

Company Registration No. 1706358

Tottenham Hotspur Limited
("Tottenham Hotspur" or "the Group" or "the Company")

Annual Report and Consolidated Financial Statements
30 June 2022

The Directors present their Strategic Report on the affairs of Tottenham Hotspur Limited and its subsidiary companies ('Group') together with the Directors' Report, Financial Statements and Auditor's Report for the year ended 30 June 2022.

Principal activities and business review

The principal activities of the Group continue to be the operation of both a men's and a women's professional football club in England together with associated commercial activities. In addition, the Group continues to acquire and develop properties associated with the Tottenham Hotspur Stadium ("THS") development to enhance the surrounding area of the stadium.

The 2021-22 season saw fans return to the stadium following the previous season being played predominantly behind closed doors. The second half of the season started to see a return to pre-pandemic levels of attendance and overall activity in the various business areas. The comparative season in the statements, the 2020-21 season, was severely disrupted by the global pandemic caused by COVID-19 and consequently the season was played predominantly behind closed doors resulting in lost matchday revenue. In addition retail stores were closed, stadium tours and conferences and events were halted for between four and six months in the period, and none of the contracted summer concerts and events were able to take place. In the current period the NFL returned to THS, and the stadium was able to host the boxing match between Anthony Joshua and Oleksandr Usyk, the Rugby Union match between Saracens and Bristol Bears and the Rugby League Challenge Cup Final. In the summer post year end the first concerts were hosted, with Guns N Roses and Lady Gaga performing shows postponed since 2020. The club also launched SPURSPRAY post year end, an original content subscription service.

The Directors continue to monitor the potential risks to the UK economy of the COVID-19 pandemic and of the UK leaving the European Union and the impact these may have on the Club's revenues, commercial activities, cost base and foreign exchange exposure, but believe that the Club is sufficiently robust to react to change.

The men's team ultimately finished the season in 4th place in the Premier League, securing Champions League qualification. The women's team finished 5th in the Women's Super League ("WSL").

Future developments

The Group will continue in the operation of a professional football club, deriving its revenue from media, sponsorship and commercial activities and also provide a host of additional events at THS to enhance the continued investment in football at all levels.

Financial highlights and key performance indicators

Revenue and profit from operations are considered to be the key performance indicators of the business. Revenue for the year before exceptional items (note 2) was £444.0m (2021: £361.9m), the increase driven predominantly due to the prior year impact of COVID-19 on matchdays and other key revenue streams, and revenue for the year after exceptional items was £443.4m (2021: £360.4m). Profit from operations, excluding football trading and before depreciation and exceptional items (see Five-year review on page 2) was £112.3m (2021: £97.1m).

Revenue

All matchday receipts excluding merchandise from all competitions was £106.1m (2021: £1.9m). The 2021-22 season was the first full season at THS with unrestricted capacity (2021: 17 of 19 home matches were played behind closed doors with the remaining two with a restricted capacity).

The Club participated in the Group Stages of the UEFA Europa Conference League (2021: The Club participated in the Group Stages and reached the Round of 16 of the UEFA Europa League) resulting in prize money of £10.2m (2021: £23.6m).

Prize money from the domestic cup competitions earned the Club £5.2m (2021: £0.3m) having reached the fifth round of the FA Cup (2021: fifth round) and the semi-final of the EFL Cup (2021: runners-up of the EFL Cup).

Television and media revenues decreased to £144.2m (2021: £184.4m). This is as a result of revenue deferred to the 2020-21 financial year in respect of the 2019-20 season due to that season straddling both years. The Club finished in 4th position in the Premier League (2021: 7th position).

Sponsorship revenue increased to £126.2m (2021: £114.0m), largely driven by a partnership with our Training Wear Partner Getir as well as a full partnership year with our Sleeve Partner Cinch, and merchandising revenue was £25.4m (2021: £22.5m).

Other revenue contributed £31.9m (2021: £15.4m). The increase was driven by the prior year COVID-19 impact on the ability to host non-football events such as the NFL and Saracens, visitor attractions such as stadium tours and the skywalk as well as matchday catering. International travel restrictions meant that an overseas pre-season tour was still unable to take place, with the Club participating in the MIND Series domestically instead.

Operating expenses (excluding football trading)

Operating expenses before football trading have increased to £403.4m (2021: £339.8m), driven by a return to full matchday operating expenses as fans returned and increased First Team costs.

Profit from operations

Profit from operations, excluding football trading and before depreciation and exceptional items, was £112.3m (2021: £97.1m).

Amortisation and impairment of intangible assets

Amortisation and impairment of intangible assets and other football trading-related expenditure (net of income) has decreased to £79.9m (2021: £82.9m).

Profit on disposal of intangible assets

Profit on the disposal of intangible assets was £19.2m for the financial year (2021: £18.9m) which included the sale of Juan Foyth to Villarreal and Dele Alli to Everton.

Net finance expenses

Net finance expenses (excluding bank interest) have decreased to £17.0m (2021: £19.2m) due to a decrease in imputed IFRS notional interest on player purchases, commercial revenues and lease obligations as well as expensed arrangement fees due to the refinancing (see note 7), whilst net bank interest costs have increased to £23.6m (2021: £17.6m).

Loss for the period

The Group made a loss after taxation of £50.1m (2021: loss of £83.8m).

Balance sheet

Total assets were £1,860.4m (2021: £1,742.9m) whilst the Group has net debt of £626.1m (2021: £706.3m).

Cash flow

The Group had a net cash inflow from its operations of £101.5m for the year (2021: outflow of £9.5m) driven by the return of fans to THS. In addition the Group had net cash inflow from financing activities of £96.0m (2021: £22.3m) driven by the equity raise.

Financial Fair Play

The Club continues to comply and support both UEFA and the Premier League Financial Fair Play criteria.

Five-year review

	June 2022 £'000	June 2021 £'000	June 2020 £'000	June 2019 £'000	June 2018 £'000
Revenue	444,028*	361,872*	402,386	460,695	380,697
Profit from operations excluding football trading and before Exceptional Items and depreciation	112,254	97,084	115,284	172,732	162,547
Depreciation and exceptional items (note 2, 3)	(72,193)	(76,521)	(81,499)	(24,859)	(10,568)
Operating profit before football trading	40,061	20,563	33,785	147,873	151,979
Amortisation and impairment of registrations and other football-related income and expenditure	(79,893)	(82,888)	(73,675)	(46,217)	(67,960)
Profit on disposal of intangible fixed assets	19,150	18,939	15,397	10,885	73,058
(Loss)/profit before interest and taxation	(20,682)	(43,386)	(24,493)	112,541	157,077
Net interest payable (note 7)	(40,646)	(36,803)	(43,231)	(25,185)	(18,168)
(Loss)/profit before taxation	(61,328)	(80,189)	(67,724)	87,356	138,909
Taxation	11,211	(3,612)	3,808	(18,804)	(25,956)
Retained (loss)/profit	(50,117)	(83,801)	(63,916)	68,552	112,953
Net assets					
Property plant and equipment	1,300,890	1,343,093	1,398,544	1,414,002	974,310
Intangible assets	279,053	204,759	180,689	124,747	151,342
Investments in financial assets	57	263	-	-	-
Net current liabilities, including trade receivables due after one year	(237,324)	(137,074)	(258,006)	(245,628)	(108,586)
Total assets less current liabilities	1,342,676	1,411,041	1,321,227	1,293,121	1,017,066
Non-current liabilities – amounts falling due after more than one year	(1,165,432)	(1,155,034)	(981,419)	(889,397)	(681,894)
Net assets	177,244	256,007	339,808	403,724	335,172

*For explanation of reconciliation see Financial highlights and key performance indicators and note 2

Results and dividends

The audited consolidated income statement for the year ended 30 June 2022 is set out on page 14.

The Directors have not recommended the payment of a dividend in the period or through to the date of signing (2021: £nil).

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 risks that the Directors consider particularly relevant to the Company are interest rate risk, currency risk and cash flow risk.

The Group addresses cash flow risk by carefully managing its working capital inflows and outflows. The Group is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflows and outflows to minimise any material foreign exchange exposure. The Group does not enter into complex financial instruments for speculative purposes. Further information is provided in note 18 to the financial statements.

Principal risks and uncertainties

The key business risks and uncertainties affecting the Group are considered to relate to:

- the negotiation and pricing of broadcasting contracts;
- the recruitment and retention of key employees;
- the performance and popularity of the first team; and
- the renewal of key commercial agreements on similar or improved terms.

Section 172(1) Statement

Section 172(1) of the Companies Act 2006 requires each Director of the Company to act in a way in which he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters including:

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

With respect to this, the board meets on a monthly basis and refers to ongoing strategic plans having regard to the following considerations:

Long term consequences

- Long term sustainability / viability of business model
 - Our business model going forward allows the Group to be less reliant on football revenues. While the operation of a professional football club remains our principal activity, the construction of THS has enabled our business model to focus on new and diversified revenue streams. We have non-football events booked for the 2022-23 period such as music concerts and non-football sporting events (including NFL and Rugby Union) with the profits from non-football activities going back into the Club to support the football team
 - We have also increased our focus on utilising the stadium to its full potential, through our Conference & Events department and restaurants, as well as non-matchday visitor attractions like our Stadium Tours and The Dare Skywalk
 - The Group's adherence to UEFA and Premier League Financial Fair Play rules ensures sustainable, responsible, and transparent spending
- Risk appetite and risk management
 - See note 18 for details on the Group's Financial risk management objectives and policies

Interest of employees

- The health, safety and well-being of our employees is one of our primary considerations. We put a great emphasis on employee consultation, we actively promote equality and diversity, and we are committed to paying the London Living Wage. See the strategic report for more information on these areas
- We have launched SPURS Connect, a staff well-being initiative which has been set up to increase connectedness in the changing work environment caused by the pandemic

- We are committed to ensuring that male and female employees are paid equally for equivalent work and release an annual Gender Pay Gap Report to support this, in addition to our Advanced Premier League Equality, Diversity and Inclusion Standard
- We have designed and built Club facilities with sustainability and environmental impact a foremost consideration, and will continue to do so

Interest of other stakeholders (suppliers, customers, others)

- Fans
 - Fans are the lifeblood of our Club and are always foremost in our decision-making
 - We are proud to have an ever-increasing number of Supporters Clubs around the world
 - The Board meets regularly with the Tottenham Hotspur Supporters Trust and other fan groups, to discuss the key issues affecting fans
 - In consultation, the Club is establishing a Fan Advisory Board (“FAB”) which will deliver increased representation and engagement by wider Club stakeholders
- Partners
 - Our commercial partners remain as important to us as ever and we are pleased to have multi-year contracts with key partners across a variety of industries
- Suppliers
 - We value all our suppliers and have long-standing contracts with key suppliers who share our core values

Impact of community and environment

The Group places huge importance on being a pillar of our community, which we deliver through a variety of projects:

- The Club’s independent charitable body, the Tottenham Hotspur Foundation, works to create opportunities that change the lives of those living in our local communities and around the world
- Our Community Outreach Programmes focus on tackling Tottenham youth unemployment and crime through sport
- During the COVID-19 pandemic the Group arranged for THS to be used to deliver vital NHS services, the relocation of the neonatal unit, and a food bank
- We have sought to source more environmentally sustainable alternatives to single-use plastic and will continue to do so as part of our commitment to phasing out single-use plastics from all our operations
- In September 2021 the Club hosted the first ever net zero carbon elite level football match

SECR Energy Use and Carbon Emissions Disclosure

Tottenham Hotspur Limited disclose our energy use and greenhouse gas emissions that Tottenham Hotspur Limited are responsible for in line with the requirements of the Companies Act 2006 Regulations 2013 and latest 2018 regulations.

Targets

The Club is a signatory of the UN Sports for Climate Action Framework, an initiative that calls on sporting organisations to acknowledge the contribution of the sports sector to climate change and a collective responsibility to strive towards climate neutrality for a safer planet. By signing the Framework, the Club has demonstrated its commitment to playing its part to ensure the sports sector is on the path to a low-carbon future. In line with the five core principles enshrined in the Framework and the aims of the Paris Agreement, signatories strive to:

- 1) promote greater environmental responsibility;
- 2) reduce the overall climate impact from sports;
- 3) use their platforms to educate for climate action;
- 4) promote sustainable and responsible consumption; and
- 5) advocate for climate action through communications.

As a signatory of the UN Sports for Climate Action Framework, the Club joined the UN ‘Race to Zero’ in February 2022, committing to halve its carbon emissions by 2030 and become net zero by 2040.

Tottenham Hotspur is proud to be a founding partner of Count Us In – an unprecedented global movement aiming to mobilise one billion people to act on climate change. Count Us In aims to inspire citizens everywhere to take 16 practical and high impact steps to protect what we love from carbon pollution before it is too late.

The Club is also a proud member of the British Association for Sustainable Sport (BASIS), the sustainability hub for sport in the UK. For more than a decade, BASIS has driven the growth in understanding, expertise and commitment on sustainability in sport, helping members to shape and achieve their sustainability goals and deliver a positive environmental impact through sport. Through our BASIS membership, we join a host of leading clubs and governing bodies in securing a place in the top tier of sustainability in sport.

Tottenham Hotspur is the first sports team to become a member of Products of Change (POC). POC is a global educational hub aimed at driving sustainable change across consumer product markets and beyond, bringing together a strong community of brand owners,

retailers, content creators, innovators, manufacturing partners and marketing experts who by learning and connecting through the platform can drive sustainable change within their respective businesses while maintaining a commercial footing. POC now has over 250 members, including Mattel, Hasbro, Lego, Viacom CBS, Discovery Networks, BBC Studios, Asda, Tesco's, and many more leading names.

The Club has appointed Inspired Energy to undertake a full Scope 3 assessment for the reporting year 1 July 2021 to 30 June 2022. This combined with our Scope 1 & 2 reports contained within the SECR for the same reporting period will provide a baseline from which to reduce from. Inspired Energy will now work on a 'roadmap' for the Club to follow and measure itself against in meeting its net zero targets.

Primary Statement

	2021-22 Emissions (tCO ₂ e)	2020-21 Emissions (tCO ₂ e)	% Change
Electricity	4,458.44	5,841.11	-24%
Gas	3,347.17	3,580.89	-7%
Transport Fuels	136.54	114.35	19%
Gross Annual Total	7,942.15	9,536.35	-17%
Intensity Metric ('000 Sqft)	1,551.3	1,544.8	
Total TCO ₂ e / '000 Sqft	5.12	6.17	-17%
Qualifying Green Tariffs	4,458.35	4,480.22	0%
Net Annual Total	3,483.80	5,056.13	-31%

Table 1: Primary Statement for Financial Year ending 30 June 2022

Intensity Metric

The intensity metric chosen is Sqft as at the Financial Year ending 30 June 2022. This was chosen as the most suitable metric as the organisation's carbon emissions are closely linked to the scale of the various locations from where operations are conducted, including but not limited to THS, the Tottenham Experience, the Training Centre, the Lodge, the Western Field and the offices at Lilywhite House. Tottenham Hotspur Stadium is a civic building with numerous community uses throughout the week, as well as a sport and leisure destination hosting a range of visitor attractions and conferences throughout the year, in addition to major sporting events.

Carbon offset

All of the electricity that Tottenham Hotspur Limited procured this period is either Renewable Energy Guarantees of Origin (REGO) backed or 100% Carbon offset (Kyoto Protocol), hence market-based emissions are zero.

We are offsetting our carbon footprint in a myriad of different ways – to date, we have planted hundreds of new and semi-mature trees and tens of thousands of new plants, hedges and flowers across our Training Centre to establish an ecological habitat. The building fabric of the stadium has been designed to be highly insulated to reduce heating and cooling demands. Our stadium's technology infrastructure, developed in partnership with HPE and Aruba, allows for the consumption of less power during periods of low activity. LED lighting (including floodlights) and high-efficiency building services systems are in place to reduce energy use.

Energy efficiency

Tottenham Hotspur is dedicated to minimising the environmental impacts of our activities across all Club operations.

To ensure we will fulfil our commitment we will continue to embrace initiatives and technologies that will reduce our environmental impact whenever possible. We will work towards improving efficiency and sustainability within the Club at all levels and encourage employees, suppliers and partners to do the same.

A range of other initiatives are in place including intelligent controls, attenuation water tanks and green roofs on the Tottenham Experience.

The Club was a founder member of the 10:10 initiative, which called on individuals, businesses, schools and other organisations to cut their emissions by 10% in a year. This founder membership and the Club's work during that period has informed our policies moving forward since implementation in 2009.

The Club's core policies are:

1. Recycle any waste products generated across the Club where possible and increase waste diversion away from landfill
2. Implement the use of environmentally sustainable material where practical
3. Encourage players, fans, staff and anyone involved in our Club to save energy and be more environmentally conscious
4. Educate and inspire young people in our communities
5. Promote alternative forms of transport for fans and staff to and from the stadium and training ground that have a reduced impact on the environment
6. Identify locally and sustainably sourced food options to cater for various dietary requirements, including plant-based food options, at our stadium
7. Reduce our single-use plastic footprint with the aim of eliminating its use across Club operations, seeking to source more environmentally sustainable materials where possible

Net zero

During the reporting period, Tottenham Hotspur partnered with Sky to host the world's first net zero carbon football game at an elite level. The fixture against Chelsea at THS on 19 September 2021 was supported by COP26 and the Premier League, and was branded #GameZero, with the ambition of being net zero carbon. This was achieved when all direct emissions were reduced as much as possible, with the remainder offset through natural projects that remove emissions from the atmosphere.

For those emissions which remained, Sky worked with Natural Capital Partners to restore natural carbon sinks which remove emissions from the atmosphere, by supporting a community reforestation in East Africa, and creating new UK native woodlands to support the UK's net zero objectives. The Club and Sky also planted trees locally to the stadium.

The initiative was recognised in the Sustainability category at the Football Business Awards, 2022.

EPL Sustainability League Table

In January 2022, Tottenham Hotspur was named the Premier League's greenest Club for a third successive year following a study carried out by the UN-backed Sport Positive Summit. Sport Positive has systematically collated key environmental sustainability information for every Premier League football club into a table matrix. The categories reflect the environmental impacts of putting on a football match, and initiatives that are under way at clubs, put together in an easy and digestible format.

Two new categories were introduced this year - biodiversity and education – with more points awarded to clubs that are working strategically across all club sites and operations, have policies in place, and are engaging fans, staff and players in their work.

Tottenham Hotspur, alongside Liverpool, ranked highest by scoring 23 out of the 24 available points with a range of sustainable measures implemented across our operations. Measures include:

- 100% renewable energy and Zero Scope 2 emissions at THS, with LED lighting (including floodlights) and high efficiency building services systems in place to reduce energy use
- Single-use plastic reduction measures in place across the Club - players drink water from cartons, food is served in recyclable packaging with wooden cutlery, and even beer keg caps are recycled at the stadium
- Fully compostable sandwich packaging in The M, our food and drink option on the High Road
- Water consumption minimised with waterless urinals and low flow fittings and fixtures
- Ecological Management Plan in place across all Club sites to monitor and manage ecological activity. An ecological habitat is established at our Training Centre, including an organic Kitchen Garden; hundreds of new and semi-mature trees and tens of thousands of new plants and hedgerows; bug hotels and bat houses; wildlife ponds; green roofs to capture and re-harvest rainwater; solar panels and air source heat pumps as well as a comprehensive drainage and extraction system in place through the installation of an attenuation pond and two onsite bore holes that extract water, with licences and agreement from the Environment Agency
- Nike shirts worn by players on the pitch and the replica jerseys for fans to buy constructed with 100% recycled polyester fabric, made from recycled plastic bottles
- Sustainable transport plan in place for both fans and staff, overseen by an appointed Travel Plan Co-Ordinator – the Club has driven significant investment in local transport infrastructure with the stadium served by four train stations, a free matchday shuttle bus, a net zero carbon regional coach service and cycling provision. Recent analysis has shown the Club is close to achieving its target of no more than 23% of supporters travelling by private car on matchdays
- Charging stations for electric vehicles available across Club sites
- Locally and sustainably sourced food served inside the stadium, with plant-based options available across all outlets and in Premium areas as well as The M on non-matchdays
- Waste from the stadium's microbrewery is used to feed pigs at Wicks Manor Farm, less than 50 miles away, which in turn is then used in pork product in the stadium
- A 'zero to landfill' waste management programme, with clear recycling instructions for fans on bins, as well as a reusable beer cup scheme

Reporting period

This reporting period is defined by a return of fans to stadiums following the COVID-19 pandemic, and the first full year of major events held at Tottenham Hotspur Stadium since it opened in April 2019. In addition to Tottenham Hotspur football matches, major events included a World Heavyweight Championship boxing event, two NFL games, two rugby matches and four music concerts.

The surveys and associated reports completed as part of Phase 2 ESOS should provide a route map for which energy conservation measures can be implemented cost effectively. To reduce energy consumption, cost and carbon emissions, Tottenham Hotspur Limited aims to continue its existing good work and implement further energy conservation measures in the next 12-month period, and as the changing COVID-19 situation allows.

The Club's energy usage in the period was 42.0 GWh, offset by qualifying green tariffs of 23.1 GWh. Scope 1 emissions were 3,430 tCO₂e (2021: 3,665 tCO₂e), Scope 2 location based emissions were 4,458 tCO₂e (2021: 5,841 tCO₂e), Scope 2 market based emissions were zero (2021: 1,361 tCO₂e) and Scope 3 emissions were 54 tCO₂e (2021: 30 tCO₂e) in the period.

High standards of business conduct

- The Group and our staff live the values Dare, Respect, and Drive as outlined in "The Spurs Way". This is a clear, simple framework of behaviours needed to deliver future success for the Club. It is based on what our best performing people already do to produce outstanding results, and what is needed for the future.
- The Group is committed to ensuring there is openness in our own business and in our approach to tackling modern slavery both within our business and through our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015.
- The Group is committed to paying the right amount of tax, in the right place, on a timely basis in accordance with tax law and practice in the UK. The tax contribution paid by the Group and its players is both substantial and transparent.

Act fairly between shareholders

- The Group agreed when it delisted in 2012 to retain a public company based structure which ensures we retain non-executives and remuneration and audit committees.

Approved by the Board of Directors
and signed on behalf of the Board



M J Collecott
Secretary

7/12. 2022

Directors

None of the Directors who served during the year held any beneficial interests in the ordinary share capital of the Company at 30 June 2022. For a full list of Directors please refer to page 51.

Daniel Levy and certain members of his family are potential beneficiaries of discretionary trusts which ultimately own 29.88% of the share capital of ENIC Sports and Development Holdings Limited ("ENIC"), a company incorporated in The Bahamas, which in turn owns 100% of ENIC Sports Inc, also incorporated in The Bahamas.

At the year end ENIC Sports Inc., held 182,153,431 ordinary shares of Tottenham Hotspur Limited representing 85.56% of those in issue and therefore ENIC is the ultimate parent of Tottenham Hotspur Limited.

During the year ENIC Sports Inc. subscribed for 100,000,000 £1 'A' ordinary shares. These do not hold voting rights, ENIC is able to convert the 'A' shares into ordinary shares at any time. Upon subscription of the 'A' shares ENIC were issued with warrants by the Group. At the balance sheet date the 'A' shares had not been converted to ordinary shares (see note 15), however the process to convert them had commenced. The warrants are held as financial liabilities at fair value through profit or loss ("FVTPL").

Matthew Collecott and Donna-Maria Cullen are trustees of the Tottenham Hotspur Foundation, unpaid positions to assist the direction and performance of the Charity.

Details of the Directors' emoluments are given in note 5 of the consolidated accounts. Directors' interests in contracts are disclosed in note 23.

Post balance sheet events

Details of post balance sheet events are given in note 26 to the consolidated accounts.

Financial risk management objectives and policies

Details of financial risk management objectives and policies are given in the Strategic report.

Charitable and political donations

The Group made cash donations of £453,000 to international, UK-based and local charities during the year (2021: £156,364). The Group made no political donations during the year (2021: £nil). In addition the Group continues to make contributions with a value in excess of £0.5m per annum to the Tottenham Hotspur Foundation and continues to underwrite the ongoing good works of the charity. In addition, the Group makes many other contributions of Tottenham Hotspur Football Club memorabilia to local registered charities, especially in the Haringey and Enfield districts and adjacent catchment areas.

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 and appropriate training is arranged. 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.

Employees consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the Group. This is achieved by consultations and intranet notices.

Equality and diversity

The Group's vision is to create an environment in which everyone – staff, supporters and the wider community – has equal, dignified ease of access to our Club, services and facilities. The Group's aim is to be inclusive, supportive, fair and free from discrimination. The Group aim to actively promote equality and diversity and ensure that the legislation and policy requirements within the nine protected characteristics of equality and diversity are implemented into all working practices.

London Living Wage

The Group is pleased to confirm that it is committed to paying all staff the London Living Wage, with any annual increases reflected in the salary review process. As we had the opportunity to tender on external contractors to THS we have ensured that all contracts endorse this position and any external contractors who work with the Group contractually have to pay their staff the London Living Wage. The Directors wanted to include this statement within its audited Annual Report to underline its compliance with best practice and verification by its auditor.

Directors' indemnities

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

Going concern

The Board of Directors continually monitors the Group's exposure to a range of risks and uncertainties, including the success of the First Team and our level of spending thereon, the current economic landscape and the funding requirements for capital projects. These risks and uncertainties, the Group's financial performance and position for the year and its cash flows and funding position, are detailed elsewhere in the Directors' Report. In addition, note 18 to the financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risk. The Directors believe that these risks and uncertainties are mitigated by, inter alia, the robust nature of our business with long-term fixed revenues from the key business areas, notably the Premier League TV deal that begins from the 2022-23 season and key sponsors.

The Board of Directors have recently undertaken a thorough review of the Group's budgets and forecasts and have produced detailed cash flow projections. The base case scenario assumes that the full schedule of matches will be fulfilled at maximum capacity, that there are no material changes to existing financing arrangements and prudent assumptions have been made in relation to on-pitch performance.

These cash flow projections which, when considered in conjunction with the Group's operational plans, the successful capital increase performed in the period and the refinancing performed in the prior period by the Group (see notes 15 and 16), as well as existing loans, overdrafts and cash, and which include consideration of reasonably possible changes in trading performance, demonstrate that the Board will ensure there is sufficient working capital to continue to operate for the foreseeable future. Additional mitigating actions, if required, could include advancement of future cash inflows and/or deferring future cash outflows, and the sale of assets.

Taking into consideration the letter of financial support and the ability of the parent company to provide that support, the Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and, as such, the consolidated and separate financial statements have been prepared on the going concern basis.

Matters included in the Strategic Report

In accordance with s414(C) (11) of the Companies Act, included in the Strategic Report is information relating to, business relationships, research and development, financial risk management and future developments which would otherwise be required by Schedule 7 of the 'large and medium sized companies and Groups (accounts and reports) regulation 2008' to be contained in a Directors' Report.

Disclosure of information to the auditor

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

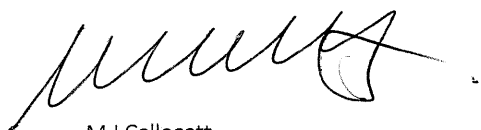
- so far as each of the Directors is aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the Company's auditor is unaware;
- and each of the Directors has taken all of the steps that he/she ought to have taken as a Director to make himself/herself aware of any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

Re-appointment of auditor

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

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

Approved by the Board of Directors
and signed on behalf of the Board



M J Collecott
Secretary

7/12. 2022

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the parent Company financial statements in accordance with FRS 101 *Reduced Disclosure Framework*. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the parent Company financial statements, the Directors are required to:

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

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- 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
- make an assessment of the Company's ability to continue as a going concern.

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

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.

Independent auditor's report to the members of Tottenham Hotspur Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Tottenham Hotspur Limited (the 'parent Company') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated and parent Company balance sheets;
- the consolidated and parent Company statements of changes in equity;
- the consolidated statement of cash flows;
- the related notes to the consolidated financial statements 1 to 28; and
- the related notes to the parent Company financial statements 1 to 10.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework".

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's 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 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.

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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 considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act 2006 and HMRC tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the UK Companies Act 2006, HMRC tax legislation, General Data Protection Regulations ("GDPR"), the Premier League Rules and UEFA regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- the accuracy of sponsorship revenue was identified as a significant fraud risk due to the complexities of the individual contracts and the manual process required to account for these contracts. To address the risk we selected a risk focussed sample to agree to supporting contractual agreements and assessed whether the amounts recognised are in line with the contractual clauses in the context of the principles of the applicable accounting framework.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

Independent auditor's report
to the members of Tottenham Hotspur Limited

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the Group and of the parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

Matters on which we are required to report by exception

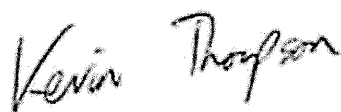
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

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.



Kevin Thompson (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

7th December 2022

Consolidated income statement
for the year ended 30 June 2022

	Notes	2022			2021		
		Operations, excluding football trading*	Football trading*	Total	Operations, excluding football trading*	Football trading*	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Revenue	2	443,415	-	443,415	360,405	-	360,405
Operating expenses	3	(403,354)	(79,893)	(483,247)	(339,842)	(82,888)	(422,730)
Operating profit/(loss)		40,061	(79,893)	(39,832)	20,563	(82,888)	(62,325)
Profit on disposal of intangible fixed assets	6	-	19,150	19,150	-	18,939	18,939
Profit/(loss) from operations	4	40,061	(60,743)	(20,682)	20,563	(63,949)	(43,386)
Finance income	7			1,537			1,584
Finance costs	7			(42,183)			(38,387)
Loss before taxation				(61,328)			(80,189)
Tax	8			11,211			(3,612)
Loss for the year	20			(50,117)			(83,801)

* Football trading represents amortisation, impairment and profit on disposal of intangible fixed assets, and other football trading-related income and expenditure (see notes 3,6).

There were no other gains or losses in either the current or prior year; accordingly no consolidated statement of comprehensive income is presented.

All activities in the year derive from continuing operations.

Consolidated balance sheet
as at 30 June 2022

	Notes	2022 £'000	2021 £'000
Non-current assets			
Property, plant and equipment	9	1,300,890	1,343,093
Intangible assets	10	279,053	204,759
Investments in financial assets	11	57	263
Trade receivables due after one year	13	4,206	4,030
		1,584,206	1,552,145
Current assets			
Inventories	12	6,070	8,106
Tax and social security	13	3,203	4,938
Trade and other receivables	13	40,372	30,191
Cash and cash equivalents	14	226,500	147,569
		276,145	190,804
Total assets		1,860,351	1,742,949
Current liabilities			
Trade and other payables	15	(376,529)	(322,537)
'A' ordinary shares	15	(98,364)	-
FVTPL liabilities	15	(28,646)	-
Interest-bearing loans and borrowings	15	(1,295)	(1,248)
Provisions	15/17	(12,841)	(8,123)
		(517,675)	(331,908)
Non-current liabilities			
Interest-bearing loans and borrowings	16	(851,307)	(852,602)
Trade and other payables	16	(264,751)	(240,892)
Deferred grant income	16	(4,188)	(4,438)
Deferred tax liabilities	16/17	(45,186)	(57,102)
		(1,165,432)	(1,155,034)
Total liabilities		(1,683,107)	(1,486,942)
Net assets		177,244	256,007
Equity			
Share capital	19	10,644	10,644
Share premium		34,788	34,788
Capital redemption reserve		644	644
Retained earnings		131,168	209,931
Total equity	20	177,244	256,007

These financial statements (Company number 1706358) were approved by the Board of Directors and authorised for issue on 7/12 2022.

Signed on behalf of the Board of Directors



Matthew Collecott

Director

Consolidated statement of changes in equity
for the year ended 30 June 2022

For the year ended 30 June 2022

	Share capital	Share premium account	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 July 2021	10,644	34,788	644	209,931	256,007
Impact of equity raise (note 15)	-	-	-	(28,646)	(28,646)
Loss for the year	-	-	-	(50,117)	(50,117)
At 30 June 2022	10,644	34,788	644	131,168	177,244

For the year ended 30 June 2021

	Share capital	Share premium account	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 July 2020	10,644	34,788	644	293,732	339,808
Loss for the year	-	-	-	(83,801)	(83,801)
At 30 June 2021	10,644	34,788	644	209,931	256,007

Consolidated statement of cash flows
for the year ended 30 June 2022

	2022	2021
Note	£'000	£'000
Cash flow from operating activities		
Loss from operations	(20,682)	(43,386)
Adjustments for:		
Amortisation of intangible assets	79,520	73,812
Impairment of intangible assets	1,843	8,536
Profit on disposal of intangible assets	(19,150)	(18,939)
Loss on disposal of property, plant and equipment	-	77
Depreciation of property, plant and equipment	72,278	72,137
Capital grants release	1,828	585
Foreign exchange loss/(gain)	444	(8,047)
Net loss on financial assets	206	101
(Increase)/decrease in trade and other receivables	(15,279)	9,605
Decrease/(increase) in inventories	2,037	(1,917)
Decrease in trade and other payables	(1,516)	(102,062)
Cash flow from/(used in) operations	101,529	(9,498)
Interest paid	(22,228)	(18,303)
Interest received	71	554
Income tax received	4,230	10,134
Net cash flow from/(used in) operating activities	83,602	(17,113)
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(32,291)	(33,382)
Acquisitions of investments	-	(364)
Proceeds from sale of property, plant and equipment	2	5,379
Acquisitions of intangible assets	(91,963)	(78,944)
Proceeds from sale of intangible assets	23,606	23,567
Net cash flow used in investing activities	(100,646)	(83,744)
Cash flows from financing activities		
Proceeds of 'A' ordinary shares	97,475	-
Proceeds of borrowings	-	248,750
Repayment of borrowings	(1,500)	(226,500)
Net cash flow from financing activities	95,975	22,250
Net increase/(decrease) in cash and cash equivalents	78,931	(78,607)
Cash and cash equivalents at start of the period	147,569	226,176
Cash and cash equivalents at end of year	14	226,500

1. Accounting policies and critical accounting judgements

The following accounting policies have been applied consistently by the Directors in both the current and preceding periods in dealing with items which are considered material in relation to the Group's accounts.

Tottenham Hotspur Limited is a private Company limited by shares, registered in England and Wales, and incorporated in the United Kingdom under the Companies Act 2006. The nature of the Group's operations and its principal activities is set out in the Strategic report on page 1.

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared on a historical cost basis.

Basis of consolidation

The Group financial statements incorporate the financial statements of Tottenham Hotspur Limited (the 'Company') and entities controlled by the Company (its subsidiaries) made up to 30 June each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefit from its activities.

The results of subsidiaries acquired during the year are included in the consolidated income statement from the effective date of acquisition.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further detail is contained in the Directors' report on page 9.

Revenue

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.

Merchandising revenue is recognised when goods are delivered and title has passed.

Gate receipts and other matchday revenue are recognised as the games are played. Prize money in respect of cup competitions is recognised when earned. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues is recognised over the duration of the football season whilst facility fees received for live coverage or highlights are taken when earned. Merit fee payments are accounted for on the basis of management's prudent best estimate of league position at year-end, to the extent that it is highly probable that there will not be a subsequent material reversal to revenue recognised.

IFRS 15 requires the Group to determine revenues recognised at a point in time from those recognised over time. All revenues are deemed to be recognised over time with the exception of revenues generated from merchandising and food and beverage sales which are deemed to be recognised at a point in time. As a result of the specific guidance in IFRS 15, revenue on certain commercial contracts is higher under the new standard with an associated finance cost recognised over the period of each commercial contract.

Exceptional items

Exceptional items relate to significant and unusual revenues or costs experienced by the Group. They are identified on a case-by-case basis, and are recognised at contractual value, market value or best estimate depending on the nature of the item identified. In the current reporting period they relate to:

- a deduction of prize money paid by UEFA in relation to the 2019-20 season due to COVID-19; and
- onerous employee contracts.

Capital grants

Capital grants relate to amounts receivable from public bodies and football authorities and are treated as deferred income and released to the income statement over the estimated useful life of the asset concerned.

Foreign exchange

Transactions denominated in foreign currencies are translated into Sterling and recorded at the rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rates ruling on the balance sheet dates. Translation differences are dealt with in the income statement.

1. Accounting policies and critical accounting judgements (continued)

Player costs and transactions

(a) Initial capitalisation

The costs associated with the acquisition of players and key football management staff registrations are capitalised as intangible fixed assets. Any intangible assets acquired on deferred terms are recorded at the fair value at the date of acquisition. The fair value represents the net present value of the costs of acquiring players and key football management staff registrations.

(b) Amortisation

These costs are fully amortised on a straight-line basis over their useful economic lives, in equal annual instalments over the period of the respective contracts. Where 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.

(c) Contingent consideration

Under the conditions of certain transfer agreements, further fees will be payable to the vendors in the event of the players concerned making a certain number of First Team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional transfers are accounted for, as provisions and as additions to intangible assets, when the specified amount of appearances has been reached or the specified future events occur.

(d) Impairment

The Group will perform an impairment review on the intangible assets if events or changes in circumstances indicate that the carrying amount of the player may not be recoverable. The Group compares the carrying amount of the asset with its recoverable amount.

The Group does not consider that it is possible to determine the value in use of an individual football player in isolation as that player (unless via a sale or insurance recovery) cannot generate cash flows on his own. Furthermore, the Group also considers that all of the players are unable to generate cash flows even when considered together. Accordingly the Group considers the smallest cash-generating unit to contain all the First Team players, the Stadium and the training facilities.

The Group calculates the value in use of this cash-generating unit by discounting estimated expected future cash flows (being the pre-player trading cash flows generated by the Group's existing operations and any future capital expenditure on the ground and First Team squad). The Group compares this with its assessment of the fair value less costs to sell of all of the First Team players and the higher of these two numbers is deemed to be the recoverable amount.

In certain rare instances there may be an individual player whom the Group does not consider to be part of the First Team squad going forwards and who will therefore not contribute to the future cash flows earned by the cash-generating unit. This is normally due to a permanent career-threatening injury or where Group's senior football management and Directors have decided the player is not part of the Club's long-term plans.

As a consequence of such situations the Group consider it highly unlikely that the player will play for the First Team for a significant part of the remaining duration of the player's contract. In such situations, the carrying value of the player is removed from the carrying value of players assessed as part of the cash-generating unit referred to above and instead this player will be assessed for impairment in isolation by considering his carrying value with the Group's best estimate of his fair value (less costs to sell). The Group estimate this using one of the following sources:

- in the case of a player who has suffered a career-threatening injury, the value attributed to the player by the Group's insurers;
- in the case of a player who is not part of the Club's long-term plans, then either:
 - i) the agreed selling price in the event the player has been transferred subsequent to the year end; or
 - ii) if there have not been any bids for the player, management's best estimation of the disposal proceeds (less costs) of the player on an arm's length basis. This is determined by the Group's senior football management in conjunction with the Directors who will use their knowledge and experience and their view on the current transfer market as a basis for their estimation.

(e) Disposals

Profits or losses on the disposal of these registrations represent the fair value of the consideration receivable, net of any transaction costs, less the unamortised cost of the original registration.

(f) Remuneration

Remuneration of players is charged in accordance with the terms of the applicable contractual agreements and any discretionary bonus when there is a legal, contractual or constructive obligation.

Liabilities in respect of player loyalty fees are provided for, as part of operating expenses, when payment becomes probable as the player is contracted to the Club and the loyalty fee is payable prior to the next transfer window at the date the accounts are signed.

Present obligations arising under onerous employment contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

1. Accounting policies and critical accounting judgements (continued)

Computer software

Computer software is stated at cost net of amortisation and any provision for impairment. Amortisation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rate of amortisation for computer software is 33% straight line.

Finance costs

Finance costs of borrowings are recognised in the income statement using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the borrowing.

In accordance with IFRS 9 'Financial Instruments', any non-current assets acquired on deferred terms are recorded at the discounted present value at the date of acquisition. The associated payable is then increased to the settlement value over the period of deferral, with this value being charged as a notional finance cost through the income statement.

Similarly any intangible asset disposed of on deferred terms will be initially recorded at the discounted present value of future receipts and the receivable is then increased to the settlement value over the period of deferral with this value being charged as notional finance income through the income statement.

In respect of intangible asset acquisitions, the differing rate at which the finance cost and amortisation are recognised in the income statement produces a deferred tax credit. In respect of intangible asset disposals, the finance income recognised produces a deferred tax asset. The adjustments are stated net of deferred tax.

Tax

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 year. 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 substantively 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 is charged or credited in the income statement.

Property, plant and equipment

Freehold land is not depreciated. Leasehold property is amortised 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:

Land and buildings	2 – 20%
Motor vehicles	20%
General plant and equipment	2 – 33%
F&F for leasehold properties	Over the length of the lease
Capitalised interest	2%

The Group capitalises costs in relation to an asset when 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. Assets are assessed for impairment if an impairment indicator arises.

Inventories

Inventories, which comprise goods held for resale, are valued at the lower of cost and net realisable value using the weighted average cost method.

Debt

Debt is stated initially at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the accounting period.

Leases

Right of use assets have been capitalised as PPE and lease commitments have been recognised as a liability within other creditors. The assets shall be depreciated over the term of the lease agreements and the liabilities will reduce as rent is paid and finance costs are expensed. Assets are assessed for impairment if an impairment indicator arises.

1. Accounting policies and critical accounting judgements (continued)

Pension costs

Payments are made to the external defined contribution pension schemes of eligible employees of the Group. The pension cost charged in the year represents contributions payable by the Group to these schemes.

In addition the Group is making contributions in respect of its share of the deficit of the defined benefit section of the Football League Pension and Life Assurance Scheme (the 'Scheme'). A provision has been established for the Group's share of the deficit which exists in this section of the Scheme.

Under the provisions of IAS 19 'Employee Benefits' the Scheme would be treated as a defined benefit multi-employer scheme. The Scheme's actuary has advised that the participating employers' share of the underlying assets and liabilities cannot be identified on a reasonable and consistent basis and, accordingly, no accounting entries or disclosures are made under the provisions of IAS 19.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, as defined by IAS 23 'Borrowing Costs' are included in the cost of the asset. Once the asset is brought into use additional borrowing costs are recognised as an expense. Other borrowing costs are recognised as an expense.

Capital redemption reserve

This relates to ordinary shares bought back through the share buy back scheme.

Financial instruments

Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item (note 7). As part of the equity raise performed in the period a FVTPL instrument was created, which is detailed in note 15.

Impairment of financial assets

All financial assets are assessed for indicators of impairment at each balance sheet date. IFRS 9: Financial Instruments does not have a financial impact in the year.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or they expire.

Future accounting developments

Other standards introduced during the period had no impact on these financial statements.

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS that have been issued but are not yet effective and in some cases had not yet been adopted by the EU:

- IFRS 11 (amended): Accounting for Acquisitions of interests in Joint Operations
- IAS1 (amended): Disclosure initiative
- IFRS 3 (amended): Reference to the Conceptual Framework
- IAS 16 (amended): Property, Plant and Equipment—Proceeds before Intended Use.
- IAS 37 (amended): Onerous Contracts – Cost of Fulfilling a Contract
- IAS 8 (amended): Accounting policies, change in accounting estimates and errors

Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16): The amendments enable entities to reflect the effects of transitioning from benchmark interest rates, such as interbank offer rates (IBORs) to alternative benchmark interest rates without giving rise to accounting impacts that would not provide useful information to users of financial statements.

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group.

1. Accounting policies and critical accounting judgements (continued)
Critical accounting judgements and sources of estimation uncertainty (continued)

Critical accounting judgements and sources of estimation uncertainty

In the application of the Group's accounting policies, which are described herein, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Group has identified no areas of critical accounting judgements.

The Group has identified the following areas of estimation uncertainty within the financial statements which may have a material impact:

Property, plant and equipment and intangible assets

All non-current assets, including property, plant and equipment and intangible assets, are reviewed for potential impairment using estimates of the future economic benefits attributable to them. Such estimates involve assumptions in relation to future ticket income, media and sponsorship revenue and on pitch performance. Any estimates of future economic benefits made in relation to non-current assets may differ from the benefits that ultimately arise, and materially affect, the recoverable value of the asset (see note 9).

Assets under construction

The assets classified under 'in the course of construction' relate to incremental projects associated to intrinsic capital items. IAS 16, Property, Plant and Equipment requires that for an asset to be capitalised it must result in a probable economic benefit. Therefore, once this project begins its useful economic life, depreciation will begin.

The Northumberland Development Project (NDP) is now substantially complete with Lilywhite House and the opening of THS. There are a number of projects at the Southern end of the site (hotel and residential) which will be ultimately developed when appropriate. The NDP is closely monitored and any amounts capitalised, which would not be recoverable in the event that the remaining elements of the NDP were not completed, would need to be written-off at that time (see note 9).

Taxation

The complex nature of tax legislation under which the Group operates necessitates the use of many estimates and assumptions, where the outcome may differ from that assumed. As such there are estimates applied to the provision for Current Tax and Deferred Tax (see note 8).

FVTPL Liability

The issuance of 'A' ordinary shares in the period conferred warrant rights to subscribe for ordinary shares in the Club, as detailed in note 15. The warrants are derivative financial liabilities, which result in measurement at fair value in accordance with IFRS 9. At the balance sheet date the board estimated the fair value of the warrants based on relevant comparatives, a notional exercise date and a median discount attributable to comparative transactions.

2. Revenue

Revenue, which is almost all derived from the Group's principal activity, is analysed as follows:

	2022	2021
	£'000	£'000
Revenue comprises:		
Match receipts	106,142	1,900
UEFA prize money (before exceptional item)	10,172	23,635
TV and media (before exceptional item)	144,219	184,422
Commercial	183,495	151,915
Revenue before exceptional items	444,028	361,872
Exceptional items		
- PL Rebate 2019/20	-	524
- UEFA COVID Deduction	(613)	(1,991)
	443,415	360,405

All revenue except for £582,000 (2021: £714,000) derives from the Group's principal activity in the United Kingdom.

2. Revenue (continued)	2022	2021
	£'000	£'000
Timing of revenue recognition:		
At a point in time	39,405	22,451
Over time	404,010	337,954
	443,415	360,405

All revenue is recognised over time except for £39,405,000 (2021: £22,451,000) deriving from merchandising and catering sales.

3. Operating expenses	2022	2021
	£'000	£'000
Staff costs (see note 5)	209,180	204,875
Depreciation of property, plant and equipment	72,278	72,137
Profit on disposal of property, plant and equipment	-	137
Exceptional items		
- Onerous employment contracts	528	2,917
Other operating costs	121,368	59,776
Operating expenses excluding football trading	403,354	339,842
Amortisation, impairments and other net football trading income and expenditure	79,893	82,888
Total operating expenses	483,247	422,730

4. Loss from operations

This is stated after charging/(crediting) the following:

	2022	2021
	£'000	£'000
Depreciation of property, plant and equipment	72,278	72,137
Profit on disposal of property, plant and equipment	-	137
Profit on disposal of intangible fixed assets	19,150	18,939
Amortisation of intangible fixed assets	79,520	73,812
Impairment of intangible fixed assets	1,843	8,536
Amortisation of grants	(1,828)	(585)
Cost of inventories recognised as an expense	11,329	10,466
Charitable donations	453	156
Short-term lease rentals (see note 21):		
– land and buildings	1,375	1,383
– other	118	257
Foreign exchange loss/(gain)	444	(8,047)

4. Loss from operations (continued)

The analysis of auditor's remuneration is as follows:

	2022 £'000	2021 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts:		
– audit of the Company's accounts	15	15
– audit of the accounts of the Company's subsidiaries	131	115
Total audit fees	146	130
Fees payable to the Company's auditor for other services to the Group:		
– taxation compliance services	220	200
– taxation advisory services	30	11
– other assurance services	5	5
– other services	123	127
Total non-audit fees	378	343

Fees for the audit of the Company's subsidiaries accounts represent the fees payable to Deloitte LLP in respect of the audit of the subsidiaries individual financial statements prepared in accordance with FRS 101 and the audit of the Company's accounts represents the audit of the Group's consolidated financial statements prepared in accordance with IFRS. No services were provided pursuant to a contingent fee arrangement.

5. Staff numbers and costs

The average number of employees of the Group during the year including Executive Directors was as follows:

	2022 Number	2021 Number
Players and football administration staff	292	274
Stadium operations and support staff	358	315
Retail and distribution staff	69	83
	719	672

The aggregate payroll costs of these employees were as follows:

	2022 £'000	2021 £'000
Salaries and bonuses	181,819	179,789
Social security costs	26,420	24,462
Other pension costs (see note 24)	941	624
	209,180	204,875

In addition, and not included in the above, the Group employs on average 292 temporary staff on match days (2021: 55), an increase year on year due to fixtures being played behind closed doors during the prior period.

In addition to the above payroll costs, redundancy costs of £25,000 (2021: £153,000) were also charged to the income statement during the year.

The total aggregate remuneration of the Directors, who are deemed to represent key management personnel, for the year was £6,773,000 (2021: £4,016,000) including pension costs of £2,000 (2021: £2,000). Included within that remuneration are emoluments totalling £nil (2021: £nil) paid to non-executive Directors. The highest paid Director received total remuneration of £3,265,000 (2021: £2,698,000). The number of Directors for whom retirement benefits are accruing under a money purchase pension scheme is two (2021: two).

6. Profit on disposal of intangible fixed assets

	2022 £'000	2021 £'000
Consideration	24,719	20,039
Net book value of disposals	(5,569)	(1,100)
	19,150	18,939

7. Finance income and costs

	2022 £'000	2021 £'000
Interest income	88	621
Notional interest income on deferred receipts for sales of players' registrations	1,449	963
	1,537	1,584

	2022 £'000	2021 £'000
Interest expense	(23,693)	(18,202)
Notional interest expense on deferred payments for players' registrations	(10,101)	(9,692)
Notional interest expense on deferred income relating to commercial revenues	(6,350)	(9,420)
Notional interest expense on leases	(718)	(691)
Amortisation of debt issue costs	(1,115)	(281)
Net loss arising on financial assets mandatorily measured at FVTPL*	(206)	(101)
	(42,183)	(38,387)

*The amount represents a net loss on investments in listed equity shares (see note 11) and comprises a decrease in fair value of £206,000 (2021: £101,000).

8. Tax (credit)/charge

	2022 £'000	2021 £'000
Current tax		
UK corporation tax charge/(credit) on loss for the year at 19% (2021: 19%)	-	(380)
Other prior year adjustments	700	(535)
Foreign tax suffered	5	27
Current tax charge/(credit)	705	(888)
Deferred tax		
Origination and reversal of timing differences in prior years	(3,351)	(988)
Origination and reversal of timing differences in current year	(6,509)	(8,284)
Difference in tax rates	(2,056)	13,772
Deferred tax (credit)/charge (see note 17)	(11,916)	4,500
Total tax (credit)/charge	(11,211)	3,612

8. Tax (credit)/charge (continued)

	2022 £'000	2021 £'000
Loss before taxation	(61,328)	(80,189)
Tax credit on loss before taxation at the UK statutory rate of 19% (2021: 19%)	(11,652)	(15,236)
Expenses not deductible	(5,880)	6,330
Income not taxable	4	(107)
Effect of change in tax rate	2,056	13,772
Effects of overseas tax rates	(4)	22
Amounts not recognised	223	64
Adjustments in respect of prior years	4,042	(1,233)
Total tax (credit)/charge	(11,211)	3,612

The tax rate for the year was 19% (2021: 19%). A change in the UK's main corporate tax rate was announced in the budget on 3 March 2021. The rate change was subsequently enacted on 24 May 2021 and it received Royal Assent on 10 June 2021. As this new law was enacted within the reporting date, the effects are included in this tax provision, where applicable. From 1 April 2023 the main corporation tax rate for the Company will increase from 19% to 25% and as such balances are unwinding at a blend of 19% and 25% based on the date of recognition.

Other than the provision for deferred tax (see note 17) and the items referred to above, there are no items which would materially affect future tax charges.

9. Property, plant and equipment

For the year ended 30 June 2022

Group	Land and buildings £'000	F&F for leasehold properties £'000	Right of use assets £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Capitalised interest £'000	Total £'000
Cost								
At 1 July 2021	1,299,895	13,278	21,678	601	158,076	37,202	27,665	1,558,395
Additions	3,452	-	319	3	8,124	19,439	-	31,337
Disposal	-	-	-	-	(539)	(464)	-	(1,003)
Transfer of assets	19,369	-	-	-	296	(20,351)	-	(686)
At 30 June 2022	1,322,716	13,278	21,997	604	165,957	35,826	27,665	1,588,043
Depreciation and impairment								
At 1 July 2021	121,670	1,926	2,042	368	82,851	5,201	1,244	215,302
Eliminated on disposal	-	-	-	-	(229)	-	-	(229)
Transfer of assets	-	-	-	-	(198)	-	-	(198)
Charged in the year	45,311	299	1,018	108	24,989	-	553	72,278
At 30 June 2022	166,981	2,225	3,060	476	107,413	5,201	1,797	287,153
Net book value								
At 30 June 2022	1,155,735	11,053	18,937	128	58,544	30,625	25,868	1,300,890

Due to increased investment in technology both within THS and at other sites, the Group has capitalised significant Computer Software which has been transferred to Intangible fixed assets (note 10).

9. Property, plant and equipment (continued)

For the year ended 30 June 2021

Group	Freehold and long leasehold £'000	Right of use assets £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Capitalised interest £'000	Total £'000
Cost							
At 1 July 2020	1,310,415	21,678	747	146,364	35,191	27,665	1,542,060
Additions	8,436	-	85	3,849	9,739	-	22,109
Disposal	(5,274)	-	(231)	(8)	(261)	-	(5,774)
Transfer of assets	(404)	-	-	7,871	(7,467)	-	-
At 30 June 2021	1,313,173	21,678	601	158,076	37,202	27,665	1,558,395
Depreciation and impairment							
At 1 July 2020	78,621	1,021	461	57,521	5,201	691	143,516
Eliminated on disposal	(120)	-	(231)	-	-	-	(351)
Charged in the year	45,095	1,021	138	25,330	-	553	72,137
At 30 June 2021	123,596	2,042	368	82,851	5,201	1,244	215,302
Net book value							
At 30 June 2021	1,189,577	19,636	233	75,225	32,001	26,421	1,343,093

10. Intangible fixed assets

For the year ended 30 June 2022

	Player registrations £'000	Computer software £'000	Total £'000
Cost			
At 1 July 2021	480,709	-	480,709
Additions	160,251	487	160,738
Transfer of assets	-	686	686
Disposals	(129,214)	-	(129,214)
At 30 June 2022	511,746	1,173	512,919
Amortisation and impairment			
At 1 July 2021	275,950	-	275,950
Charged in year – amortisation	79,226	294	79,520
Transfer of assets	-	198	198
Charged in year – impairment	1,843	-	1,843
Disposals	(123,645)	-	(123,645)
At 30 June 2022	233,374	492	233,866
Net book value			
At 30 June 2022	278,372	681	279,053

10. Intangible fixed assets (continued)

In the period, capitalised player registrations relating to one individual (2021: two) were impaired by £1,843,000 (2021: £8,536,000). Impairment losses were incurred where there was evidence that the carrying value of the player may not be recoverable in accordance with the Group's accounting policy. Recoverable amounts have been estimated as fair values less costs of disposal, in accordance with the Group's accounting policy.

Due to increased investment in technology both within THS and at other sites, the Group has capitalised significant Computer Software which has been transferred from Property, plant and equipment (note 9).

For the year ended 30 June 2021

	£'000
Cost of registrations	
At 1 July 2020	397,104
Additions	109,723
Disposals	(26,118)
At 30 June 2021	480,709
Amortisation and impairment of registrations	
At 1 July 2020	216,415
Charged in year – amortisation	73,812
Charged in year – impairment	8,536
Disposals	(22,813)
At 30 June 2021	275,950
Net book value of registrations	
At 30 June 2021	204,759

11. Investments in financial assets

	2022	2021
	£,000	£,000
Financial assets mandatorily measured at FVTPL		
Investments at 1 July 2021	263	364
Loss in the period	(206)	(101)
Total investments	57	263

12. Inventories

	2022 £'000	2021 £'000
Inventories	6,070	8,106

Inventories comprise merchandising goods held for resale.

13. Trade and other receivables

	2022 £'000	2021 £'000
Trade receivables due in more than one year	4,206	4,030
Non-current assets	4,206	4,030
Trade receivables due in less than one year	25,694	22,464
Corporation tax	1	4,938
Other tax and social security	3,202	-
Other receivables	2,218	2,194
Prepayments and accrued income	12,460	5,533
Current assets	43,575	35,129
	47,781	39,159

Trade receivables above include £23,010,000 (2021: £18,987,000) in respect of the disposal of players' registrations, of which £4,206,000 is due after more than one year (2021: £4,030,000).

The Directors consider the carrying amount of trade and other receivables approximates their fair value. Refer to note 18 for disclosures relating to receivables' ageing and other credit risk considerations.

14. Cash and cash equivalents

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits.

	2022 £'000	2021 £'000
Bank balances	226,463	147,538
Cash in hand	37	31
Cash and cash equivalents	226,500	147,569

The carrying amount of these assets approximates their fair value.

15. Current liabilities

	2022 £'000	2021 £'000
Bank loans (secured)	1,295	1,248
Interest-bearing loans and borrowings	1,295	1,248
Trade payables due in less than one year	123,577	64,314
Other tax and social security	15,232	28,325
Lease liabilities	743	718
Other payables	33,155	34,007
Accruals	35,984	37,552
Deferred income	167,838	157,621
Trade and other payables	376,529	322,537
'A' ordinary shares	98,364	-
FVTPL liabilities	28,646	-
Provisions (see note 17)	12,841	8,123
	517,675	331,908

Trade payables above include £115,448,000 in respect of the acquisition of players' registrations (2021: £56,002,000). Deferred income includes income in respect of season tickets and commercial sponsorships relating to future years. The Directors consider that the carrying amount of trade payables approximates their fair value.

During the year the Club agreed a capital increase of up to £150,000,000 from the majority shareholder, ENIC Sports Inc ("ENIC"), via the issue of convertible 'A' ordinary Shares and accompanying warrants. The investment represents permanent capital, with no ongoing interest cost to the Club. Pursuant to the agreement, ENIC subscribed for £100,000,000 'A' ordinary shares in May 2022.

The 'A' ordinary shares are convertible into ordinary shares with fair value of £100,000,000 at any time at the option of ENIC subject to a number of variables. The 'A' ordinary shares are an obligation to deliver a variable amount of the Company's own equity instruments and so are a financial liability within the scope of IFRS 9. A notice to convert the 'A' ordinary shares was received in June 2022. The conversion will conclude subsequent to the year end and will result in the issuance of ordinary share capital which will become part of the Club's permanent share capital and treated as equity, increasing ENIC's holding to 86.58%. The investment is shown in the balance sheet net of £1,636,000 of arrangement fees.

The issuance of 'A' ordinary shares conferred warrant rights to subscribe for ordinary shares in the Club. The warrant entitlement is initially capped through to 30 June 2023 by reference to market values determined in accordance with the instrument and thereafter equates to 5% of the fully diluted capital at the point of issue, stepping up thereafter from 31 March 2025 by 1.5% per annum, accruing for 10 years post issuance. Whilst these warrants may be exercised and converted, in a similar way to the 'A' ordinary shares and become permanent ordinary equity, the conversion only occurs on a change of control or they expire 50 years from issuance. They are measured at FVTPL until they are either exercised or expired. At the balance sheet date the estimated fair value of the warrants was £28,646,000. The warrant fair value calculation includes a number of assumptions, each of which have been assessed as to whether or not there could be any reasonably possible changes in these assumptions. Based on this assessment, should there be a 5% increase or decrease in the assumptions relating to the valuation of the Company's shares, and/or a two year increase or decrease in the estimated exercise date of the warrants, the warrants could increase in value by an amount of £20,150,000 or decrease in value by an amount of £13,489,000. The estimated lifetime value attributed to the warrants is treated as a liability until its potential conversion into permanent equity, although in substance it is part of the permanent equity structure of the Club.

Due to the total liability recognised being in excess of cash received, the difference has been accounted for in equity through the statement in changes of equity.

16. Non-current liabilities

	2022 £'000	2021 £'000
Bank loans (secured)	80,948	82,423
Other loans (secured)	770,359	770,179
Interest-bearing loans and borrowings	851,307	852,602
Trade payables due in more than one year	136,399	113,731
Deferred income	81,102	84,520
Lease liabilities	18,686	19,427
Other payables	28,564	23,214
Trade and other payables	264,751	240,892
Deferred grant income	4,188	4,438
Deferred tax liabilities (see note 17)	45,186	57,102
	1,165,432	1,155,034

Trade payables above are all in respect of the acquisition of players' registrations. Deferred income relates to payments received in advance for periods commencing more than a year from the balance sheet date.

Loans (in notes 15 and 16)

The Investec Bank facility used to fund the construction of the new Training Ground and secured against the new Training Ground site was £20,500,000 at the balance sheet date and repayable by December 2025. The loan carried interest rate at 3.5% above 3-month LIBOR. However, in the first quarter of 2022, the Group transitioned its £20,500,000 bank borrowings to SONIA, with a Credit Spread Adjustment of 0.0326% on a one month interest period. No other terms were amended as part of the transition. The Group accounted for the change to SONIA using the practical expedient introduced by the Phase 2 amendments, which allows the Group to change the basis for determining the contractual cash flows prospectively by revising the effective interest rate. The bank loan is shown in the financial statements net of £77,000 of associated loan arrangement costs which are being amortised over the term of the loan.

In September 2019 the Group closed its refinancing of the pre-existing £637,000,000 loans put in place to support the construction of THS and secured against THS. The £637,000,000 stadium refinancing package includes £525,000,000 from issue of long-term bonds to U.S. investors through a private placement, and another £112,000,000 from a loan from Bank of America Merrill Lynch, who also managed the bond issue.

In May 2020 the Group issued Commercial Paper which was purchased by the Bank of England as part of its Covid Corporate Financing Facility ("CCFF") scheme for £175,000,000. The Commercial Paper initially matured in March 2021, however on 12 March 2021 it was reissued for a further 12 months. In June 2021 the Commercial Paper was cancelled and fully repaid to the Bank of England as part of an institutional fund raising the Group completed of £250,000,000. In addition to repaying the CCFF, £50,000,000 of the loan from Bank of America Merrill Lynch was also repaid. The earliest maturity date within the refinancing package is January 2029 and the package has an average maturity of 20.3 years, with a weighted average coupon of 2.80%, net of debt issue costs. The debt stack includes a new 30-year tranche, with a bullet repayment in 2051.

The refinancing package is shown in the financial statements net of £4,820,780 of associated loan arrangement costs which are being amortised over the term of the loan.

The Group has a revolving credit facility with HSBC Bank Plc of £50,000,000 expiring in September 2024, also secured against THS. At the balance sheet date £nil was drawn.

16. Non-current liabilities (continued)

The maturity profile of the Group's total borrowings at the balance sheet date which do not include interest payments are as follows:

	2022			2021		
	Principal £'000	Interest £'000	Total £'000	Principal £'000	Interest £'000	Total £'000
Bank loans and overdraft						
In one year or less or on demand	1,475	-	1,475	1,428	-	1,428
In more than one year but not more than two years	1,477	-	1,477	1,475	-	1,475
In more than two years but not more than five years	17,471	-	17,471	18,948	-	18,948
In more than five years	62,000	-	62,000	62,000	-	62,000
	82,423	-	82,423	83,851	-	83,851
Total borrowings						
In one year or less or on demand	(180)	-	(180)	(180)	-	(180)
In more than one year but not more than two years	(180)	-	(180)	(180)	-	(180)
In more than two years but not more than five years	11,960	-	11,960	7,793	-	7,793
In more than five years	758,579	-	758,579	762,566	-	762,566
	770,179	-	770,179	769,999	-	769,999
Total borrowings						
In one year or less or on demand	1,295	-	1,295	1,248	-	1,248
In more than one year but not more than two years	1,297	-	1,297	1,295	-	1,295
In more than two years but not more than five years	29,431	-	29,431	26,741	-	26,741
In more than five years	820,579	-	820,579	824,566	-	824,566
	852,602	-	852,602	853,850	-	853,850

16. Non-current liabilities (continued)

Interest rate profile

The Group has no financial assets excluding short-term receivables, other than the Sterling cash deposits of £226,500,000 (2021: £147,569,000) which are part of the financing arrangements of the Group. The Sterling cash deposits comprise deposits placed on the money market at call rates.

	Fixed rate borrowings				
	Total £'000	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Weighted average time for which rate is fixed Years	Weighted average interest rate at year end %
Interest rate profile of financial liabilities (all Sterling)					
2022	852,602	82,423	770,179	20	2.81
2021	853,850	83,851	769,999	21	2.65

The floating rate borrowings are all denominated in Sterling and are referenced to Sterling Overnight Index Average (SONIA) and The Bank of England Base Rate.

Borrowing facilities

As at the balance sheet date the Group had the following undrawn committed bank borrowing facilities:

	2022 £'000	2021 £'000
Expiring in one year or less or on demand	5,000	5,000
Expiring in more than one year but less than two years	-	-
Expiring in more than two years but not more than five years	50,000	50,000
Total undrawn committed borrowing facilities	55,000	55,000

This is made up of undrawn bank borrowing facilities of £50,000,000 (2021: £50,000,000) and an overdraft of £5,000,000 (2021: £5,000,000).

Treasury policy

The Group's operations are currently funded through operating cash flow, cash balances and loans. The Group is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflow and outflow to minimise any material foreign exchange exposure. The Group does not enter into instruments for speculative purposes. All treasury transactions are reported to and approved by the Board.

17. Provisions for liabilities

For the year ended 30 June 2022

	£'000
Provisions – due in less than one year	
At 1 July 2021	8,123
Provided during the year	12,841
Utilised during the year	(8,123)
At 30 June 2022 – due in less than one year	12,841
Deferred taxation – due in more than one year	
At 1 July 2021	57,102
Credited to the income statement (see note 8)	(11,916)
At 30 June 2022 – due in more than one year	45,186
Total	
At 30 June 2022	58,027

For the year ended 30 June 2021

	£'000
Provisions on employment contracts – due in less than one year	
At 1 July 2020	28,727
Provided during the year	8,123
Utilised during the year	(21,834)
Released during the year	(6,893)
At 30 June 2021 – due in less than one year	8,123
Deferred taxation – due in more than one year	
At 1 July 2020	52,602
Charged to the income statement (see note 8)	4,500
At 30 June 2021 – due in more than one year	57,102
Total	
At 30 June 2021	65,225

The timing of the outflow of the contingent transfer fees and provisions on players and management contracts are dictated by the contractual provisions of the relevant agreements. These provisions are classified as current liabilities.

Deferred taxation has been provided as follows and is classified as a non-current liability:

	2022 £'000	2021 £'000
Accelerated capital allowances	6,884	6,695
Intangible fixed assets	50,997	58,840
Other timing differences	(12,695)	(8,433)
	45,186	57,102

18. 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. Strong financial management is an integral part of the Directors' strategy to achieve the Group's stated objectives. The Directors review financial reports on a regular basis and the Group finance function do so on a daily basis ensuring that the Group has adequate liquidity. The Directors' consideration of going concern is detailed in the Directors' Report. The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 15 and 16, cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings as disclosed in note 20 and the statement of changes in equity.

Financial risk management objectives and policies

The Group's financial assets include cash and cash equivalents, trade receivables and other short-term deposits. The main purpose of these financial instruments is to finance the Group operations. The Group has other financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from its operations. The Group's receivables and payables from player trading are contractually structured in order to minimise financial risk. Surplus cash within the Group is put on deposit, the objective being to maximise returns on such funds whilst ensuring that the short-term cash flow requirements of the Group are met.

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

	2022			2021		
	Financial assets £'000	Non-financial assets £'000	Total £'000	Financial assets £'000	Non-financial assets £'000	Total £'000
Assets						
Non-current assets	4,263	1,579,943	1,584,206	4,292	1,547,852	1,552,144
Loans and receivables	40,373	-	40,373	32,620	-	32,620
Cash and bank balances	226,500	-	226,500	147,569	-	147,569
Other current assets	-	9,272	9,272	-	10,616	10,616
Total assets	271,136	1,589,215	1,860,351	184,481	1,558,468	1,742,949

	2022			2021		
	Financial liabilities £'000	Non-financial liabilities £'000	Total £'000	Financial liabilities £'000	Non-financial liabilities £'000	Total £'000
Liabilities						
Borrowings at amortised cost:						
Current	(1,295)	-	(1,295)	(1,248)	-	(1,248)
Non-current	(851,307)	-	(851,307)	(852,602)	-	(852,602)
Trade and other payables	(767,113)	-	(767,113)	(553,549)	(17,577)	(571,126)
Other liabilities	-	(63,392)	(63,392)	-	(61,966)	(61,966)
Total liabilities	(1,619,715)	(63,392)	(1,683,107)	(1,407,399)	(79,543)	(1,486,942)
Net (liabilities)/assets	(1,348,579)	1,525,823	177,244	(1,222,918)	1,478,925	256,007

The Group has not used derivative financial instruments during the year with the exception of the warrant as described in note 15. 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.

18. Financial instruments (continued)

(i) Market risk

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

Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrows at floating interest rates. The Group continually reviews the exposure in light of local and global influences.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the balance sheet date. For floating rate cash deposits, the analysis is prepared assuming the amount of deposits outstanding at the balance sheet date were outstanding for the whole year. A 150 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of reasonable possible changes in interest rates.

If interest rates had been 150 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2022 would decrease/increase by £1,196,185 (2021: decrease/increase by £423,781). This is mainly attributable to the Group's exposure to interest rates on its floating rate loans.

Foreign currency management

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

	Liabilities		Assets	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Euro	136,491	130,163	8,484	18,534
US Dollar	-	-	516	508
Australian Dollar	-	-	79	44

These amounts principally relate to player transfer liabilities and receivables, which are matched wherever possible over the life of the liability by Euro denominated receipts from European competitions.

Foreign currency sensitivity analysis

The Group is mainly exposed to the Euro, US Dollar and Australian Dollar. The following table details the Group's sensitivity to a 10% increase and decrease in Sterling against the Euro, US Dollar and Australian Dollar. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and 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. The negative number below indicates an increase in profit and retained earnings where Sterling strengthens against the Euro, US Dollar or Australian Dollar. For a 10% weakening of Sterling against the Euro, US Dollar or Australian Dollar, there would be an equal and opposite impact on profit and retained earnings.

	2022 £'000	2021 £'000
Euro	14,223	12,403
US Dollar	(57)	(56)
Australian Dollar	(9)	(5)

(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 £29,879,000 (2021: £26,494,000), £23,010,000 (2021: £18,987,000) relates to amounts receivable from various other football Clubs in relation to player trading. The maximum credit exposure relates to the total of cash and cash equivalents, and trade receivables and is £271,078,000 (2021: £181,790,000).

18. Financial instruments (continued)

(ii) Credit risk (continued)

There are no other significant concentrations of credit risk within the Group. Cash is deposited with one financial institution however the Directors are satisfied this does not create a significant credit risk. The maximum risk exposure relates to creditors from football trading but this is mitigated by the governing bodies of international and national football associations.

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 expected credit losses.

The ageing of trade receivables at the reporting date was:

	2022		2021	
	Gross receivables £'000	Provision £'000	Gross receivables £'000	Provision £'000
Non-football				
Not past due	2,664	-	86	-
Past due 0 – 30 days	44	-	1,948	-
Past due 31 – 90 days	904	(530)	979	-
More than 90 days	4,334	(526)	4,464	-
	7,946	(1,056)	7,477	-
Football				
Not past due	23,010	-	18,987	-
Past due 0 – 30 days	-	-	-	-
Past due 31 – 90 days	-	-	-	-
More than 90 days	-	-	-	-
	23,010	-	18,987	-
Total				
Not past due	25,674	-	19,073	-
Past due 0 – 30 days	44	-	1,948	-
Past due 31 – 90 days	904	(530)	979	-
More than 90 days	4,334	(526)	4,464	-
	30,956	(1,056)	26,494	-

	2022 £'000	2021 £'000
Movements in the allowance for expected credit losses		
At 1 July	222	95
Provided during the year	834	127
Recovered during the year	-	-
Utilised during the year	-	-
At 30 June	1,056	222

(iii) Liquidity risk

The Group's policy is to maintain a balance of continuity of funding and flexibility through the use of loans and finance leases as applicable. The annual Group cash flow is cyclical in nature with the majority of cash inflows being received prior to the start of the playing season.

Ultimate responsibility for liquidity risk management rests with the Directors. The Directors use management information tools including budgets and cash flow forecasts to be able to constantly monitor and manage current and future liquidity.

The maturity profile of the Group's borrowings is shown on pages 32 and 33 along with the Group's borrowing facilities as at the balance sheet date.

19. Called up share capital

	2022	2021
	£'000	£'000
<hr/>		
Allotted, authorised, called up and fully paid:		
2022: 212,886,618 (2021: 212,886,618) ordinary shares of 5p each	10,644	10,644
Total	10,644	10,644

20. Reconciliation of movements in Group shareholders' funds

	2022	2021
	£'000	£'000
<hr/>		
Opening shareholders' funds	256,007	339,808
Impact of equity raise	(28,646)	-
Loss for the year	(50,117)	(83,801)
Closing shareholders' funds	177,244	256,007

21. Lease liabilities

	2022	2021
	£'000	£'000
<hr/>		
1 July 2021	(20,145)	(20,837)
Interest expense related to lease liabilities	658	691
Repayment of lease liabilities	(1,375)	(1,383)
At 30 June 2022	(19,428)	(20,145)
<hr/>		
Current lease liabilities	(743)	(718)
Non-current lease liabilities	(18,685)	(19,427)
At 30 June 2022	(19,428)	(20,145)

All of the above lease liabilities relate to Land and Buildings.

The maturity of lease liabilities at 30 June 2022 were as follows:

	Lease Payments	Lease Payments
	2022	2021
	£'000	£'000
<hr/>		
Year to 2023	1,367	1,375
Year to 2024	1,236	1,367
Year to 2025	1,180	1,236
Year to 2026	1,180	1,180
Later years	24,890	26,070
Effect of discounting	(10,425)	(11,083)
Lease liability	(19,428)	(20,145)

22. Net debt

	2022 £'000	2021 £'000
Cash and cash equivalents	226,500	147,569
Bank loans	(852,602)	(853,850)
Net debt	(626,102)	(706,281)

23. Related party transactions

The following paragraphs give details of all related party transactions involving the Company and any of its subsidiary undertakings.

ENIC Group companies

During the year, Raz Air Limited, a subsidiary of ENIC Limited, invoiced the Group for services to the value of £120,795 (2021: £47,200). At the balance sheet date, £nil (2021: £nil) was due to Raz Air Limited from the Group.

During the year, TH Property Limited invoiced the Group for rent to the value of £1,054,092 (2021: £747,394). At the balance sheet date, £nil (2021: £nil) was due to TH Property Limited from the Group.

Other

Tottenham Hotspur Foundation was established on 1 November 2006. During the year the Group invoiced the Foundation for expenses paid on their behalf of £135,548 (2021: £734,051). At the balance sheet date, £nil (2021: £19,182) was due to the Group from Tottenham Hotspur Foundation.

During the year, Tottenham Hotspur Foundation invoiced the Group for expenses paid on their behalf of £36,000 (2021: £434,639). At the balance sheet date, £nil (2021: £nil) was due to Tottenham Hotspur Foundation from the Group.

Tottenham University Technical College ("Tottenham UTC") was opened on 1 September 2014 and changed to London Academy of Excellence Tottenham ("LAET") for the 2017/18 academic year. Donna-Maria Cullen is a governor of LAET. During the year the Group paid costs on behalf of LAET totalling £174,393 (2021: £132,154) of which £nil (2021: £nil) was invoiced to LAET. At the balance sheet date £nil (2021: £nil) was due to the Group from LAET.

Except for the balances disclosed above, there were no other balances outstanding at the balance sheet date in 2021 or 2022. All of these transactions were at arm's length.

24. Pensions

Defined contribution schemes

Certain staff of the Group are members of the Football League Limited Pension and Life Assurance Scheme. Others are members of a self administered Group money purchase scheme offered to all employees as a result of the Automatic Enrolment scheme. The assets of these schemes are held separately from those of the Group, being invested with insurance companies. The total pension cost charged during the year amounted to £941,000 (2021: £624,000). At the balance sheet date the total pension accrual was £157,000 (2021: £131,000).

Defined benefit scheme

The Group is advised only of its share of the deficit in the defined benefit section of The Football League Pension and Life Assurance Scheme (the 'Scheme'). The most recent actuarial valuation of the Scheme was as at 31 August 2020 and indicated that the Group share of the deficit including the cost of future expenses was £474,000 as at 1 September 2020. The pension cost charged during the year relating to this deficit was £106,000 (2021: £108,000). At the balance sheet date the Group's share of this deficit was £270,000 (2021: £164,000).

25. Contingent liabilities and assets

The Company, together with its subsidiaries, has given a multi-lateral undertaking to its bankers to guarantee the overdrafts of the Group companies.

Under the terms of certain contracts for the purchase of players' registrations, future payments may be due to third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent liability which has not been provided for was £64,748,000 (2021: £41,618,000).

Under the terms of certain contracts for the sale of players' registrations, future receipts may be receivable from third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent asset was £61,434,000 (2021: £26,864,000), none of which has been recognised.

26. Post balance sheet events

Since the balance sheet date the following events have occurred:

- F Forster joined as a free agent;
- I Perisic joined as a free agent;
- Y Bissouma joined from Brighton;
- C Carter-Vickers was sold to Celtic;
- S Bergwijn was sold to Ajax;
- C Lenglet joined on loan from Barcelona;
- J Clarke was sold to Sunderland;
- D Spence joined from Middlesbrough;
- J Rodon moved on loan to Rennes;
- G Lo Celso moved on loan to Villarreal;
- T Ndombele moved on loan to Napoli;
- H Winks moved on loan to Sampdoria;
- S Reguilon moved on loan to Atletico Madrid;
- D Udogie joined from Udinese and re-joined Udinese on loan; and
- C Romero joined on a permanent transfer from Atalanta.

Including Football League levies, the non-contingent net expenditure from these transactions amounted to approximately £76,539,000.

The net contingent liability amounts to approximately £15,757,000.

Post year end the conversion of 'A' ordinary shares has been agreed between the shareholders and therefore will be converted to ordinary shares.

27. Full Listing of subsidiaries

A full listing of subsidiaries can be located in note 3 of the financial statements of the Company.

28. Ultimate parent company

The ultimate controlling party of the Company during the year was the trustee of a discretionary trust of which Mr J Lewis and certain members of his family were potential beneficiaries by virtue of the trustee's control of the ultimate parent company of the Group which, until 3 December 2020, was ENIC International Limited but following that date was ENIC Sports and Developments Holdings Limited.

With effect from 6 October 2022, the trustee of a separate discretionary trust of which certain members of Mr J Lewis's family are potential beneficiaries ultimately controls ENIC Sports and Developments Holdings Limited.

The immediate controlling party is ENIC Sports Inc., a company incorporated and registered in the Bahamas.

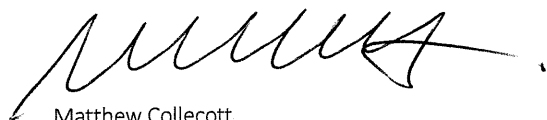
Company balance sheet
as at 30 June 2022

	Notes	2022 £'000	2021 £'000
Non-current assets			
Property, plant and equipment	2	88,407	93,944
Investments	3	232,990	232,990
		321,397	326,934
Current assets			
Inventory	4	5,484	7,459
Trade and other receivables	5	290,306	286,109
Cash and cash equivalents		66,608	33,665
		362,398	327,233
Current liabilities			
Trade and other payables	6	(208,721)	(305,015)
'A' ordinary shares	6	(98,364)	-
FVTPL liabilities	6	(28,646)	-
			(305,015)
Net current assets		26,667	22,218
Total assets less current liabilities		348,064	349,152
Non-current liabilities	7	(12,994)	(15,105)
Net assets		335,070	334,047
Equity			
Share capital	9	10,644	10,644
Share premium	9	34,788	34,788
Capital redemption reserve	9	644	644
Retained earnings	9	288,994	287,971
Equity		335,070	334,047

The retained profit for the year, within the financial statements of the parent Company, was £29,669,000 (2021: £52,250,000).

These financial statements (Company number 1706358) were approved by the Board of Directors and authorised for issue on 7/12/2022.

Signed on behalf of the Board of Directors



Matthew Collecott

Director

Statement of Changes in Equity
as at 30 June 2022

For the year ended 30 June 2022

	Share capital	Share premium	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 July 2021	10,644	34,788	644	287,971	334,047
Impact of equity raise (note 6)	-	-	-	(28,646)	(28,646)
Profit for the year	-	-	-	29,669	29,669
At 30 June 2022	10,644	34,788	644	288,994	335,070

For the year ended 30 June 2021

	Share capital	Share premium	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 July 2020	10,644	34,788	644	235,721	281,797
Profit for the year	-	-	-	52,250	52,250
At 30 June 2021	10,644	34,788	644	287,971	334,047

1. Accounting policies and critical judgements

Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of the Company for the year ended 30 June 2022 were authorised for issue by the Board of Directors on 7 December 2022 and the balance sheet was signed on the board's behalf by Matthew Collecott. Tottenham Hotspur Limited is incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company's financial statements are presented in Pound Sterling and all values are rounded to the nearest thousand pounds except when otherwise indicated. The principal accounting policies adopted by the Company are set out in this note. The accounting standards applied were FRS 101: "*Reduced Disclosure Framework*".

The principal accounting policies which have been applied in preparing the financial statements for both the current and preceding periods are the same as those set out in note 1 of the consolidated Financial Statements with those most relevant to the Company repeated below.

Basis of accounting

The measurement basis used in the preparation of these financial statements is the historical cost convention.

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 Financial instruments: Disclosures
- The following paragraphs of IAS 1 Presentation of financial statements:
 - 10(d) statement of cash flows
 - 16 statement of compliance with all IFRS
 - 134-136 capital management disclosures,
- Paragraph 73(e) of IAS 16 Property, Plant and Equipment, and
- Paragraph 30 and 31 of IAS 8, disclosure and impact of new IFRSs that has been issued but not yet effective, and
- The requirements in IAS 24 of Related party disclosures, to disclose related party transactions entered between two or more members of a Group.

Where relevant equivalent disclosures have been given in the consolidated financial statements of Tottenham Hotspur Limited. The consolidated financial statements of Tottenham Hotspur Limited will be available to the public and can be obtained from Lilywhite House, 782 High Road, Tottenham, London N17 0BX.

Cash flow statement

Under the provisions of FRS 101 the Company has not presented a cash flow statement, as the results of the Company are included within the consolidated financial statements.

Capital grants

Capital grants relate to amounts receivable from public bodies and football authorities and are treated as deferred income and released to the profit and loss account over the estimated useful life of the asset concerned.

Foreign exchange

Transactions denominated in foreign currencies are translated into Sterling and recorded at the rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rates ruling on the balance sheet dates. Translation differences are dealt with in the profit and loss account.

Property, plant and equipment

Freehold land is not depreciated. Leasehold property is amortised 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	2%
Motor vehicles	20%
General plant and equipment	10 – 33%

The Group capitalises costs in relation to an asset when 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.

Fixed asset investments

Investments held as fixed assets are stated at cost less provision for impairment.

1. Accounting policies and critical judgements (continued)

Inventory

Inventories, which comprise goods held for resale, are valued at the lower of cost and net realisable value using the weighted average cost method.

Financial instruments

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. As part of the equity raise performed in the period a FVTPL instrument was created, which is detailed in note 6.

Debt

Debt is stated initially at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the accounting period.

Leases

Right of use assets have been capitalised as PPE and lease commitments have been recognised as a liability within other creditors. The assets shall be depreciated over the term of the lease agreements and the liabilities will reduce as rent is paid and finance costs are expensed. Assets are assessed for impairment if an impairment indicator arises.

Tax

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 year. 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 substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred taxation assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred taxation is not provided on timing differences arising from the sale or revaluation of fixed assets unless, at the balance sheet date, a binding commitment to sell the asset has been entered into and it is unlikely that any gain will qualify for rollover relief.

Critical accounting judgements and estimates

In the application of the Company's accounting policies, which are described herein, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The principal balances in the financial statements where changes in estimates and assumptions may have a material impact are:

Recoverable amount of non-current assets

Property, plant and equipment

All non-current assets, including property, plant and equipment is reviewed for potential impairment using estimates of the future economic benefits attributable to them. Any estimates of future economic benefits made in relation to non-current assets may differ from the benefits that ultimately arise, and materially affect, the recoverable value of the asset (see note 2).

Assets under construction

The assets classified under 'in the course of construction' relate to incremental projects associated to intrinsic capital items. IAS 16, Property, Plant and Equipment requires that for an asset to be capitalised it must result in a probable economic benefit. Therefore, once these projects begin their useful economic lives, depreciation will begin.

The NDP is now substantially complete with Lilywhite House and the opening of THS. There are a number of projects at the Southern end of the site (hotel, residential) which will be ultimately developed when appropriate. The NDP is closely monitored and any amounts capitalised, which would not be recoverable in the event that the remaining elements of the NDP were not completed would need to be written-off at that time (see note 2).

1. Accounting policies and critical judgements (continued)

FVTPL Liability

The issuance of 'A' ordinary shares in the period conferred warrant rights to subscribe for ordinary shares in the Club, as detailed in note 6. The warrants are derivative financial liabilities, which result in measurement at fair value in accordance with IFRS 9. At the balance sheet date the board estimated the fair value of the warrants based on relevant comparatives, a notional exercise date and a median discount attributable to comparative transactions.

2. Property, plant and equipment

For the year ended 30 June 2022

	Land and buildings short leasehold £'000	F&F for leasehold properties £'000	Right of use assets £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
Cost							
At 1 July 2021	55,883	1,576	4,252	315	27,083	30,282	119,391
Additions	59	-	-	-	170	1,058	1,287
Transfer to income statement	-	-	-	(16)	(17)	(441)	(474)
Transfer from assets under construction	446	-	-	-	5	(451)	-
At 30 June 2022	56,388	1,576	4,252	299	27,241	30,448	120,204
Depreciation and impairment							
At 1 July 2021	2,538	258	1,130	196	16,124	5,201	25,447
Charged in the year	1,136	36	565	60	4,553	-	6,350
At 30 June 2022	3,674	294	1,695	256	20,677	5,201	31,797
Net book value							
At 30 June 2022	52,714	1,282	2,557	43	6,564	25,247	88,407

For the year ended 30 June 2021

	Land and buildings short leasehold £'000	Right of use assets £'000	Motor vehicles £'000	General plant and equipment £'000	Assets under the course of construction £'000	Total £'000
Cost						
At 1 July 2020	57,273	4,252	530	26,900	28,725	117,680
Additions	186	-	16	82	1,662	1,946
Disposals	-	-	(231)	(4)	-	(235)
Transfer from assets under construction	-	-	-	105	(105)	-
At 30 June 2021	57,459	4,252	315	27,083	30,282	119,391
Depreciation and impairment						
At 1 July 2020	1,627	565	336	11,355	5,201	19,084
Eliminated on disposal	-	-	(231)	-	-	(231)
Charged in the year	1,169	565	91	4,769	-	6,594
At 30 June 2021	2,796	1,130	196	16,124	5,201	25,447
Net book value						
At 30 June 2021	54,663	3,122	119	10,959	25,081	93,944

All assets shown are held at historical cost.

3. Investments held as fixed assets

Investments held as fixed assets by the Company represent the investments in subsidiary undertakings which are analysed as follows:

	Investment in subsidiary undertakings £'000
At 1 July 2021 and 30 June 2022	232,990

At 30 June 2022, the Company had the following interests in the subsidiary undertakings noted below, all of which are registered at Lilywhite House, 782 High Road, Tottenham, London N17 0BX and operate in England and Wales:

	Shares class	Holding and voting rights
Tottenham Hotspur Football & Athletic Co. Limited – professional football Club	Ordinary	100%
Tottenham Hotspur Football Club Holdings Limited – intermediary holding Company	Ordinary	100%
Stardare Limited – holds certain properties on behalf of the Group	Ordinary	100%
Paxton17 Ltd – holds certain properties on behalf of the Group	Ordinary	100%
Canvax Limited – holds certain properties on behalf of the Group	Ordinary	100%
Greenbay Property Limited – holds certain properties on behalf of the Group	Ordinary	100%
Northumberland Development Limited – holds certain properties on behalf of the Group	Ordinary	100%
Meldene Limited – holds certain properties on behalf of the Group	Ordinary	100%
Enfield Property Company Limited (formerly Tottenham Hotspur Academy (Chigwell) Limited) – holds certain properties on behalf of the Group	Ordinary	100%
Tottenham Hotspur Football Co Limited – holds certain properties on behalf of the Group	Ordinary	100%
Tottenham Hotspur Property Company Limited – intermediary holding Company for other companies that hold property on behalf of the Group	Ordinary	100%
Tottenham Hotspur Stadium Limited – provider of football entertainment	Ordinary	100%
Tottenham Hotspur Stadium Development Limited – intermediary holding Company	Ordinary	100%
Tottenham Hotspur Women Football Club Limited – professional football Club	Ordinary	100%
Tottenham Hotspur Inc. – dormant	Ordinary	100%
Tottenham Hotspur Hotel Ltd – part construction and ownership of a potential hotel on behalf of the Group	Ordinary	100%
Tottenham Residential Ltd – dormant	Ordinary	100%
Tottenham Hotspur Leisure Ltd – dormant	Ordinary	100%

4. Inventories

	2022 £'000	2021 £'000
Inventory	5,484	7,459

Inventories comprises merchandising goods held for resale.

5. Current assets

	2022	2021
	£'000	£'000
Trade receivables	1,264	1,721
Amounts owed by Group undertakings	285,050	280,799
Other receivables	789	943
Prepayments and accrued income	1,067	148
Other taxation	102	1,150
Deferred tax asset (see note 8)	2,034	1,348
	290,306	286,109

All amounts due from group undertakings are unsecured, interest free and repayable on demand.

6. Current liabilities

	2022	2021
	£'000	£'000
Trade payables	2,890	2,226
Short term revolving loan	-	(46)
Lease liabilities	557	539
Other payables	314	321
Accruals and deferred income	8,886	10,192
Taxation	8,122	8,624
Other taxation	211	2,924
Amounts due to Group undertakings	187,741	280,235
Trade and other payables	208,721	305,015
'A' ordinary shares	98,364	-
FVTPL liabilities	28,646	-
	335,731	305,015

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

The Company's bank overdraft forms part of the Group's cash management arrangement.

During the year the Club agreed a capital increase of up to £150,000,000 from the majority shareholder, ENIC Sports Inc ("ENIC"), via the issue of convertible 'A' ordinary Shares and accompanying warrants. The investment represents permanent capital, with no ongoing interest cost to the Club. Pursuant to the agreement, ENIC subscribed for £100,000,000 'A' ordinary shares in May 2022.

The 'A' ordinary shares are convertible into ordinary shares with fair value of £100,000,000 at any time at the option of ENIC subject to a number of variables. The 'A' ordinary shares are an obligation to deliver a variable amount of the Company's own equity instruments and so are a financial liability within the scope of IFRS 9. A notice to convert the 'A' ordinary shares was received in June 2022. The conversion will conclude subsequent to the year end and will result in the issuance of ordinary share capital which will become part of the Club's permanent share capital and treated as equity, increasing ENIC's holding to 86.58%. The investment is shown in the balance sheet net of £1,636,000 of arrangement fees.

6. Current liabilities (continued)

The issuance of 'A' ordinary shares conferred warrant rights to subscribe for ordinary shares in the Club. The warrant entitlement is initially capped through to 30 June 2023 by reference to market values determined in accordance with the instrument and thereafter equates to 5% of the fully diluted capital at the point of issue, stepping up thereafter from 31 March 2025 by 1.5% per annum, accruing for 10 years post issuance. Whilst these warrants may be exercised and converted, in a similar way to the 'A' ordinary shares and become permanent ordinary equity, the conversion only occurs on a change of control or they expire 50 years from issuance. They are measured at FVTPL until they are either exercised or expired. At the balance sheet date the estimated fair value of the warrants was £28,646,000. The warrant fair value calculation includes a number of assumptions, each of which have been assessed as to whether or not there could be any reasonably possible changes in these assumptions. Based on this assessment, should there be a 5% increase or decrease in the assumptions relating to the valuation of the Company's shares, and/or a two year increase or decrease in the estimated exercise date of the warrants, the warrants could increase in value by an amount of £20,150,000 or decrease in value by an amount of £13,489,000. The estimated lifetime value attributed to the warrants is treated as a liability until its potential conversion into permanent equity, although in substance it is part of the permanent equity structure of the Club.

Due to the total liability recognised being in excess of cash received, the difference has been accounted for in equity through the statement in changes of equity.

7. Non-current liabilities

	2022 £'000	2021 £'000
Deferred income	10,893	12,448
Lease liabilities	2,101	2,657
	12,994	15,105

The Company has a revolving credit facility with HSBC Bank Plc of £50,000,000 expiring in September 2024, secured against THS. At the balance sheet date £nil was drawn.

Borrowing facilities

As at the balance sheet date the Company had the following undrawn committed bank borrowing and facilities:

	2022 £'000	2021 £'000
Expiring in one year or less or on demand	5,000	5,000
Expiring in more than one year but less than two years	-	-
Expiring in more than two years but less than five years	50,000	50,000

8. Deferred tax asset

	£'000
Deferred taxation	
At 1 July 2021 - Deferred tax asset	(1,348)
Credited to the profit and loss account	(686)
At 30 June 2022 - Deferred tax asset	(2,034)

Deferred taxation has been provided as follows and is classified as a current asset:

	2022 £'000	2021 £'000
Accelerated capital allowances	(2,034)	(1,348)
	(2,034)	(1,348)

9. Reconciliation of movements in equity

For the year ended 30 June 2022	Share capital account £'000	Share premium account £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
Balance as at 1 July 2021	10,644	34,788	644	287,971	334,047
Impact of equity raise	-	-	-	(28,646)	(28,646)
Profit for the period	-	-	-	29,669	29,669
At 30 June 2022	10,644	34,788	644	288,994	335,070

The retained profit for the year, within the financial statements of the parent Company, was £29,669,000 profit (2021: £52,250,000 profit). As permitted by the Companies Act 2006 Section 408, no separate profit and loss account is presented. The audit fee of £3,000 (2021: £3,000) is borne by another Group Company in the current and prior year. No fees were paid to the Company's auditor or affiliated entities, relating to other services during the year. Refer to the Group financial statements for full disclosure of fees payable to the auditor.

During the year the Company did not receive any dividends from wholly-owned subsidiaries (2021: £23,375,346).

The movements in the share capital, share premium and preference shares accounts are disclosed in note 19 to the consolidated financial statements.

10. Lease liabilities

	2022 £'000	2021 £'000
1 July 2021	(3,196)	(3,717)
Interest expense related to lease liabilities	87	104
Repayment of lease liabilities	(625)	(625)
At 30 June 2022	(2,658)	(3,196)
Current lease liabilities	(557)	(539)
Non-current lease liabilities	(2,101)	(2,657)
At 30 June 2022	(2,658)	(3,196)

All of the above lease liabilities relate to Land and Buildings.

The maturity of lease liabilities at 30 June 2022 were as follows:

	Lease Payments 2022 £'000	Lease Payments 2021 £'000
Year to 2023	625	625
Year to 2024	493	625
Year to 2025	438	493
Year to 2026	438	438
Later years	876	1,314
Effect of discounting	(212)	(299)
Lease liability	(2,658)	(3,196)

Directors, officers and advisers

Executive Chairman

D P Levy

Executive Directors

M J Collecott

D Cullen

Non-Executive Director

Mr J Turner (Chairman of the Audit and Remuneration Committee)

Company Secretary

M J Collecott

Registered office

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Registered number

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Auditor

Deloitte LLP

Statutory Auditor

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