reserve	23	12,960	12,960
Retained earnings	25	(57,504)	(51,871)
TOTAL EQUITY		51,068	52,982

The financial statements of Rangers International Football Club plc (registered number SC437060) were approved by the Directors and authorised for issue on 9 November 2023. They were signed on its behalf by:

John Bennett, Chairman

The notes on pages 31 to 60 form an integral part of these financial statements.



Consolidated Statement of Changes in Equity

For the year to 30 June 2023

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Revaluation reserve £'000	Total equity £'000
As at 30 June 2021	3,910	77,854	12,960	(85,665)	22,781	31,840
Loss for the year to 30 June 2022	-	-	-	(919)	-	(919)
Share issues	413	9,716	-	-	-	10,129
Transfer from revaluation reserve to retained earnings	-	-	-	453	(453)	-
Deferred tax liability on transfer from revaluation reserve to retained earnings	-	-	-	(112)	112	-
As at 30 June 2022	4,323	87,570	12,960	(86,243)	22,440	41,050
Loss for the year to 30 June 2023	-	-	-	(4,144)	-	(4,144)
Share issues	149	3,570	-	-	-	3,719
Transfer from revaluation reserve to retained earnings	-	-	-	452	(452)	-
Deferred tax liability on transfer from revaluation reserve to retained earnings	-	-	-	(112)	112	-
As at 30 June 2023	4,472	91,140	12,960	(90,047)	22,100	40,625

Company Statement of Changes in Equity

For the year to 30 June 2023

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
As at 30 June 2021	3,910	77,854	12,960	(41,816)	52,908
Loss for the year to 30 June 2022	-	-	-	(10,055)	(10,055)
Share issues	413	9,716	-	-	10,129
As at 30 June 2022	4,323	87,570	12,960	(51,871)	52,982
Loss for the year to 30 June 2023	-	-	-	(5,633)	(5,633)
Share issues	149	3,570	-	-	3,719
As at 30 June 2023	4,472	91,140	12,960	(57,504)	51,068



Consolidated Statement of Cash Flows

For the year to 30 June 2023

	Notes	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
CASH USED IN OPERATIONS	26	(3,764)	15,284
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of intangible assets		(9,456)	(15,905)
Purchase of property, plant and equipment		(12,229)	(6,678)
Proceeds from sale of intangible assets		15,339	5,202
Interest paid		(1,811)	(867)
NET CASH USED IN INVESTING ACTIVITIES		(8,157)	(18,248)
FINANCING ACTIVITIES:			
Share issues		(11)	4,282
Payment of lease finance liabilities		(274)	(642)
Loans received		21,118	23,700
Loans repaid		(16,662)	(14,556)
NET CASH INFLOW FROM FINANCING ACTIVITIES	26	4,171	12,784
Net (decrease)/increase in cash and cash equivalents		(7,750)	9,820
Cash and cash equivalents at the beginning of the period		13,085	3,265
Cash and cash equivalents at the end of the period		5,335	13,085
		(7,750)	9,820

Company Statement of Cash Flows

For the year to 30 June 2023

	Notes	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
CASH USED IN OPERATIONS	26	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:		-	-
CASH USED IN FINANCING ACTIVITIES:			
Loans received		21,118	22,150
Loans repaid		(16,256)	(8,550)
Funds passed to subsidiary		(4,862)	(13,600)
NET CASH INFLOW FROM FINANCING ACTIVITIES		-	-
Net (decrease)/increase in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		-	-
		-	-



Notes to the financial statements

1. ACCOUNTING POLICIES

GENERAL INFORMATION

Rangers International Football Club plc was incorporated in Scotland on 16 November 2012 as a public company with registration number SC437060.

The address of the registered office is Ibrox Stadium, 150 Edmiston Drive, Glasgow, G51 2XD. The nature of the Group's operations is that of a football club.

The financial information is presented in pounds sterling, the currency of the primary economic environment in which the Group operates, and is rounded to the nearest thousand (£'000). All activities of the Group are performed in the United Kingdom.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK, the IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING JUDGEMENTS

The following accounting policies have been identified by the Board as being the most significant to the statutory financial statements.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements are described further in significant accounting policies.

SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The Annual Report comprises the Strategic Report, Directors Report and the Annual Accounts. The Annual Accounts comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Parent Company Balance Sheet, Consolidated and Parent Company Statement of Cash Flows, Consolidated and Parent Company Statement of Changes in Equity, and note disclosures for the Group and Parent Company. The accounting year is the year to 30 June 2023. A separate Income Statement for the Parent Company has not been presented, as permitted by s408 of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis, except where IFRS permits recognition at fair value, specifically in relation to the valuation of property.

The principal accounting policies adopted are set out below.



Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Going concern

The Board of Directors ("the Board") are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business. In satisfaction of this responsibility the Board have considered the Group's ability to meet its liabilities as they fall due.

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The Strategic Report also describes how the Group manages its capital, its liquidity risk and its exposure to credit risk.

The Group meets its day to day working capital requirements through existing cash facilities, bank loans, investor loans, and leases.

During the previous year, the Club entered into a formal loan agreement with certain investors providing a secured loan facility available to 31 July 2028. During the year under review, and in addition to the term loan, a revolving credit facility was agreed to provide a more efficient and cost effective funding mechanism to the Club. Subsequent to the year end, the club agreed additional loan facilities with certain investors.

The Board has undertaken a recent and thorough review of the Group's forecasts and the associated risks. These forecasts extend for a period beyond one year from the date of approval of these financial statements. The extent of this review reflected the current economic environment, the Club's current and projected trading and position in Scottish football. These forecasts have been prepared for a range of possible scenarios with sensitivity analysis applied to the key revenue streams and costs.

The forecasts make key assumptions, based on information available to the Board, around:

- Football performance, the forecast assumes the Club will finish 1st or 2nd in the SPFL Premiership in 2023/24 and participate in the group stages of European competition in the season thereafter;
- Season ticket sales, the timing and amount of which are consistent with the Club's historic experience. The forecasts include an uplift in season ticket prices to reflect annual inflationary increases;
- Matchday income, which is projected to grow as a result of improving footballing performance and success;
- Sponsorship, commercial and other non-matchday income;
- The amount and timing of cash flows from retail activities;
- The forecast overhead cost base of the Club;
- Payroll costs reflecting the 2023/24 squad size and composition in perspective to its assumptions around football performance;
- The quantum and timing of future transfer receivables and payables;
- The capital expenditure necessary to maintain and improve the stadium, training facility and general Ibrox vicinity;
- The Group's ability to secure further debt or equity finance from investors to allow the Group to continue to meet its liabilities as they fall due.

The Board recognises that achievement of its forecast is critically dependent on a number of the key assumptions noted above.

Based on these forecasts the Board are satisfied that the club has adequate working capital and undrawn facilities to meet its forecast cash requirements.

In consideration of the above, the Board of Directors believe that there is a reasonable expectation that the Group will at all times have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this report and the statutory financial statements.

Consolidation

The consolidated accounts present the financial position, results, and cash flows for Rangers International Football Club plc and its subsidiaries as a combined entity.

Subsidiaries

The Group's consolidated accounts comprise the accounts of companies in which the Parent Company or subsidiaries have control.



Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Control

A company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to govern the financial and operating policies of the entity. A company loses control over an entity when it loses any of the above components. The loss of control can occur with or without a change in absolute or relative ownership levels.

Rangers Retail Limited was granted rights as part of the retail operations, distribution and IP licence agreement entered into with SDI Retail Services Limited on 21 June 2017 as may reasonably be required to effect the run off and cessation of that entity. SDI Retail Services Limited's A shares grant it twice as many voting rights on all financial matters including any day to day decisions in relation to carrying out the business in its ordinary course. As such, the Board maintain that the Group does not possess the ability to govern the financial and operating policies of Rangers Retail Limited, and therefore does not control the entity.

Rangers Retail Limited continues to be treated as an associate of the Group.

Associates

Associates are entities over which the Group has significant influence, but not control. The existence of significant influence by an entity is usually evidenced, amongst other aspects, by a holding of 20-50% of the voting rights, by representation on the Board of Directors or equivalent governing body of the investee, participation in the policy-making process and material transactions between the entity and the investee.

Investments in associates are initially recognised at cost.

Thereafter investments in associates are accounted for using the equity method of accounting, less any impairment losses. The Group's proportionate share of the after tax profits or losses is recognised in the Consolidated Income Statement in a separate line. This share adds to or reduces the value of the investment in the Consolidated Balance Sheet. Distributions (dividends) received reduce the carrying amount of the investment.

The equity method is used from the date that significant influence arises, to the date significant influence ceases.

The Group's share of a loss is not recognised where this would reduce the value of an investment beyond £nil.

Investments in associates are classified as non-current assets inclusive of any goodwill on acquisition and presented as one line items in the Consolidated Balance Sheet.

Assets and liabilities

An asset that is associated with the Group's normal operating cycle, held primarily for the purpose of being traded, expected to be realised within twelve months after the Balance Sheet date or is cash or cash equivalents (unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date) is classified as a current asset. All other assets are classified as non-current assets.

A liability is classified as current if it is expected to be settled in the Group's normal operating cycle, is held primarily for trading purposes and is due to be settled within twelve months after the statement of financial position date or the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date. All other liabilities are classified as non-current liabilities.

Equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of shares are shown in equity as a deduction from proceeds within the share premium account.

Financial instruments

Financial instruments are classified as debt or equity in accordance with their underlying economic reality. Costs directly attributable to the issue of debt are shown as a deduction from the debt issued. Interest, dividends, gains or losses related to a financial instrument that is classified as debt, will be presented as an expense or income in the Income Statement.

The Group has two main categories of financial instruments, which are trade and other receivables and other financial liabilities.

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Upon recognition, these assets are measured at fair value less directly related transaction expenses. In successive periods these are measured at amortised cost, and any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value less any allowance for credit losses. Amortised interest is recognised as income within the Consolidated Income Statement.

Where these are provided interest-free or below market rate, the market value on initial recognition is required to be estimated by discounting the loan amount to the present value of future payments using an equivalent rate of a similar instrument.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred. In successive periods these are measured at amortised cost. Any differences between the value on initial recognition and the value on redemption is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value. The amortisation of financial liabilities is recognised as an expense within the Consolidated Income Statement.

Other financial liabilities includes Other loans and Trade and other payables. Where these are provided interest-free or below market rate, the market value on initial recognition is required to be estimated by discounting the loan amount to the present value of future payments using an equivalent rate of a similar instrument.

The difference arising between the fair value of investor loans and the redemption value is deemed as a capital contribution and taken direct to equity.

Elimination of intra-Group transactions

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method, other than for The Rangers Football Club Ltd. The use of merger accounting was applied to the acquisition of The Rangers Football Club Ltd in 2012.

The cost of acquisition is the consideration given in exchange for control over the identifiable assets, liabilities and contingent liabilities of the acquired company. This consideration includes cash paid plus the fair value at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group.

Contingent consideration arrangements are included in the cost of acquisition at fair value.

Management judgement is required to assess facts and circumstances existing at the Balance Sheet date that indicate the ability to meet the conditions of the arrangements. The value of consideration is assessed in line with these judgements. Changes in the fair value of assets acquired, liabilities assumed and the value of contingent consideration that the Group recognises after the acquisition date as the result of additional information about facts and circumstances that existed at the acquisition date are considered measurement period adjustments. In accordance with IFRS 3, adjustments are recognised to the provisional amounts as if the accounting for the business combination had been completed at the acquisition date. Increases and decreases resulting from the above are recognised by means of an increase and decrease in goodwill. Comparative information for prior periods presented in the Financial Statements is amended as necessary.

Changes resulting from additional information in relation to circumstances occurring after the acquisition date are not measurement period adjustments. Changes that are not measurement period adjustments are recognised in the Income Statement in accordance with IAS 39.

Directly attributable transaction costs are expensed in the current period and reported within general and administration expenses unless these relate to the issue of debt or equity. Issue costs are taken directly against the debt or equity issued.

The acquired net assets, being the identifiable assets, liabilities and contingent liabilities are initially recognised at fair value.

Negative goodwill arising on acquisitions represents a gain on purchase. In accordance with IFRS 3 this constitutes an economic gain that is immediately recognised in the Income Statement.

Positive goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquired identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or group of units.

Where goodwill forms part of a cash generating unit (group of cash generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Cash and bank balances

Cash and bank balances in the Balance Sheet comprise cash at hand and in banks and short term deposits which without significant currency risk can be converted to cash within three months.

Impairment of financial instruments

An assessment is made at each Balance Sheet date as to whether there is any objective evidence of impairment. An asset is considered for impairment where events occur such as a reduction in anticipated future cashflows or a breach of contract. All losses from impairment are recognised as financial items in the Consolidated Income Statement.



Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, net of discounts, VAT and other sales-related tax.

Gate receipts and hospitality revenue is based on matches played throughout the season with revenue recognised when the performance obligation is satisfied (i.e. the respective game has been played).

Commercial partnerships and sponsorships revenue is recognised over the duration of the respective contracts. Where long-term partnership packages are sold, the revenue is recognised as the performance obligations connected to them are satisfied. Where there are multiple performance obligations attached to any package, the individual value of each element is estimated and taken as they are satisfied.

The fixed element of Broadcasting revenue is recognised over the duration of the football season whilst facility fees received for live coverage or highlights are taken when earned. Merit awards for league placing are accounted for on an accruals basis when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Retail and other commercial activities revenue comprises revenue generated by the promotion of the Rangers brand through contractual agreements with business partners. Where such agreements contain minimum guarantees in relation to specific football seasons, revenue is recognised in that respective football season. Where such agreements contain variable consideration, revenue is recognised as the performance obligations are met based on information available on the performance of that contract. Where such information is not available, management are required to make estimates and judgements on the performance of the underlying contracts. These estimates are based on historic experience and may differ from actual amounts receivable.

UEFA prize money relates to participation in the Champions League and is spread over the matches played in the competition whilst distributions relating to match performance are taken when earned.

Other revenue includes income from catering contract arrangements, security and non-stadium football activity.

Brand intangible assets

The Group only carries brand intangible assets that have been acquired on the Consolidated Balance Sheet. Acquired brands are carried at cost, being estimated fair value on acquisition. Subject to an impairment review, no amortisation is charged on those brand intangible assets which the Board believes have an indefinite life on the basis that there is no foreseeable limit on the period of time for which the intangible asset is expected to generate cash flows.

The Group carries out an impairment review on the brand intangible assets, at least annually, or when a change in circumstances or situation indicates that those assets have suffered an impairment loss. Impairment is measured by comparing the carrying amount of an intangible asset with the 'recoverable amount', that is the higher of its fair value less costs to sell (FVLCS) and its value in use (VIU).

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profits differ from net profit as reported in the income statement because they exclude items of income or expense that are taxable or deductible in other years and they further exclude items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the Balance Sheet date.

Deferred tax is the tax expected to be payable on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible 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 taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is charged or credited in the Income Statement or in the Statement of Other Comprehensive Income, where appropriate. The Group's liability for deferred tax is calculated using tax rates that have been substantively enacted by the Balance Sheet date. Where changes in tax rates occur that affect a deferred tax asset or liability relating to an item previously recognised in Other Comprehensive Income or direct to Equity, such changes are recognised within that applicable area. All other changes in tax rates are reflected within the Income Statement.

Deferred tax assets and liabilities require management judgement in determining such amounts to be recognised. In particular, significant judgement around the timing and quantum of future taxable income available is required when assessing the extent to which deferred tax assets should be recognised.

Player registrations

The costs associated with acquiring players' registrations, or extending their contracts, including agents' fees, are capitalised and amortised, in equal instalments, over the period of the respective players' contracts. Where players are acquired on deferred payment terms, these are deemed to be a financing transaction with a deemed interest rate applied. In such cases, the amount capitalised is the present value of future payments discounted using the deemed interest rate. When a contract life is renegotiated, the unamortised costs, together with the new costs relating to the contract extension, are amortised over the term of the new contract. Where the acquisition of a player registration involves a non-cash consideration, such as an exchange for another player registration, the transaction is accounted for using an estimate of market value for the non-cash consideration.

Under the conditions of certain transfer agreements, further fees will be payable in the event of the players concerned making a certain number of first team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these fees are accounted for when it becomes probable that the number of appearances will be achieved or the specified future events will occur. These additional costs are capitalised and amortised as above. Likewise, any additional assets that are realised after selling players are recognised as debtors when it becomes probable that the conditions in the sale agreement will be met.

Government assistance

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Interest free loans received in previous years from The Scottish Ministers, as part of the Premier Division Support Fund, are repayable over a period of 20 years. This loan is considered to be below market rate, with the difference between the fair value and book value being recorded as grant income in the prior year.

The difference between value on initial recognition and value on redemption is accounted for over the borrowing period by using the effective interest method, with the amortisation of this liability recognised as an expense within the Consolidated Income Statement.



Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible and intangible assets excluding goodwill

The Group assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Impairment losses recognised with respect to CGUs are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell (FVLCS) and its value in use (VIU). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

Impairment losses are reported separately in the Consolidated Income Statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

The best evidence of FVLCS is the value obtained from an active market or binding sale agreement. Where neither exists, FVLCS is based on the best information available to reflect the amount the Company could receive for the CGU in an arm's length transaction. In determining FVLCS, fair value has been measured using the Income approach, in accordance with IFRS 13, and is categorised into level 3 in the fair value hierarchy as the inputs include unobservable inputs. Under this approach, the expected future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or group of assets.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. A previously recognised impairment loss is reversed only if there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the Income Statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are not amortised but are instead subject to an annual impairment review. The Group considers its Brand to have indefinite useful life. Furthermore, the Group tests its tangible and intangible assets for impairment more frequently if there are indicators that the assets could be impaired.

Impairment testing procedures

The impairment test is carried out using the Income approach by assessing the net present value of future expected cash flows (on the basis of the continued operation of the cash generating unit) and comparing this to the carrying amount of net assets held by the cash generating unit.

If the carrying amount of net assets is higher than the calculated net present value then the assets are considered to be impaired.

The expected cash flow is based on the Group's forecasted results and margins, including the necessary capital expenditure to meet anticipated performance. The assumptions used represent Management's best estimate and are based on past experience and internal information held by the Group. Given that the calculations for recoverable amounts require the use of estimates and assumptions, it is possible that the assumptions may change, which may impact the carrying value of the CGU and result in impairment.

Key assumptions

Football team performance - short term (1)	Finish in top-2 of SPFL Premiership
Football team performance - medium to long term (1)	Predictions of expected football results beyond season 2024/25 i.e. league placings, cup progressions, matchday attendance, and future European participation.
Cash generating unit (2)	Football club operations
Budget period (3)	5 years
Discount rate (4)	13% pre tax
Growth rate (5)	1.5%
UEFA Club Competitions revenue distribution system (6)	Revenue available and entry point to Scottish clubs from future UEFA competitions to be at least equal to that available from the current cycle
Player trading (7)	Management estimates of future uncontracted player trading

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Key assumptions (continued)

- (1) The assumptions utilised in the model involve key judgements in respect of football performance in the short, medium and long term. The Directors are satisfied over the robustness of these assumptions.
- (2) The Group considers that the only cash generating unit is the operation of the football club. All income, costs and associated cash flows from retail operations are included in the impairment review.
Individual player registrations are included within the cash generating unit unless there are certain circumstances arising which would exclude them from the playing squad (such as sustaining a significant long term injury or not being part of the first team managers plans). In such circumstances, the players are unlikely to contribute to the future economic benefits of the cash generating unit and, as such, the carrying value of the player is removed from the cash generating unit. This is then assessed for impairment in isolation against the Group's best estimate of the player's fair value less any costs to sell. If the Group considers that impairment has occurred, a provision is made as appropriate.
- (3) The basis for the expected cash flow are the confirmed budgets for 2023/24 & 2024/25 and the cash flow forecasts for the next three years after. Expected cash flows are calculated using a weighted average of possible outcomes based on football team performance.
- (4) In management's judgement, a discount rate of 13% reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted. The discount rate used in the prior year was 13%.
- (5) The growth rate utilised is based on expected inflationary growth in the UK beyond the period of forecasting. The growth rate used in the prior year was 1.7%.
- (6) The financial distributions available from UEFA competitions in the forecast period are based on distributions available from the current UEFA cycle uplifted for management's estimate of future increases. The competitions available, and the entry point used, in the forecast period beyond the 2024/25 competition are to be determined by future Scottish club coefficient rankings. As these stand, the winner of the Scottish premiership will gain direct entry to the UEFA Champions League with the team finishing 2nd entering the 3rd qualifying round of that tournament. Failure to progress through the UEFA Champions League qualifying rounds would, as a minimum, result in entry to the UEFA Europa League. The financial distributions available from the 2024/25 competitions have not yet been released, however management has applied estimated uplifts to the current cycle distributions based on initial indications from UEFA.
- (7) Player trading will always be inherently volatile, yet management are required to estimate future cash flows as a result of uncontracted player trading. Such estimates are made using historic data and an assessment of the current squad and composition.

Indications of impairment

As part of the impairment testing, a sensitivity analysis was performed with changes (both positive and negative) to Domestic and European football related performance, player salaries and transfers, retail revenue, discount rate and growth rate. These are considered by the Group to be the key unobservable inputs which would impact the valuation model significantly. The weighted average results from the sensitivity analysis were then taken to determine the estimated net present value of the cash generating unit.

The impairment testing did not result in the identification of impairment losses.

The valuation model showed headroom of approximately £5.1m. The valuation model by its nature is based upon uncertain assumptions and whilst the Group has a degree of expertise in these assumptions they are subject to change.

Interrelationships exist between all unobservable inputs. For example, a reduction in football related performance could impact the value of player costs or commercial and sponsorship income.

Critical sensitivities

Sensitivity applied

Domestic and European football performance

Discount factor

Player costs & transfers

Retail revenue

Growth rate

Critical value – resulting in impairment charge

A reduction in forecast European income by 4.81%

An increase in discount rate to 14.32%.

An increase in the annual player salary costs by 2.14% above those projected in the cash flows.

An increase in the annual transfer spend by 3.67% above those projected in the cash flows.

A decrease in the annual transfer receipts by 2.22% below those projected in the cash flows.

A reduction in forecast annual retail revenue by 12.61%.

A negative growth rate of 0.56%.



Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Land and buildings held for use in operations, or for administrative purposes, are stated in the Balance Sheet at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the Balance Sheet date.

At the date of revaluation, the Group estimates the fair value of the cash-generating unit (CGU) to which Land and buildings belong. The best evidence of fair value is the value obtained from an active market or binding sale agreement. Where neither exists, fair value is based on the best information available to reflect the amount the Group could receive for the CGU in an arm's length transaction.

Fair value has been measured using the Income approach, in accordance with IFRS 13, and is categorised into level 3 in the fair value hierarchy as the inputs include unobservable inputs. Under this approach, the expected future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or group of assets.

Further details with regard to the cash flow model used can be found within the Impairment testing section above. Relatively small changes in the assumptions could have a significant impact on the valuation of the CGU. For example, a reduction in discount rate applied, by 1%, would increase the value of the CGU by £6.7m.

The fair value of the CGU is allocated pro rata across the individual assets within the CGU, including Land and buildings. Management then perform a review of the individual fair values and consider whether this allocation is reflective of the current condition of the assets in question. Where they consider that the fair value allocated does not reflect the true condition of the assets, judgement is applied to correct this allocation to a more appropriate basis.

Any revaluation increase arising on the revaluation of Land and buildings to fair value is credited to the properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense. Under such circumstances, the increase is credited to the Income Statement to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such Land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to the Income Statement. On the subsequent sale or scrappage of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. There is also an annual transfer from revaluation reserve to retained earnings relating to annual depreciation.

Freehold land is not depreciated. Leasehold property is depreciated over the term of the lease. Other fixed assets are depreciated on a straight-line basis at annual rates appropriate to their estimated useful lives as follows:

Freehold properties 1.33%

General plant and equipment 2.5% – 33%

The Group capitalises costs in relation to an asset when an economic benefit from the asset is considered probable. Assets under the course of construction are carried at cost and include professional fees. Depreciation commences when the assets are ready for their intended use.

Provisions, contingent assets and liabilities

The Group recognises a provision when at the balance sheet date a present obligation exists, legal or constructive, as a result of a past event and it is probable that a settlement of that obligation will be paid and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimates required to settle that obligation, at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where appropriate, management take independent expert advice to determine the quantum and expected timing associated with settling provisions.

A contingent asset is not recognised in the Financial Statements but is disclosed when a possible asset arises from past events whose existence will be confirmed only by uncertain future events not wholly within the control of the entity and the inflow of economic benefits is assessed as probable at the Balance Sheet date.

A contingent liability is not recognised in the Financial Statements but is disclosed when an obligation arises from past events whose existence will be confirmed only by uncertain future events not wholly within the control of the entity; or an obligation arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Segmental accounting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Directors to allocate resources to the segments and to assess their performance. The Directors have concluded that in the year to 30 June 2023 the Group has only operated in one segment, namely the operation of a football club, and therefore no operating segment note has been prepared.



Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Leasing

For any new contracts entered into, the Group assess whether the contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the lease commencement date, the entity recognises a lease liability (being the present value of lease payments that are not paid at that date using the interest rate implicit in the lease) and a right of use asset (measured at cost, being the lease liability adjusted for any lease payments made in advance, any incentives received and initial direct costs incurred.) The Group has decided not to apply the new leasing standard to player registration loan agreements as permitted by paragraph 4 of IFRS 16 and as such, continues to apply IAS 38 to these arrangements.

The right of use asset is depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The lease liability is made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantees and payments arising from options reasonably certain to be exercised.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Insurance claims

The Group recognises income from insurance claims where it has an insurance contract under which it can make a claim for compensation and the loss event that creates a right for the group to assert a claim at the reporting date has occurred and the claim is not disputed by the insurer. The amount of income is recognised when an amount receivable is known or can be estimated with reasonable certainty.

Adoption of new and revised Standards

There were no IFRS standards or IFRIC interpretations adopted for the first time in these financial statements that had a material impact on the Group's financial statements.

At the date of authorisation of these financial statements, there are no standards nor interpretations which were in issue but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Research and development credit

Research and development tax credits are recognised on a systematic basis as the business recognises the costs for which the tax credits are intended to incentivise, and only to the extent that the Directors are satisfied, based on previous claims and/or professional advice, that amounts will be recoverable.

2. REVENUE

	Year ended 30 June 2023	Year ended 30 June 2022
	£'000	£'000
Gate receipts and hospitality	39,852	41,901
Commercial partnerships and sponsorships	6,254	7,304
Broadcasting rights	6,178	7,199
Retail and other commercial activities	11,121	9,894
UEFA prize money and solidarity	18,522	17,300
Other revenue	1,847	3,251
Total revenue	83,774	86,849



Notes to the financial statements (continued)

3. LOSS FOR THE YEAR

	Notes	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Loss for the year has been arrived at after charging / (crediting):-			
Staff costs	5	64,037	54,804
Other operating charges		28,275	28,363
Short-term leases		167	153
Depreciation and impairment of property, plant and equipment	9	2,603	2,124
Amortisation of trademarks & other intangibles	10	16	17
Auditor's remuneration	4	90	90
Other operating expenses		95,188	85,551
Revenue grants		(918)	(455)
Insurance claims		(1)	(503)
Compensation income		-	(4,250)
Other operating income		(919)	(5,208)
Amortisation of player registrations	10	12,390	11,822
Impairment of player registrations	10	464	-
Gain on sale of player registrations	10	(23,601)	(11,170)
Total net result from player transfers and amortisation		(10,747)	652

Other operating charges includes overheads, and matchday costs, such as policing, stewarding and pitch costs.

Compensation income in the prior year relates to amounts received following the departure of the previous football management team.

4. AUDITOR'S REMUNERATION

The analysis of auditor's remuneration is as follows:

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Fees payable to the company's auditor for the audit of the Company's annual accounts:		
Audit of the Consolidated and Company's financial statements	50	50
Audit of the Company's subsidiaries	40	40
Total audit fees	90	90
Fees payable to the company's auditor for other services to the Group:		
Audit-related assurance services	16	12
Other tax advisory and compliance services	15	13
Other services	6	5
Total non-audit fees	37	30

No services were provided pursuant to contingent fee arrangements.



Notes to the financial statements (continued)

5. STAFF NUMBERS AND COSTS

The average monthly number of full-time employees (including executive Directors) was made up as follows:

	Year ended 30 June 2023	Year ended 30 June 2022
	Number	Number
Football players	102	95
Others	191	190
Total	293	285

In addition, the Group employed an average of 497 part-time employees during the year (2022: 487), to assist on matchdays or other events.

The aggregate remuneration comprised:

	Year ended 30 June 2023	Year ended 30 June 2022
	£'000	£'000
Wages, salaries and benefits	56,522	48,437
Social security costs	7,177	6,016
Other pension costs - defined contribution plans	338	351
Total staff costs	64,037	54,804

6. DIRECTORS' EMOLUMENTS

	Salary and Payroll Benefits £	Bonus £	Pensions £	Benefit in kind £	Year to 30 June 2023 £	Year to 30 June 2022 £
Non-Executive						
Douglas Park	-	-	-	-	-	-
John Bennett	-	-	-	-	-	-
Graeme Park	-	-	-	-	-	-
Alastair Johnston	-	-	-	-	-	-
Julian Juul Wolhardt	-	-	-	-	-	-
Barry Scott	-	-	-	-	-	-
George Taylor	-	-	-	-	-	-
John Halsted	-	-	-	-	-	-
Total	-	-	-	-	-	-
Key management personnel	1,099,149	137,500	21,862	-	1,258,511	1,249,805

Key management personnel are, in addition to the Board of Directors, employees that have been or are part of the management of RIFC plc Group and have had substantial influence in important decision-making processes for the Group. Management representatives have individual contracts that regulate salaries, bonuses, post-employment benefits and termination benefits. They were remunerated from The Rangers Football Club Limited throughout the year to 30 June 2023.



Notes to the financial statements (continued)

7. FINANCE COSTS AND OTHER CHARGES

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Net finance costs		
Interest payable on lease finance agreements	104	124
Other interest	1,324	744
Interest received	-	(1)
Notional interest on deferred player receivables	(2,020)	(418)
Notional interest on deferred player payables	2,234	995
Notional interest on deferred other payables	383	529
Total finance costs	2,025	1,973
Total finance costs and other charges	2,025	1,973

All finance costs and other charges relate to financial assets or financial liabilities held at amortised cost.



Notes to the financial statements (continued)

8. TAXATION

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Tax charged to the Income Statement:		
Current tax	-	-
Deferred tax (note 19)		
Origination and reversal of temporary differences	(264)	(95)
Tax losses carried forward	1,300	(1,175)
	1,036	(1,270)
Tax charged to Other Comprehensive income:		
Deferred tax (note 19)		
Deferred tax rate change on opening balances	-	-
Total tax charged in the year	1,036	(1,270)

The credit for the year can be reconciled to the loss per the Income Statement as follows:

	Year ended 30 June 2023 £'000	Year ended 30 June 2022 £'000
Continuing Operations		
(Loss)/profit on ordinary activities before tax	(3,108)	(2,189)
Tax at the UK corporation tax rate of 20.5% (2022: 19%)	(637)	(416)
Tax effect of expenses that are not deductible in determining taxable profit	128	321
Tax losses unutilised and other temporary differences not recognised	245	498
Tax losses carried forward	1300	(1,175)
Tax expense / (credit) for the year	1,036	(1,270)

Current tax is calculated at an effective rate of 20.5% of the estimated taxable profit / (loss) for the year (2022 – 19%). Finance Act 2021 was 'substantively enacted' on 24 May 2021. This increased the main rate of corporation tax applicable to 25% from 1 April 2023, replacing the 20% rate previously effective from that date. The closing deferred tax assets and liabilities have been calculated in accordance with the rates substantively enacted at the Balance Sheet date.

The Board are of the opinion that there is insufficient evidence to support recognition in the short-term of the unrecognised deferred tax asset disclosed in note 19.



Notes to the financial statements (continued)

9. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

Group	Freehold properties £'000	Assets Under Construction £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation				
Cost or valuation at 1 July 2021	43,718	943	16,205	60,866
Additions	-	3,098	2,688	5,786
Disposals	(823)	-	-	(823)
Cost or valuation at 1 July 2022	42,895	4,041	18,893	65,829
Additions	36	7,679	5,400	13,115
Disposals	-	-	-	-
Transfer	11,720	(11,720)	-	-
At 30 June 2023	54,651	-	24,293	78,944
Accumulated depreciation				
At 1 July 2021	5,207	-	6,191	11,398
Charge for the period to 30 June 2022	529	-	1,595	2,124
Eliminated on disposal	(823)	-	-	(823)
At 1 July 2022	4,913	-	7,786	12,699
Charge for the period to 30 June 2023	609	-	1,994	2,603
Eliminated on disposal	-	-	-	-
At 30 June 2023	5,522	-	9,780	15,302
Net book value				
At 30 June 2023	49,129	-	14,513	63,642
At 30 June 2022	37,982	4,041	11,107	53,130
At 30 June 2021	38,511	943	10,014	49,468

Details of the right-of-use assets held under lease can be found in note 17.

On 30 June 2023 the Directors valued the Freehold Properties, comprising Ibrox Stadium and the Training Centre at Fair value. Fair value has been measured using the Income approach, in accordance with IFRS 13, and is categorised into level 3 in the fair value hierarchy as the inputs include unobservable inputs.

The discounted cash flow model and Income approach that was used in the impairment review has been used to determine the fair value of CGU including the properties. Further details in respect of the key assumptions, estimates and sensitivities in this assessment can be found in note 1 to these financial statements.

Whilst the cash flow model indicated that the CGU had a fair value in excess of carrying value by approximately £5.1m, it was concluded that this excess did not relate to Freehold properties. As such, there has been no revaluation adjustment in the current year as the carrying value is deemed to be equivalent to its fair value.

Impairment tests for specific fixed assets are performed when there are indications of impairment. Where these assets do not form part of the overall CGU of Football operations, they are assessed in isolation.



Notes to the financial statements (continued)

10. INTANGIBLE ASSETS

Group	Player Registrations £'000	Brand £'000	Website & Media Design £'000	Total £'000
Cost:				
Cost or valuation at 1 July 2021	39,365	16,113	73	55,551
Additions	7,534	3	1	7,538
Disposals	(6,111)	-	-	(6,111)
Cost or valuation at 1 July 2022	40,788	16,116	74	56,978
Additions	17,507	-	-	17,507
Disposals	(18,340)	-	-	(18,340)
At 30 June 2023	39,955	16,116	74	56,145
Amortisation:				
At 1 July 2021	18,129	17	15	18,161
Charge for period to 30 June 2022	11,822	2	15	11,839
Provision for impairment	-	-	-	-
Eliminated on disposal	(3,734)	-	-	(3,734)
At 1 July 2022	26,217	19	30	26,266
Charge for period to 30 June 2023	12,390	2	14	12,406
Provision for impairment	464	-	-	464
Eliminated on disposal	(17,215)	-	-	(17,215)
At 30 June 2023	21,856	21	44	21,921
Net book value				
At 30 June 2023	18,099	16,095	30	34,224
At 30 June 2022	14,571	16,097	44	30,712
At 30 June 2021	21,236	16,096	58	37,390

The profit on disposal of player registrations amounted to £23,601,000 (2022: £11,013,000). This amount relates to players sold or released from their contracts.

The Group has 8 player registrations with individual carrying values of over £500,000 representing 77% of the 2023 net book value of player registrations. The average amortisation period remaining for those players is 35 months.

In the prior year the Group had 8 player registrations with individual carrying values of over £500,000 representing 73% of the 2022 net book value of player registrations. The average amortisation period remaining for those players is 23 months.



Notes to the financial statements (continued)

11. INVESTMENTS IN SUBSIDIARIES

Company	Investment in shares £'000	Capital contribution £'000	Total £'000
Cost or valuation at 1 July 2021	13,296	79,959	93,255
Additions	-	9,880	9,880
Disposals	-	-	-
Cost or valuation at 1 July 2022	13,296	89,839	103,135
Additions	-	3,719	3,719
Disposals	-	-	-
Cost or valuation at 30 June 2023	13,296	93,558	106,854
Impairment			
At 1 July 2021	-	40,000	40,000
Provision for impairment	-	9,600	9,600
At 30 June 2022	-	49,600	49,600
Provision for impairment	-	5,000	5,000
At 30 June 2023	-	54,600	54,600
Net book value			
At 30 June 2023	13,296	38,958	52,254
At 30 June 2022	13,296	40,239	53,535
At 30 June 2021	13,296	39,959	53,255

The Company's subsidiary undertakings are The Rangers Football Club Ltd, the main activity of which is the operation of a professional football club, New Edmiston House Limited, which is a conference and event facility, and Rangers Media Limited, which is a company operating the production and content of media services for the Club. All of these companies are owned 100%.

As a result of the losses sustained by The Rangers Football Club Ltd, the carrying value of Rangers International Football Club plc's investment in that entity was subjected to an impairment review. This impairment review utilised the same cash flow model and assumptions referred to within the Impairment testing section of the accounting policies. This impairment has been assigned to the capital contributions made to The Rangers Football Club Limited and will be eliminated from the group results.

The Rangers Football Club Ltd holds further investments in the following companies:

Name of company	Holding	Proportion of Shares Held	Nature of Business
Garrison Security Services Ltd	Ordinary Shares	100%	Security

These companies are all registered in the United Kingdom. Their principal place of business is Ibrox Stadium, 150 Edmiston Drive, Glasgow, G51 2XD.



Notes to the financial statements (continued)

12. INTERESTS IN ASSOCIATES

<u>Group</u>	£'000
Cost and Net Book Value at 1 July 2022 and 30 June 2023	-

Rangers Retail Limited is a non-trading entity. All of its operations were previously discontinued and no financial results have been presented as a result.

The Group's investment value represents its share of the net assets of Rangers Retail Limited at 30th June 2023. Although the company has ceased trading it has still to be formally wound up. Upon conclusion of the winding up of the company, a small dividend may be paid.

The Group holds 25.5 % of the voting rights in the company as a result of the previously reported share allotment error. Rangers Retail Limited and its shareholders recognise that this should be corrected to 51%.

Rangers Retail Limited's principal place of business is Unit A Brook Park East, Shirebrook, NG20 8RY. Its financial reporting date is 20 June.

As set out in note 1, the Board of Directors consider that they do not control the entity. As such, they consider that, the investment in Rangers Retail Limited represents an investment in an associate, and have applied the equity method of accounting. Rangers Retail Limited is not a publicly quoted company and as such, no quoted market price is available.

13. TRADE AND OTHER RECEIVABLES

	2023 £'000	2022 £'000
<u>Group</u>		
Trade receivables	20,841	16,716
Other receivables	732	846
Prepayments and accrued income	4,585	4,662
Total trade and other receivables	26,158	22,224

	2023 £'000	2022 £'000
<u>Non-current assets</u>		
Trade receivables	5,950	3,463
Total trade and other receivables	5,950	3,463

	2023 £'000	2022 £'000
Ageing of past due but not impaired trade receivables:		
31-60 days	423	318
61-90 days	20	268
91-120 days	191	290
120+ days	-	-
	634	876

	2023 £'000	2022 £'000
Included within Trade and other receivables are the following Player registration receivables:		
Receivables due within one year	11,236	4,466
Receivables due more than one year	6,796	4,179
Notional interest effect on deferred payments	(1,192)	(1,003)
Carrying value of player registration receivables	16,840	7,642

Trade receivables includes £3,698,000 (2022: £3,695,000) in respect of season tickets that are paid by supporters using deferred payment plans or merchant services.

The Directors consider the carrying amount of trade and other receivables to be approximate to their fair value.



Notes to the financial statements (continued)

14. CASH AND BANK BALANCES

	2023 £'000	2022 £'000
Group		
Balances with banks	5,313	13,026
Cash on hand	22	59
Total cash and bank balances	5,335	13,085

15. OTHER LOANS

Current liabilities	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Investor loans at amortised cost	7,623	3,739	7,623	3,739
Other loans – Bank loans	273	264	-	-
Other loans – Premier Division Support Fund	65	133	-	-
Total other loans	7,961	4,136	7,623	3,739

Non-current liabilities	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Investor loans at amortised cost	5,800	8,439	5,800	8,439
Other loans – Bank loans	822	1,105	-	-
Other loans – Premier Division Support Fund	1,923	1,889	-	-
Total other loans	8,545	11,433	5,800	8,439

Analysis of loans 2023

	Loans £'000	Effect of discounting using effective interest rate method £'000	Amortised cost £'000
Group			
Investor loans repayable by instalments	13,423	-	13,423
Other loans – Bank loans	1,095	-	1,095
Other loans – Premier Division Support Fund	3,067	(1,079)	1,988
	17,585	(1,079)	16,506

Analysis of loans 2022

	Loans £'000	Effect of discounting using effective interest rate method £'000	Amortised cost £'000
Group			
Investor loans repayable by instalments	12,178	-	12,178
Other loans – Bank loans	1,369	-	1,369
Other loans – Premier Division Support Fund	3,200	(1,178)	2,022
	16,747	(1,178)	15,569



Notes to the financial statements (continued)

15. OTHER LOANS (CONTINUED)

Investor loans

Further details regarding investor loans can be found in note 27 to the financial statements.

Secured debts

John Bennett (as security trustee for the lenders) holds standard security over Edmiston House under the terms of the investor loans detailed in note 27 to the financial statements. Leases are secured over the assets to which they relate.

Book value of non-current assets pledged as security	2023	2022
	£'000	£'000
Non-current assets – standard security	12,134	4,228
Non-current assets – leases	2,122	2,189

16. TRADE AND OTHER PAYABLES

	2023	2022
	£'000	£'000
Group		
Current liabilities		
Trade creditors	5,916	4,285
Social security and other taxes	9,160	9,492
Other creditors	1,084	930
Accruals	8,419	6,485
Total trade and other payables	24,579	21,192

The average credit taken for trade purchases is 33 days (2022 – 33 days).

	2023	2022
	£'000	£'000
Non-current liabilities		
Trade creditors	2,118	-
Other creditors	2,924	3,102
Accruals	3,958	1,580
Total trade and other payables	9,000	4,682

	2023	2023	2023	2022	2022
	Trade creditors	Other creditors	Accruals	Other creditors	Accruals
	£'000	£'000	£'000	£'000	£'000
Non-current liabilities fall due as follows:					
Between one and two years	2,118	675	2,787	663	963
Between two and five years	-	2,025	1,171	1,086	617
Over 5 years	-	224	-	1,353	-
	2,118	2,924	3,958	3,102	1,580



Notes to the financial statements (continued)

16. TRADE AND OTHER PAYABLES (CONTINUED)

	2023 £'000	2022 £'000
Included within liabilities are the following player registration payables:		
Current liabilities	9,603	5,084
Non-current liabilities	7,024	1,883
Notional interest effect on deferred payments	(1,375)	(500)
	15,252	6,467

The notional interest effect relates to the existence of deferred transfer installments beyond normal business terms as a financing transaction with a notional interest rate applied.

17. LEASE LIABILITIES

The Balance Sheet shows the following amounts relating to leases:

Right of use assets Group	Carrying value 2022 £'000	Additions £'000	Depreciation £'000	Other movements £'000	Carrying value 2023 £'000
Fixtures & fittings	2,189	436	(548)	45	2,122
Total right of use assets	2,189	436	(548)	45	2,122

Right of use assets Group	Carrying value 2021 £'000	Additions £'000	Depreciation £'000	Other movements £'000	Carrying value 2022 £'000
Fixtures & fittings	2,161	271	(119)	(124)	2,189
Total right of use assets	2,161	271	(119)	(124)	2,189

Lease Liabilities Group	Total minimum payments 2023 £'000	Future interest payable 2023 £'000	Carrying value 2023 £'000	Carrying value 2022 £'000
Repayment of borrowings on leases fall due as follows:				
Current liabilities	757	(111)	646	431
Non-current liabilities	1,532	(356)	1,176	945
Total lease liabilities	2,289	(467)	1,822	1,376

The Income Statement shows the following amounts relating to leases:

Depreciation charge of right of use assets Group	2023 £'000	2022 £'000
Fixtures & fittings	351	119

The leases relate to funding of capital expenditure on Stadium WiFi, Stadium lighting rigs, turnstile installations and LED boards amongst other items. There are no contingent amounts payable or restrictions imposed by the above leasing arrangements.



Notes to the financial statements (continued)

18. DEFERRED INCOME

	2023 £'000	2022 £'000
Group		
Deferred income less than one year	31,357	28,037
Deferred income more than one year	4,520	4,500
Total deferred income	35,877	32,537

Deferred income less than one year comprises season tickets, sponsorship, hospitality and other elements of income that have been received in advance and will be recognised as revenue in the 2023/24 financial year. Deferred income more than one year relates to income received in advance from commercial contracts.

19. DEFERRED TAX

The following are major deferred tax balances recognised by the Group:

Balances:	Liabilities 2023 £'000	Liabilities 2022 £'000	Assets 2023 £'000	Assets 2022 £'000
Non-current assets – temporary differences	6,900	7,083	-	-
Tax losses	-	-	-	1,300
Deferred tax	6,900	7,083	-	1,300
Movements in the year:				
	Liabilities 2023 £'000	Liabilities 2022 £'000	Assets 2023 £'000	Assets 2022 £'000
At 1 July	(7,083)	(7,178)	1,300	-
Recognised in Income Statement	183	95	(1,300)	1,300
Recognised in Other Comprehensive Income	-	-	-	-
At 30 June	(6,900)	(7,083)	-	1,300

At the Balance Sheet date, the Group has unrecognised tax losses of £95.8m creating an unrecognised deferred tax asset of £23.9m (2022 – £86.2m creating an unrecognised deferred tax asset of £21.6m). There is also an unrecognised deferred tax liability of £1.42m (2022 – £0.32m) in respect of temporary tax differences in non-current assets for which losses would be available to offset.



Notes to the financial statements (continued)

20. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maintaining a capital structure adequate for the risk profile of the business. Strong financial capital management is an integral part of the Board's strategy to achieve the Group's stated objectives. The Board reviews financial capital reports on a regular basis and the Group finance function do so on a daily basis ensuring that the Group has adequate liquidity. The Board's consideration of going concern is detailed in the Strategic Report. The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings as disclosed in notes 22 to 25 and the Statement of Changes in Equity.

Financial risk management objectives and policies

The Group's financial assets include cash and cash equivalents and other short-term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has other financial instruments, such as trade and other receivables and trade and other payables, which arise directly from its operations. Surplus cash within the Group is put on deposit, the objective being to maximise returns on such funds, subject to acceptable credit liquidity and price risk, whilst ensuring that the short-term cash flow requirements of the Group are met. The financial assets of the Group are classified as loans and receivables whilst its financial liabilities are classified as financial liabilities measured at amortised cost.

The carrying value of the financial assets and liabilities (with non-financial assets and liabilities shown for reconciling purposes) are analysed as follows:

	Financial £'000	Non financial £'000	Total At 30 June 2023 £'000	Total At 30 June 2022 £'000
Non-current assets	5,950	97,866	103,816	88,605
Trade receivables and similar items	20,841	-	20,841	16,716
Cash and cash equivalents	5,335	-	5,335	13,085
Other current assets	5,317	-	5,317	5,508
Total assets	37,443	97,866	135,309	123,914
Financial liabilities				
Trade and other payables	33,579	-	33,579	25,874
Other liabilities	54,205	6,900	61,105	56,990
Total liabilities	87,784	6,900	94,684	82,864
Net (liabilities)/assets	(50,341)	90,966	40,625	41,050

The Group has not used derivative financial instruments during the year. The Board will review the need for the use of derivative financial instruments in the future.

The Group has exposure to the following risks from its use of financial instruments:

- (i) market risk;
- (ii) credit risk; and
- (iii) liquidity risk.

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risk.

Notes to the financial statements (continued)

20. FINANCIAL INSTRUMENTS (CONTINUED)

(i) Market risk

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates.

The reporting currency of the Group is UK Sterling. The Group is exposed to currency risk due to movements in foreign currencies relative to Sterling affecting the Group's foreign currency transactions and balances.

The amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Trade & other receivables 2023 £'000	Trade & other payables 2023 £'000	Cash & cash equivalents 2023 £'000	Trade & other payables 2022 £'000	Cash & cash equivalents 2022
Euro	10,144	3,057	66	(808)	7,882
USD	-	-	36	-	24

The following table details the Company's sensitivity to a 10% increase and decrease in GBP against the relevant foreign currencies. 10% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where GBP strengthens 10% against the relevant currency. For a 10% weakening of GBP against the relevant currency, there would be a comparable impact on the profit, and the balances below would be negative.

	Euro 2023 £'000	Euro 2022 £'000	USD 2023 £'000	USD 2022 £'000
Profit/(loss)	(312)	(818)	(4)	(3)

(ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Of the total trade receivable balance of £20,841,000, £16,840,000 relates to amounts receivable from other football clubs in relation to player trading, and £3,698,000 relates to amounts due from merchant service providers.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL in full using the simplified model. Where applicable the expected credit losses on trade receivables are estimated by reference to past credit experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The maximum risk exposure relates to a football debt. The creditor club is a European-association affiliated club, and member club of UEFA, and meets the credit rating criteria of the Board. Management reviews the financial status of provider on an ongoing basis.

Credit evaluations are performed on all customers requiring credit over a certain amount. The maximum credit risk exposure of the Group comprises the amounts presented in the Balance Sheet which are stated net of provisions for doubtful debts.

Movements in provision for expected credit losses	2023 £'000	2022 £'000
Group		
Balance brought forward	227	591
Balances written-off	(97)	(421)
Change in provision	20	57
	150	227



Notes to the financial statements (continued)

20. FINANCIAL INSTRUMENTS (CONTINUED)

(iii) Liquidity risk

The Group's policy is to maintain a balance of continuity of funding and flexibility through the use of loans and leases as applicable. At 30 June 2023, the Group had external loans of £16.5 million (note 15), and leases of £1.8m (note 17).

Ultimate responsibility for liquidity risk management rests with the Board. The Board uses management information tools including budgets and cash flow forecasts to be able to regularly monitor and manage current and future liquidity. Further information in respect of liquidity risk can be found within note 1 to the financial statements and in the Strategic Report.

A maturity analysis of the Group's contracted liabilities and exposure to liquidity risk is detailed below:

	Due on demand or less than one year £'000	Due 1-2 years £'000	Due 2-5 years £'000	Due >5 years £'000	Carrying value at 30 June 2023 £'000	Carrying value at 30 June 2022 £'000
Other loans	(338)	(340)	(772)	(1,633)	(3,083)	(3,391)
Investor loans	(7,623)	(1,368)	(4,104)	(328)	(13,423)	(12,178)
Trade and other payables	(5,916)	(2,118)	-	-	(8,034)	(4,285)
Other creditors	(1,084)	(675)	(2,025)	(1,224)	(5,008)	(4,032)
Lease liabilities	(646)	(490)	(686)	-	(1,822)	(1,376)
Total	(15,607)	(4,991)	(7,587)	(3,185)	(31,370)	(25,262)

21. FAIR VALUES

	Carrying value at 30 June 2023 £'000	Carrying value at 30 June 2022 £'000
Non financial assets		
Property, plant & equipment - freehold property	37,409	37,982

See note 9 for details of property, plant & equipment held at fair value. During the year there were no transfers between the levels of fair value hierarchy. The Group considers this to be a recurring measurement using a level 3 valuation method.

The value of all other financial assets and liabilities included in the Financial Statements are considered to be a reasonable approximation of fair value at the Balance Sheet date.

22. SHARE CAPITAL

<u>Group and Company</u>	As at 30 June 2023 £'000	As at 30 June 2022 £'000
Allotted, called up and fully paid 432,328,633 Ordinary shares of 1p each	4,323	3,910
Shares issued during period 14,919,652 Ordinary shares of 1p each	149	413
Allotted, called up and fully paid	4,472	4,323

There is only one class of ordinary shares. All shares carry equal rights.



Notes to the financial statements (continued)

23. SHARE PREMIUM AND MERGER RESERVE

Group and Company	As at 30 June 2023 £'000
Share premium	
Balance at 30 June 2021	77,854
Shares issued during period	9,916
Costs incurred in relation to share issues	(200)
Balance at 30 June 2022	87,570
Shares issued during period	3,581
Costs incurred in relation to share issues	(11)
Balance at 30 June 2023	91,140

During the year, 14,919,652 Ordinary Shares of 1p each were issued at a price of 25p per share, creating a share premium of £3.581m.

Group and Company	As at 30 June 2023 £'000
Merger reserve	
Balance at 30 June 2021	12,960
Movement in year	-
Balance at 30 June 2022	12,960
Movement in year	-
Balance at 30 June 2023	12,960

The merger reserve of £12,960,000 (2022 - £12,960,000) was created following the share for share exchange with The Rangers Football Club Limited in 2012.

24. OTHER RESERVES

Revaluation reserve	As at 30 June 2023 £'000
Group	
Balance at 30 June 2021	22,781
Transfer from revaluation reserve to retained earnings in respect of depreciation	(453)
Deferred tax liability relating to transfer from revaluation reserve	112
Deferred tax liability relating to components of other comprehensive income	-
Balance at 30 June 2022	22,440
Transfer from revaluation reserve to retained earnings in respect of depreciation	(452)
Deferred tax liability relating to transfer from revaluation reserve	112
Deferred tax liability relating to components of other comprehensive income	-
Balance at 30 June 2023	22,100



Notes to the financial statements (continued)

25. RETAINED EARNINGS

	Group £'000	Company £'000
Balance at 30 June 2021	(85,665)	(41,816)
Loss for the year ended 30 June 2022	(919)	(10,055)
Release of revaluation reserve for the year ended 30 June 2022	453	-
Depreciation on release of revaluation reserve for the year ended 30 June 2022	(112)	-
Balance at 30 June 2022	(86,243)	(51,871)
Loss for the year ended 30 June 2023	(4,144)	(5,633)
Release of revaluation reserve for the year ended 30 June 2023	452	-
Depreciation on release of revaluation reserve for the year ended 30 June 2023	(112)	-
Balance at 30 June 2023	(90,047)	(57,504)

The Parent Company is exempt from disclosing a company-only income statement. Its loss for the year was £5,633,000 (2022 - £10,055,000).

26. NOTES TO THE STATEMENTS OF CASH FLOWS

	Group		Company	
	Year to 30 June 2023 £'000	Year to 30 June 2022 £'000	Year to 30 June 2023 £'000	Year to 30 June 2022 £'000
Loss for the year	(4,144)	(919)	(5,633)	(10,055)
Amortisation and impairment of intangible fixed assets	12,870	11,839	-	-
Impairment of investment in subsidiaries	-	-	5,000	9,600
Depreciation and impairment of property, plant and equipment	2,603	2,124	-	-
(Gain)/Loss on disposal of players' registrations	(23,601)	(11,170)	-	-
Financing costs and other charges	2,025	1,973	620	438
Decrease/(increase) in trade and other receivables	3,235	3,978	13	17
(Decrease)/increase in trade payables, deferred income and provisions	2,212	8,729	-	-
Taxation	1,036	(1,270)	-	-
Cash used in operations	(3,764)	15,284	-	-

	Current liabilities		Non-current liabilities		Total
	Lease liabilities £'000	loans £'000	Lease finance £'000	loans £'000	£'000
Change in liabilities from financing activities					
Opening liabilities	431	4,136	945	11,433	16,945
Movement due to cash flows	(274)	(4,136)	284	8,704	4,578
Non cash movements					
Reallocation from non-current to current liabilities	409	-	(409)	-	-
Acquisition of fixtures and fittings on lease	80	7,961	356	(7,961)	436
Conversion to equity	-	-	-	(3,730)	(3,730)
Effective interest rate	-	-	-	99	99
Closing liabilities	646	7,961	1,176	8,545	18,328

Significant non-cash financing transactions relate to the extension and conversion of investor loan facilities and acquisition of fixtures and fittings through leasing.



Notes to the financial statements (continued)

27. RELATED PARTY TRANSACTIONS

Investor loans

	2023 £'000	2023 £'000	2023 £'000	2022 £'000
	Director loans	Other related party loans	Total Investor loans	Total Investor loans
Opening balance	12,178	-	12,178	10,250
Loans repaid	(16,143)	-	(16,143)	(14,375)
Loans converted to shares	(680)	(3,050)	(3,730)	(5,847)
Loans received	18,068	3,050	21,118	22,150
Closing balance	13,423	-	13,423	12,178

Split as follows:

	2023 £'000	2023 £'000	2023 £'000	2022 £'000
	Director loans	Other related party loans	Total Investor loans	Total Investor loans
Date repayable:				
On agreed terms - Note 20	13,423	-	13,423	12,178
	13,423	-	13,423	12,178

Director loans

John Bennett, Douglas Park, Alastair Johnston, Perron Investments LLC and Julian Juul Wolhardt

Loans of £7.14m from Mr J Bennett and £1.28m from Mr J Wolhardt made under a secured debt facility were outstanding at 30 June 2023. Repayments of loans are paid in quarterly instalments to the repayment 31 July 2028. The facility allows for accelerated repayments based on certain events. Interest is currently charged at 4% on an accruals basis.

Loans of £5.0m made by Mr J Bennett under a separate facility on a drawdown basis are currently outstanding. Interest is currently charged at 4% on an accruals basis.

Loan facilities of £0.07m provided by Mr A Johnston during the period were converted to equity in the year.

Perron Investments LLC provided £1.0m of loans during the period, which were converted to equity in the year.

Loan facilities of £2.0m provided by Mr D Park during the period were fully repaid in the year.

Other related party loans - Shareholders and other investors

George Letham, George Taylor, Janet McAlpine, Stuart Gray

No interest or fees were charged on the loan facilities provided by the above individuals and organisations.

Mr G Letham provided £0.25m of loans during the period, which were converted to equity in the year.

Mr G Taylor provided £0.25m of loans during the period, which were converted to equity in the year.

Mrs J McAlpine provided £0.05m of loans during the period, which were converted to equity in the year.

Mr S Gray provided £0.5m of loans during the period, which were converted to equity in the year.

Key management personnel remuneration

Details in respect of the remuneration of the Board of Directors and Key management personnel are disclosed in note 6 to the financial statements.

Park's of Hamilton (Holdings) Limited

The Group has an ongoing commercial agreement with the above entity, a company in which Douglas and Graeme Park have an interest. During the year, revenue of £0.5m was recognised in respect of this agreement, with £4.5m held in deferred income to be recognised as revenue over the remaining term of the contract.

Notes to the financial statements (continued)

28. PROVISIONS AND OTHER CREDITORS

During the previous year the club entered into a settlement arrangement resolving litigation relating to a previous retail arrangement. Amounts outstanding at the year-end are included within these financial statements as Other Creditors, as set out in the table below.

The Club is currently involved in a number of other legal disputes. The Directors are satisfied no provisions are required for any ongoing disputes. Uncertainties relate to whether the disputes will be resolved as they progress, settled on an amicable basis or if not, whether the Club is successful in whole or part in defending the claims. The amounts provided may be less or more than the sums at which matters are ultimately resolved. The Directors have not disclosed further information on the basis that they believe that this would be seriously prejudicial to the Club's position in achieving the best outcome on these matters.

	Provisions £'000	Other Creditors £'000	Total £'000
At 1 July 2021	2,750	-	2,750
Resolution (including costs)	-	8,250	8,250
Notional interest effect on deferred payments	-	(3,430)	(3,430)
Unwinding of notional interest effect		529	529
Payments made during year		(1,500)	(1,500)
Additional provisions	425	-	425
Released in period	(2,750)	-	(2,750)
At 30 June 2022	425	3,849	4,274
Unwinding of notional interest effect		500	500
Paid or released in the year	(425)	(750)	(1,175)
At 30 June 2023	-	3,599	3,599

The notional interest effect relates to the existence of deferred installment terms beyond normal business terms as a financing transaction with a notional interest rate applied.

Non-recurring costs

The total costs relating to legal and contract disputes included as non-recurring items are:

	2023 £'000	2022 £'000
Resolution (including costs)	-	8,250
Notional interest effect on deferred payments	-	(3,430)
Legal costs and resolution of contractual settlements	1,335	1,250
	1,335	6,070



Notes to the financial statements (continued)

29. EARNINGS PER ORDINARY SHARE

The Earnings per ordinary share has been calculated in accordance with IAS 33 as follows.

	Year to 30 June 2023	Year to 30 June 2022
Loss for the year attributable to owners of the company (£'000)		
Earnings for the purpose of basic and diluted earnings per share	(4,144)	(919)
Weighted average number of shares for the purpose of diluted earnings per share	437,130,198	418,393,736
Basic and diluted earnings per ordinary share	(0.95p)	(0.22p)

30. POST BALANCE SHEET EVENTS

The following events have occurred subsequent to the year end:

Movement in respect of player and football management team

Since the year end, the Group contracted for the purchase of nine permanent player registrations. The Group also disposed of seven player registrations on a permanent basis and seven registrations on loan. In October 2023, the football management team of Michael Beale and his backroom team were relieved of their duties.

The net amount payable on these movements, after adjusting for the notional effect on deferred payments, is £13.1m.

Funding

The Group has extended its revolving credit facility and entered into a new term loan facility with certain investors. These facilities will be available as required for working capital purposes.

31. CAPITAL COMMITMENTS

At the year end, the Group had contracted for stadium and building improvements amounting to £0.95 million.

32. CONTINGENT LIABILITIES

During the year under review, a claim was raised by Elite Sports Group Limited ("Elite") against the club in respect of previous contracts. On 24th November 2022, Elite went into administration, and appointed administrators. The administrators are now pursuing the claim and defences have been lodged by the club. Having taken independent legal and expert advice, the board is satisfied that no provision is required in the financial statements.



