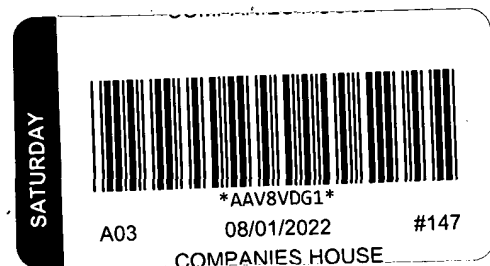


Company Registration No. 02719699

The Football Association Premier League Limited

Report and Financial Statements

For the year ended 31 July 2021



The Football Association Premier League Limited
Company Registration No. 02719699

Report and financial statements 2021

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The Football Association Premier League Limited
Company Registration No. 02719699

Report and financial statements 2021

Officers and professional advisers

Directors

G A Hoffman
R J Masters
K S Beeston
R M Fyfield
D P Mistry
C I Arney

Chairman
Chief Executive
Non-Executive Director
Non-Executive Director (appointed 18 October 2021)
Non-Executive Director (appointed 18 October 2021)
Non-Executive Director (resigned 31 January 2021)

Company Secretary

K M Plumb

Chief Financial Officer

S R Christie

Registered Office

Brunel Building
57 North Wharf Road
London
W2 1HQ

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Auditor

Deloitte LLP
London
United Kingdom

The Football Association Premier League Limited
Company Registration No. 02719699

Strategic report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

Principal activities and business review

The Company is a company limited by share capital. Its share ownership is restricted to Premier League clubs and the Football Association.

The principal activity of the Company is to manage the Premier League competition and to exploit broadcasting and other commercial rights granted to the Company by its member clubs for the benefit of the rights holders. There have been no significant changes in the Company's principal activities in the year under review. The directors do not envisage any major changes in the Company's activities in the foreseeable future.

Consistent with prior years, the Company uses foreign currency forward contracts to minimise the risk arising from foreign currency movements on cash flows available for distribution to the member clubs. This is seen as the equitable way to manage the business which has three clubs being promoted to and relegated from the League each year. The gain arising from the movement in fair value of these foreign currency forward contracts of £158.8m (2020: £136.0m gain) is taken to the profit and loss account resulting in a profit before tax of £174.6m (2020: profit £144.1m). However, these fair value movements are the valuation of the contracts at a point in time and do not form part of the funds available for club distribution due to its volatility. Therefore, the directors believe the presentation of the Underlying¹ results provide additional guidance to statutory measures to help understand the Company's performance and reflects the basis on which the Company makes payments to member clubs. The Company has recorded an Underlying¹ profit after tax of £471k (2020: profit £196k) in the year. Statutory profit after tax for the year is £138.2m (2020: profit £116.2m) attributable to £137.7m of currency remeasurements.

The period under review is the second year of a three-year cycle of broadcasting and other commercial rights contracts. Underlying turnover has increased by 10%, which is largely due to rebates payable to broadcasters in the prior year, caused by the COVID-19 pandemic. Statutory turnover has increased by 9% with the differential 1% increase attributable to foreign exchange movements. Cost of sales has increased by 8% accordingly as a result of increased fee payments to clubs and a return to an uninterrupted normal football season. The deferred cash impact on club payments from the prior year began to unwind in July 2021 when clubs received their Basic Award for Season 2021/22 as a prepayment. Recovery of this debtor will continue on a monthly basis via deductions from centrally distributed fee payments. The corresponding creditor with Broadcasters has decreased significantly with most of the rebate credits applied to payments received during the year. The remaining creditors will be settled within the next 12 months. Operating expenses have increased by 18% mainly driven by additional support given to the Football League and its clubs and commitment to the wider football community. A full analysis appears in note 4 to the accounts.

The Company's principal financial assets are bank balances and cash, trade and other receivables. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The Company's credit risk profile has exposure spread over a large number of counterparties and customers and the existence of financial security where warranted. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

During the year, a Fan Led Review of Football Governance in England had been carried out with its report published on 24 November 2021. The Company will study the extensive recommendations and will work with Government, fans and other football organisations on these important issues.

¹ Underlying is defined as total FRS 102 results adjusted to reflect the impact of Currency Remeasurements. Currency Remeasurements represent the fair value movements on derivative financial instruments, the revaluation of monetary assets and liabilities from forward contract rate to spot rate and the revaluation of revenue from achieved forward contract rate to spot rate.

The Football Association Premier League Limited
Company Registration No. 02719699


Strategic report (continued)

Principal risks and uncertainties

Risk area	Potential Impact	Mitigation strategy
Credit risk of broadcasters	The Company sells broadcasting rights globally including to broadcasters based in countries where the economy is less stable. A risk exists over the ability for broadcasters to meet contractual commitments.	The Company performs credit checks on potential broadcasters before entering into contracts and will deal with reputable and established companies. Where management deem a potential broadcaster to be greater than normal risk, a parent company guarantee, a letter of credit from the broadcaster's bank or an accelerated payment schedule is agreed which means cash is received by the Company well in advance of the broadcasting period. Furthermore, the Company has a contractual right to switch off the broadcasting feed to any broadcaster failing to meet scheduled payments.
Fluctuation of foreign exchange rates	A significant amount of the Company's revenue is derived in US Dollars and Euros whilst payment to the Premier League clubs is denominated in Sterling. Any movement in the exchange rates between these currencies would have a significant impact on revenue and the amounts the Company pays to clubs.	The Company manages its exposure to foreign currency risks by entering into foreign currency derivative contracts designed to achieve, as far as possible, a minimum target exchange rate over the life of the broadcasting cycles. This target rate is set by the Company in consultation with the Audit and Finance Committee which monitors the process and results of the foreign exchange strategy.
Illegal broadcasting of Premier League football matches	The Company exploits the Intellectual Property (IP) in Premier League matches to generate revenues for Premier League clubs. The existence of illegal broadcasting may diminish the value of this IP.	The Company has an extensive anti-piracy programme in place to restrict the damage caused by illegal use of Premier League IP.
Pandemic caused suspension or curtailment of play	A further suspension to play or even season curtailment will have a significant impact on the revenues of the Company.	The Company has developed robust protocols during the COVID-19 pandemic which has satisfied government officials and other stakeholders that it is safe for football to continue, even during national lockdown scenarios. This minimises the risk of any further lockdowns resulting in a suspension to play.

The Company carries out a regular risk assessment of its principal risks and uncertainties and is confident that it is managing its risk profile satisfactorily. The Company's risk register is updated quarterly and independently reviewed by the Audit and Finance Committee.

Approved by the Board of Directors
and signed on behalf of the Board on 6 December 2021


R. Masters
Director

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2021.

Information set out in the Strategic report

Disclosures relating to likely future developments in the business of the Company and financial risk management objectives can be found in the Strategic report on page 2.

Charitable and other contributions

During the year the Company made charitable donations of £59.0m (2020: £72.1m), principally to football related charities.

Additionally, the Company committed £187.9m (2020: £132.7m) towards wider football support and other good causes. The increase in the year has resulted from the Company's commitment to support English Football League clubs, the National League and grassroots football following the COVID-19 pandemic.

Dividends

The directors do not recommend the payment of a dividend for the year (2020: £nil).

Directors

The directors who served throughout the year and up to the date of signing the accounts are shown on page 1.

Directors' duties - s172 Companies Act 2006

The directors behave and carry out their activities to promote long-term success for the benefit of the company's shareholders, employees, commercial partners and other stakeholders.

They engage with shareholders, employees, commercial partners and other stakeholders to reflect their insights and views when making decisions on strategy, delivering operational effectiveness; making plans; driving initiatives; and committing to deliver outcomes that enhance social value.

The culture and values promoted by the directors creates a focus across the business on observing and maintaining the highest standards of business conduct in promoting the long-term success of the company.

The narratives in the corporate governance statement highlight how the directors have observed these principles and engaged with shareholders, employees, commercial partners and other stakeholders in decision-making and in promoting the long-term success of the company.

Going Concern

The directors have considered the financial position, resources and revenue streams of the Company. The Company has considerable financial resources and has already sold broadcasting rights in a significant number of territories for seasons 2022/23 to 2024/25. These facts, along with its operating cost structure and basis for payments to clubs means that the Company is well placed to manage its business risks successfully. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. The directors note that the Company has net assets of £96.6m at 31 July 2021 (2020: £41.6m net liabilities). Whilst this is predominantly driven by the recognition of the fair value assets in derivative financial instruments which will unwind on maturity, the underlying business is managed on a break-even basis. Therefore, given the significant deferred income balance of £1,683.6m (2020: £1,921.2m) reflects advanced cash receipts, the directors believe the Company is a going concern.

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' report

Environment

The Company recognises the importance of its environmental responsibilities. In April 2018, the Company announced its partnership with Sky UK Limited on the Sky Ocean Rescue campaign. As part of the plan to eliminate single use plastics across the League, the Company funded trials of reusable cups at four club stadiums. This resulted in a business plan and insight which have been shared with all 20 member clubs. The Company has continued to make progress during the year on this project with the member clubs despite the setback caused by the COVID-19 pandemic.

Internally at the Company, employees have been educated to be more environmentally aware and enabled to recycle waste where possible. The Premier League head office relocated in December 2019 to a BREAAAM rated excellent building. The disposal of unwanted items from the previous building was carried out sustainably and resulted in a large donation of office supplies, furniture and equipment to various charities.

Energy and carbon reporting

GHG emissions and energy usage

GHG emissions and energy usage data for period 1 August 2020 to 31 July 2021		
	UK and offshore	
	2021	2020
Emissions from combustion of gas (Scope 1 – tonnes of CO ₂ e)	4.9	5.7
Emissions from electricity purchased for own use, including for the purposes of transport (Scope 2 – tonnes of CO ₂ e)	54.1	96.4
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3 – tonnes of CO ₂ e)	73.5	55.8
Total gross CO₂e based on above	132.5	157.9
Energy consumption used to calculate emissions – kwh	585,785	665,672
Energy consumption used to calculate emissions per employee – kwh	2,928	3,986

We have followed the 2019 UK Government environmental reporting guidance. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emissions factors from the UK Government's GHG Conversion Factors for Company Reporting 2019 to calculate the above disclosure.

For the majority of the year ended 31 July 2021, employees have been working from home with optional attendance at the Company's office, where permitted under the UK government's COVID-19 guidance. As a result, there have been significant changes to the numbers above with emissions in most categories decreasing year on year. Emissions for business travel using employee-owned vehicles has increased as a result of employees avoiding public transport when traveling to the office.

Whilst the Company aims to reduce its emissions, the numbers in the above table are not a true reflection of where the Company expects the emissions levels will be in the long term which is to some extent unknown because the company has not occupied the new office premises under normal circumstances for 12 consecutive months since moving in December 2020. It is expected that whilst emissions with car travel will decrease, energy consumption emissions will increase as the office is occupied more frequently.

The company is pleased that it has reduced its emissions during the year and will continue to make improvements where possible to ensure emissions are managed appropriately once business operations return to normal.

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' report

Employees

Details of the number of employees and related costs can be found in note 6 to the Financial Statements on page 21.

The Company 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 performance of the Company, particularly in light of issues caused by the COVID-19 pandemic. This is achieved through formal and informal communications. Employees or Senior Managers are regularly consulted on a wide range of matters affecting their current and future interests. In addition, certain employees can receive a discretionary bonus related to their performance.

The Premier League is an equal opportunities employer and welcomes job applicants from all sections of society. Applications for employment of disabled persons are always fully and fairly considered, bearing in mind the aptitudes of the applicant concerned. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Audit and Finance committee

During the year, the Company has restructured the previously known Audit and Remuneration Committee with its responsibilities shared between the Audit and Finance Committee, Remuneration Committee and Nominations Committee.

The Audit and Finance Committee comprises of two non-executive directors and two club representatives.

The Committee presently comprises Kevin Beeston (Committee Chair), Dharmash Mistry, Toby Steele (Southampton FC) and Rebecca Caplehorn (Tottenham Hotspur FC)

Prior to restructuring, the Audit and Remuneration Committee comprised of three club representatives and two non-executive directors being Bruce Buck (Chairman – Chelsea FC), Susan Whelan (Leicester City FC), Mike Garlick (Burnley FC), Claudia Arney and Kevin Beeston.

Disclosure of information

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

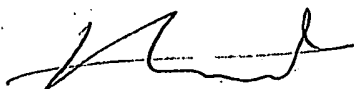
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP will continue to be deemed reappointed as auditor in the absence of a Company resolution to the contrary.

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



K M Plumb
Secretary

6 December 2021

The Football Association Premier League Limited
Company Registration No. 02719699

Corporate governance statement

The Premier League Board is committed to excellent governance standards, which are central to the effective running of the Company and the following information outlines its governance principles.

As reported last year, the Company has undertaken a full governance review using specialist external input. This review was completed in June 2021 but further consultation has led to the recommendations being presented to Clubs in November 2021. The Company is now working towards implementing recommendations from that review, including the adoption of the Wates Principles. The Wates Principles are voluntary and provide a framework for the Premier League Board to monitor corporate governance of the Company and determine where governance standards can be raised to a higher level across the business. The Board believes this, in turn, will result in better engagement with the Company's stakeholder base and ultimately build trust with the clubs, employees, partners and supporters. The governance framework will also provide the right environment for the Board to make high quality and resilient decisions for the long-term success of the Premier League.

The Board has again sought below to transpose our existing governance arrangements into the six Wates Principles to best demonstrate our current good governance practices.

Principle One: Purpose and leadership

The Board, supported by the Executive Leadership Team ("ELT"), is responsible for promoting the Company's strategy and purpose – to stage the world's most competitive and compelling football, engaging fans, communities and partners across the globe.

The Company's policies and procedures are continually reviewed against desired behaviours and culture as well as values, which are embedded in the performance management processes.

The Board meets at least 10 times a year and there are five formal General Meetings of Shareholders. Where required ad hoc meetings are arranged with regular dialogue on competition and business matters. Regular dialogue also takes place with the workforce through companywide briefings and email communication, and with wider stakeholders through meetings and working groups to ensure that the objectives of the Company are clearly communicated.

Principle Two: Board composition

The Board comprises the Chairman, Chief Executive and three Independent Non-Executive Directors ("INEDs"), with two of those INEDs appointed in October 2021, offering a variety of skills and experience both in the football industry and the wider corporate environment.

Appointments to the Board follow a formal process via the Nominations Committee and require constitutional approval from the 20 Shareholder clubs and the Football Association as a special shareholder. The INEDs are appointed for a three-year term and may be re-elected. The Shareholder approval process for Board Members is similar to that of key or material business decisions where the Board makes recommendations to the Shareholders, who have the ultimate responsibility for decision making.

Recommendations of a material financial nature will reach Shareholders via consultation with the Audit and Finance Committee ("A&F") which is formed of representatives from two Shareholder clubs and two INEDs.

Principle Three: Director responsibilities

The Board of Directors hold discretion, rights and powers, outlined in the publicly available Premier League Rules. The Board is assisted in the day to day running of the Company by the ELT, made up of senior employees representing each department in the business and which provides the Board with regular reports on business, financial performance and management of key business risks. Formal Board meetings take place at least 10 times per year, with regular communication between Board members.

INEDs provide constructive challenge to the Board's and the ELT's process of arriving at recommendations for Shareholders and in decision-making on matters where Shareholder approval is not required.

The Football Association Premier League Limited
Company Registration No. 02719699

Corporate governance statement

Principle Four: Opportunity and risk

The Company has a strategy to deliver on its purpose as described at Principle One which has elements of short, medium and long-term objectives.

The Company's strategic plan also identifies the key risks to the business which is regularly reviewed by the Board and presented at least annually to the A&F.

The Board continues to review the appropriateness and feasibility of its strategy to ensure it remains relevant in a forever changing environment of football. The Board continues to investigate a wide range of opportunities with the assistance of the ELT and external strategy consultants to determine the medium to long-term goals of the Company.

Principle Five: Remuneration

The Board will evaluate performance of executive members of the business and where appropriate, propose its recommendations to the Remuneration Committee for approval.

Remuneration is considered as part of the annual budget process which is approved by the Remuneration Committee and Shareholders.

The Board continues to evaluate the feasibility of a long-term incentive plan to promote the sustainable success of the Company.

Principle Six: Stakeholder relationship and engagement

The Company has a wide range of stakeholders including other football organisations, commercial partners, football supporters and the Government. Regular engagement with all stakeholders through meetings, focus groups, working groups and committees enables the Board to make considered decisions for the business whilst understanding the wider impact on all stakeholders. Formal funding and cooperation agreements are in place with several football organisations which are generally negotiated every three years and periodically reviewed. Commercial agreements will set out clear objectives expected from the partnership between the Company and the commercial partner. Regular meetings with the commercial partners to discuss progress and the latest issues and opportunities affecting the two parties will be discussed. A dedicated inhouse team works closely with supporter liaison officers at clubs to ensure football supporters interests are monitored and maintained. Regular communication and meetings with members of parliament and the Department of Culture, Media and Sport ensure the Government is abreast of the Company and the industry's developments.

Internally, the Board holds regular briefings with all staff on the latest matters and developments to promote inclusion and knowledge sharing.

The Football Association Premier League Limited
Company Registration No. 02719699

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland." Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

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

**Independent auditor's report to the members of
The Football Association Premier League Limited**
Company Registration No. 02719699

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of The Football Association Premier League Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 July 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement;
- the statement of accounting policies; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 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.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included our assessment of the entity's:

- cash position and cashflow forecasts
- historical accuracy of forecasts prepared by management
- confirmed future revenues through committed broadcasting contracts; and
- wider business model and future operational opportunities and risks

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

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

Other information

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

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

We have nothing to report in this regard.

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

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 company's industry and its control environment, and reviewed the company'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 company 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; 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.

We discussed among the audit engagement team including relevant internal specialists such as tax specialists 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 area, and our specific procedures performed to address it are described below:

- Revenue recognition, pinpointed to the unwind of the broadcaster rebate liabilities and the release to the profit and loss account of previously deferred income, has been identified as a significant fraud risk. In order to address this risk we have tested the design and implementation of the key management controls that are in place to ensure that revenue is recognised in the correct period. In addition we performed detailed substantive procedures including

agreeing revenue and deferred income to underlying contractual agreements and cash receipts, and reconciling the reduced broadcaster cash receipts to the unwind of the broadcaster rebate liabilities.

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;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external 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.

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

We have nothing to report in 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.



Jeremy Black ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

6 December 2021

The Football Association Premier League Limited
Company Registration No. 02719699

Profit and loss account
For the year ended 31 July 2021

		Underlying 2021 £'000	Currency Remeasurements ⁽¹⁾ 2021 £'000	Total 2021 £'000	Underlying 2020 £'000	Currency Remeasurements ⁽¹⁾ 2020 £'000	Total 2020 £'000
Continuing operations	Notes						
Turnover	1, 3	3,134,381	22,886	3,157,267	2,859,822	24,243	2,884,065
Cost of sales		(2,803,510)	-	(2,803,510)	(2,590,352)	-	(2,590,352)
Gross profit		330,871	22,886	353,757	269,470	24,243	293,713
Operating expenses	4	(324,189)	-	(324,189)	(275,018)	-	(275,018)
Operating profit		6,682	22,886	29,568	(5,548)	24,243	18,695
Fair value movement in derivative financial instruments and foreign exchange gains/(losses)	5	-	143,913	143,913	-	113,647	113,647
Finance income		1,118	-	1,118	11,734	-	11,734
Profit before taxation	5	7,800	166,799	174,599	6,186	137,890	144,076
Tax on profit	7	(7,329)	(29,063)	(36,392)	(5,990)	(21,905)	(27,895)
Profit after taxation	19	471	137,736	138,207	196	115,985	116,181

There are no recognised gains or losses other than as disclosed in the profit and loss account. Accordingly, a separate statement of other comprehensive income is not presented.

⁽¹⁾ The Company makes payments to clubs calculated on the basis of Underlying performance. Underlying performance is defined as total results adjusted to exclude the impact of Currency Remeasurements, which have been disclosed as a separate column on the income statement. Items representing Currency Remeasurements are explained below:

As the Company has not adopted hedge accounting under Sections 11 and 12 of FRS 102, total turnover presented is £22.9m higher (2020: £24.2m higher) than Underlying turnover. This is due to the difference between foreign currency denominated broadcasting income being translated at the spot rate on the date of receipt for total turnover and to the forward contract rate for Underlying turnover. This remeasurement is recognised as a reclassification between Turnover and foreign exchange gains/(losses).

Fair value movement in derivative financial instruments and foreign exchange gains/(losses) predominantly relates to the movement in fair value of derivative financial instruments, creating a £158.8m gain, (2020: £136.0m gain) which is offset by a net loss in other foreign exchange rate movements of £14.9m (2020: £22.3m loss). This net loss (2020: net loss) represents the revaluation of monetary assets and liabilities (cash, debtors and deferred income) to spot rate at the balance sheet date whereas the Underlying results include the monetary assets and liabilities revalued to the forward contract rate (note 17).

The tax charge of £29.1m (2020: £21.9m charge) arises predominantly due to the reduction in deferred tax asset recognised in relation to the adjustments noted above.

The Football Association Premier League Limited
Company Registration No. 02719699

Balance sheet
As at 31 July 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Tangible fixed assets	8	6,387	6,763
Fixed asset investments	9	-	-
Derivative financial instruments	17	80,314	13,473
Total non-current assets		<u>86,701</u>	<u>20,236</u>
Current assets			
Trade debtors and other receivables	11	1,046,819	1,316,728
Cash at bank and in hand		852,086	922,144
Deferred tax asset	10	-	6,224
Derivative financial instruments	17	46,775	16,648
		<u>1,945,680</u>	<u>2,261,744</u>
Creditors due within one year			
Trade creditors and other payables	12	(225,746)	(339,280)
Deferred tax liability	10	(22,196)	-
Derivative financial instruments	17	(3,762)	(26,890)
Deferred income		(1,615,717)	(1,722,980)
		<u>(1,867,421)</u>	<u>(2,089,150)</u>
Net current assets		<u>78,259</u>	<u>172,594</u>
Creditors due in more than one year			
Derivative financial instruments	17	(444)	(36,237)
Deferred income		(67,915)	(198,199)
		<u>(68,359)</u>	<u>(234,436)</u>
Net asset/(liabilities)		<u>96,601</u>	<u>(41,606)</u>
Equity			
Called up share capital	14	-	-
Retained earnings		96,601	(41,606)
Shareholders' equity/(deficit)		<u>96,601</u>	<u>(41,606)</u>

These financial statements were approved by the Board of Directors on 6 December 2021.

Signed on behalf of the Board of Directors



R J Masters
 Director

The Football Association Premier League Limited
Company Registration No. 02719699

Statement of changes in equity
For the year ended 31 July 2021

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 August 2019	-	(157,787)	(157,787)
Profit for the financial year	-	116,181	116,181
At 31 July 2020	-	(41,606)	(41,606)
Profit for the financial year	-	138,207	138,207
At 31 July 2021	-	96,601	96,601

The underlying retained earnings of the Company is £1,403k (2020: £932k) (note 19).

The Football Association Premier League Limited
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Cash flow statement
For the year ended 31 July 2021

	Note	2021 £'000	2020 £'000
Net cash outflow from operating activities	15	(55,997)	(619,199)
Cash flows from investing activities			
Purchase of tangible fixed assets		(791)	(6,962)
Interest received		1,118	11,734
Net cash flows from investing activities		<u>327</u>	<u>4,772</u>
Net decrease in cash and cash equivalents		<u>(55,670)</u>	<u>(614,427)</u>
Cash and cash equivalents at beginning of year		922,144	1,558,247
Effect of foreign exchange rate changes		<u>(14,388)</u>	<u>(21,676)</u>
Cash and cash equivalents at end of year		<u><u>852,086</u></u>	<u><u>922,144</u></u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements
For the year ended 31 July 2021

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding years.

General information and basis of accounting

The Football Association Premier League Limited (the "Company") is a privately owned company incorporated in England and Wales within the United Kingdom under the Companies Act. The registered office is disclosed on page 1.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

Going concern

The directors have considered the financial position, resources and revenue streams of the Company. The Company has considerable financial resources and has already sold broadcasting rights in a significant number of territories for seasons 2022/23 to 2024/25. These facts, along with its operating cost structure and basis for payments to clubs means that the Company is well placed to manage its business risks successfully. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. The directors note that the Company has net assets of £96.6m at 31 July 2021 (2020: £41.6m net liabilities). Whilst this is predominantly driven by the recognition of the fair value assets in derivative financial instruments which will unwind on maturity, the underlying business is managed on a break-even basis. Therefore, given the significant deferred income balance of £1,683.6m (2020: £1,921.2m) reflects advanced cash receipts, the directors believe the Company is a going concern.

Turnover

Turnover comprises the value of sales (excluding VAT) from sponsorship monies and revenue derived from television broadcasting contracts. Turnover is recognised in the season to which it relates in accordance with the contract unless this does not reflect the economic substance of the transaction. Amounts invoiced but not yet received in relation to the following season are included in debtors and deferred income. Cash payments of £67.9m (2020: £198.2m) received over one year in advance of the seasons to which they relate are recorded as non-current deferred income. Accrued income relates to revenue earned but not yet invoiced. Payments to clubs are recorded as cost of sales in the year in which the related revenue is recognised. The Company records revenue at the spot rate at the date of receipt but continues to make payments to clubs based on underlying results where revenue is recognised at the actual exchange rates achieved through the use of derivative financial instruments (forward contract rate). Rebates to broadcasters are offset within turnover and are recognised in the year in which they relate.

Joint ventures and associates

In accordance with Sections 14 and 15 of FRS 102, entities that are joint ventures and associates are held at cost value and tested for impairment.

Pension costs

The Company is fully compliant with the "auto enrolment" pension regulations. The Company contributes to defined contribution pension schemes on behalf of employees. The amount charged in the profit and loss account is the amount payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

1. Accounting policies (continued)

Operating lease arrangements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits equally over the life of the lease, even if payments are not made on such a basis.

Finance income

Finance income is recognised when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably. Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Taxation

Corporation tax payable is provided at amounts expected to be paid using the tax rates and laws 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 tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to turnover are recognised in income over the period in which the related costs are recognised.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided at rates calculated to write-off their cost less estimated residual value on a straight-line basis over their estimated useful lives as follows:

Short-term leasehold improvements	Over term of lease
Office furniture and computer equipment	3 - 7 years

Investments

Fixed asset investments are shown at cost less provision for impairment.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Other exchange differences are recognised in profit or loss in the period in which they arise.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

1. Accounting policies (continued)

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs). Subsequently the debt instruments that have no stated interest rate and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. For instruments classified as fair value through profit or loss, the instruments are revalued at each balance sheet date with any gain or loss recognised in the profit and loss account.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Cash advances to clubs are recognised at historical cost net of any irrecoverable amounts. Balances which are repayable on demand are classified as current assets.

Rebates to broadcasters where the liability is yet to be settle is recognised at an undiscounted amount. Balances which are repayable on demand are classified as current liabilities.

Derivative financial instruments

The Company uses derivative financial instruments to reduce exposure to foreign exchange risk. The Company does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately. The Company does not apply hedge accounting.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 directors do not consider there to be any key estimates. However, they have made a critical judgement in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

The Company's broadcasting income is agreed in three-year cycles and the allocation of revenue across the three-year period is a critical judgement made by the directors. UK broadcasting income is recognised on a straight-line basis over the three-year contract period. For overseas broadcasting contracts, revenue recognition is stepped over the three-year period, to reflect the economic substance and contractual arrangements with the broadcasters.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

3. Turnover

Turnover derives from the activities of managing The Football Association Premier League and is all derived from the sale of broadcasting and commercial sponsorship rights. Turnover arises in the United Kingdom, other than £1,384.3m (2020: £1,352.2m) which arises from the sale of audio-visual rights to worldwide broadcasters for worldwide transmission. All of the Company's assets are held in the United Kingdom.

4. Operating expenses

	2021 £'000	2020 £'000
<i>Charitable activities</i>		
Football Foundation	8,000	10,300
PFA charitable activities	23,040	23,040
Other charitable	27,930	38,761
	<u>58,970</u>	<u>72,101</u>
<i>Wider football support/Good causes</i>		
Football stadia improvement fund	12,026	9,500
Other wider football support	21,637	11,818
Football League Solidarity, Youth Development and Community	154,281	111,425
	<u>187,944</u>	<u>132,743</u>
<i>Other</i>		
Administrative expenses	77,275	70,174
	<u>324,189</u>	<u>275,018</u>

5. Profit on ordinary activities before taxation

	2021 £'000	2020 £'000
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Auditor's remuneration		
- fees for the audit of financial statements	95	72
- other audit related	17	11
- taxation compliance services	2	11
- other taxation advisory services	-	48
Depreciation on owned assets	1,167	1,276
Operating lease rentals – hire of other assets	1,770	2,133
Government grants	(2,835)	(3,331)
Fair value gain on derivative financial instruments	(158,805)	(135,974)
Other loss on foreign exchange	14,892	22,327
	<u>14,892</u>	<u>22,327</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

6. Staff numbers and costs

	2021	2020
	£'000	£'000
Employee costs (including directors) during the year:		
Wages and salaries	17,629	15,644
Social security costs	2,824	2,609
Other pension costs	1,412	1,407
	<u>21,865</u>	<u>19,660</u>

	No.	No.
Average monthly number of persons (including directors) employed by the Company during the year	<u>182</u>	<u>167</u>

Directors' remuneration:

Remuneration in respect of directors of the Company was as follows:

	£'000	£'000
Emoluments	<u>1,748</u>	<u>1,816</u>
	<u>1,748</u>	<u>1,816</u>

Directors' remuneration is included within employee costs.

	£'000	£'000
The above amounts for directors' remuneration include the following in respect of the highest paid director:		
Emoluments	<u>1,283</u>	<u>1,295</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

7. Tax on profit on ordinary activities

	2021 £'000	2020 £'000
Current tax		
UK corporation tax charge for the period at 19% (2020: 19.0%)	7,311	3,264
Double tax relief	<u>(7,311)</u>	<u>(3,264)</u>
Foreign tax		
Withholding tax deducted at source	7,972	6,277
Total current taxation charge	7,972	6,277
Deferred tax		
Origination and reversal of timing differences	25,921	21,618
Effect of tax rate changes on deferred tax balances	2,499	-
Total deferred taxation charge	<u>28,420</u>	<u>21,618</u>
Total tax charge on profit on ordinary activities	<u><u>36,392</u></u>	<u><u>27,895</u></u>

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2021 £'000	2020 £'000
Profit on ordinary activities before tax	<u>174,599</u>	<u>144,076</u>
Tax at 19.0% (2020: 19.0%)	33,174	27,374
Effects of:		
- Expenses not deductible for tax purposes	58	79
- Effect of tax rate changes on deferred tax balances	2,499	(2,571)
- Foreign tax suffered net of double tax relief	661	3,013
Total tax charge for period	<u><u>36,392</u></u>	<u><u>27,895</u></u>

The Finance Act 2021 (enacted on 10 June) increased the main rate of UK corporation tax from 19% to 25%, effective from 1 April 2023. As the future increase in the corporation tax rate had been enacted at the balance sheet date, deferred taxes on the balance sheet reflect the 25% tax rate in that they have been measured at the tax rate expected to apply in the period when the temporary differences reverse or unwind.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

8. Tangible fixed assets

	Short-term leasehold improvements £'000	Office furniture and equipment £'000	Total £'000
Cost			
At 1 August 2020	6,006	2,214	8,220
Additions	158	633	791
Disposals	-	(702)	(702)
At 31 July 2021	<u>6,164</u>	<u>2,145</u>	<u>8,309</u>
Accumulated depreciation			
At 1 August 2020	374	1,083	1,457
Charge for the year	508	659	1,167
Disposals	-	(702)	(702)
At 31 July 2021	<u>882</u>	<u>1,040</u>	<u>1,922</u>
Net book value			
At 31 July 2021	<u>5,282</u>	<u>1,105</u>	<u>6,387</u>
At 31 July 2020	<u>5,632</u>	<u>1,131</u>	<u>6,763</u>

9. Fixed asset investments

Subsidiary undertakings

The Company has a £2 investment in The Football Association Premier League Medical Care Scheme Limited, a company incorporated in Great Britain, whose principal activity is to act as trustee for the Medical Care Scheme. The investment represents 100% of the ordinary share capital of the subsidiary company. The subsidiary is registered at Brunel Building, 57 North Wharf Road, London, W2 1HQ and has not traded since incorporation and therefore has not been consolidated within these accounts.

Joint ventures

The investment in joint venture represents a 50% holding in Football DataCo Limited, a joint venture between The Football Association Premier League Limited and The Football League Limited. The joint venture has been formed for the commercial exploitation of copyright football data owned by the Leagues. The Football Association Premier League Limited owns 100% of the 'A' shares of Football DataCo Limited. The Football League Limited owns 100% of the 'B' shares of Football DataCo Limited. The 'A' and 'B' shares have equal rights. Football DataCo Limited is registered at, and trades from, Brunel Building, 57 North Wharf Road, London, W2 1HQ.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

9. Fixed asset investments (continued)

The Company's investment is held at cost of £50. The following tables show the impact if the Company was to account for the joint venture using equity method accounting.

	£'000
Share of net assets	
At 1 August 2020	11
Share of results (see below)	-
	<hr/>
At 31 July 2021	<u>11</u>

	2021 £'000	2020 £'000
Company share of results		
Turnover	<u>15,168</u>	<u>10,523</u>
Operating profit/(loss)	-	(5)
Interest receivable and similar income	-	5
Taxation	<hr/>	<hr/>
Result after taxation	<hr/>	<hr/>
Company share of:		
Net assets	<u>11</u>	<u>11</u>

Associates

Investment in associate represents a one third holding in Professional Game Match Officials Limited ("PGMO") and Professional Game Academy Audit Company Limited ("PGAAC"). Both entities are ventures between The Football Association Premier League Limited, The Football Association Limited and The Football League Limited. PGMO was formed for the provision of referees and refereeing services to The Football Association, The Football Association Premier League Limited and The Football League Limited. PGAAC was formed for the provision of audit services for the youth academy of clubs in the Premier League and Football League.

The Football Association Premier League Limited has provided a guarantee in respect of the liabilities of PGMO and PGAAC to a sum not exceeding £1.

Both entities are registered at Wembley Stadium, Wembley, Middlesex, HA9 0WS and trades from Brunel Building, 57 North Wharf Road, London, W2 1HQ.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

9. Fixed asset investments (continued)

The following tables show the impact if the Company was to account for the associate using equity method accounting.

	£'000
Share of net assets	
At 1 August 2020	283
Share of results (see below)	84
	<u>367</u>
At 31 July 2021	<u>367</u>

	2021 £'000	2020 £'000
Company share of results		
Turnover	<u>8,000</u>	<u>7,787</u>
Operating profit before taxation	103	25
Interest receivable and similar income	-	10
Taxation	<u>(20)</u>	<u>-</u>
Result after taxation	<u>84</u>	<u>35</u>
Company share of:		
Net assets	<u>367</u>	<u>283</u>

Amounts are based on the latest available draft financial statements of the associate company and are accurate at the time of approving these accounts. Due to timing differences, the prior year balances have been adjusted to reflect the final audited financial statements of the respective investments.

10. Deferred tax

	2021 £'000	2020 £'000
Balance at start of year	6,224	27,842
Debit to profit and loss account (note 7)	<u>(28,420)</u>	<u>(21,618)</u>
Balance at end of year	<u>(22,196)</u>	<u>6,224</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

10. Deferred tax (continued)

	2021 £'000	2020 £'000
Depreciation in excess of capital allowances	1,744	1,101
Timing differences on derivative financial instruments	<u>(23,940)</u>	<u>5,123</u>
Balance at end of year	<u>(22,196)</u>	<u>6,224</u>

A deferred tax asset of £1.7m has been recognised at 31 July 2021 (2020: £1.1m) where depreciation charged is in excess of capital allowances claimed on qualifying assets. The directors are of the opinion, based on historical and forecast trading, that it is more likely than not that there will be suitable profits in the future financial years against which the future capital allowances may be claimed.

A deferred tax liability of £23.9m has been recognised at 31 July 2021 (2020: deferred tax asset of £5.1m) in relation to the net fair value gain of derivative financial instruments of £158.8m (2020: £33.0m) of which £108.8m (2020: £29.0m) has been disregarded in the computation of current tax. This will unwind as the derivative financial instruments mature.

Deferred taxation is provided for at rates expected to apply when the timing differences reverse, based on current tax rates and law. As a number of derivative financial instruments are expected to mature before the tax rate increase to 25% on 1 April 2023, a blended tax rate has been applied in arriving at the deferred tax liability on the derivatives.

11. Trade debtors and other receivables

	2021 £'000	2020 £'000
Trade debtors	41,509	252,102
Amounts owed by joint venture	88	65
Other taxes and social security	-	35,179
Other debtors	212,059	235,185
Prepayments	769,853	775,967
Accrued income	<u>23,310</u>	<u>18,230</u>
	<u>1,046,819</u>	<u>1,316,728</u>

The vast majority of trade debtors are broadcasting fees which relate to turnover of the next financial year which are invoiced ahead of the contractual date of payment.

Amounts owed by joint venture are trade related (costs paid on its behalf) and will be settled within 12 months. Interest is not charged on outstanding amounts.

Current year other debtors is predominantly amounts due from clubs in relation to the broadcaster rebates which are recoverable on demand.

Prepayments is predominantly payments to clubs relating to the next financial year which has been paid in advance.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

12. Trade creditors and other payables

	2021 £'000	2020 £'000
Trade creditors	1,040	163
Other taxes and social security	8,957	1,218
Other creditors	172,849	292,044
Accruals	42,900	45,855
	<u>225,746</u>	<u>339,280</u>

In addition to the Professional Game Youth Fund and club transfer fees awaiting onward transmission, other creditors include rebates relating to season 2019/20 which will be paid to broadcasters after 31 July 2021.

13. Commitments under operating leases

At 31 July 2021 the Company had total future commitments under non-cancellable operating leases in respect of land and buildings as set out below:

	2021 £'000	2020 £'000
Within one year	1,299	1,299
Between two and five years	2,343	3,475
	<u>3,642</u>	<u>4,774</u>

14. Called up share capital

	2021	2020
Authorised		
99 Ordinary shares of £1 each	99	99
1 Preference share of £1	1	1
	<u>100</u>	<u>100</u>
Called up, allotted and fully paid		
20 Ordinary shares of £1 each	20	20
1 Preference share of £1	1	1
	<u>21</u>	<u>21</u>

The ordinary share capital is held by the Premier League clubs in membership of the league in the respective season. The preference share is held by The Football Association Limited. This share carries no right to dividends, is irredeemable, carries no voting rights, and on winding up, entitles the holder of the preference share to receive repayment of capital paid in priority to other classes of shares, but no other right to participate in capital or profits of the Company.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

15. Reconciliation of operating profit to net cash outflow from operating activities

	2021 £'000	2020 £'000
Operating profit	29,568	18,695
Adjustment for:		
Depreciation	1,167	1,276
Net cash movement from derivative contracts	2,412	(50,554)
	<u>33,147</u>	<u>(30,583)</u>
Operating cash flow before movement in working capital	33,147	(30,583)
Decrease/(increase) in debtors	269,909	(479,474)
Decrease in creditors	(351,081)	(102,865)
	<u>(48,025)</u>	<u>(612,922)</u>
Cash generated by operations	(48,025)	(612,922)
Tax paid	(7,972)	(6,277)
	<u>(55,997)</u>	<u>(619,199)</u>
Net cash outflow from operating activities	<u>(55,997)</u>	<u>(619,199)</u>

16. Financial instruments

The carrying values of the Company's financial assets and liabilities are summarised by category below. These are all measured at undiscounted amounts, except for derivative financial assets and liabilities which are measured at fair value:

	2021 £'000	2020 £'000
Financial assets		
Cash and cash equivalents	852,086	922,144
Trade debtors and other receivables	253,568	487,314
Derivative financial assets	127,089	30,121
	<u>1,232,743</u>	<u>1,439,579</u>
Financial liabilities		
Trade payables and other payables	173,441	292,207
Derivative financial liabilities	4,206	63,127
	<u>177,647</u>	<u>355,334</u>

The Company's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021 £'000	2020 £'000
Interest income and expense		
Total interest income for financial assets at amortised cost	1,118	11,734
	<u>1,118</u>	<u>11,734</u>
Fair value gains and losses		
On financial assets measured at fair value through profit or (loss)	158,805	135,974
	<u>158,805</u>	<u>135,974</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2021

17. Derivative financial instruments

	Due within one year		Due after one year	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Derivatives accounted for at fair value through profit and loss				
Assets				
Forward foreign currency contracts	46,775	16,648	80,314	13,473
	<u>46,775</u>	<u>16,648</u>	<u>80,314</u>	<u>13,473</u>
Liabilities				
Forward foreign currency contracts	3,762	26,890	444	36,237
	<u>3,762</u>	<u>26,890</u>	<u>444</u>	<u>36,237</u>

Forward foreign currency contracts are valued using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

Forward foreign currency contracts

The following table details the forward foreign currency contracts outstanding as at the year-end:

Outstanding contracts	Average contractual exchange rate		Notional Value		Net Fair Value (Liabilities)/Assets	
	2021	2020	2021	2020	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
<i>Due within one year</i>						
Euros	1.0951	1.0951	266,667	266,667	15,615	3,105
US Dollars	1.3452	1.3308	1,133,333	1,283,333	27,398	(13,347)
<i>Due after one year</i>						
Euros	1.1026	1.0757	1,500,000	1,016,667	54,451	13,009
US Dollars	1.3440	1.3527	1,000,000	1,833,333	25,419	(35,773)
					<u>122,883</u>	<u>(33,006)</u>

The Company has entered into contracts to supply overseas broadcasters. The Company has entered into forward foreign currency contracts to manage the risk arising from foreign currency movements on cash flows available for distribution to member clubs. The contracts are measured at fair value through the profit and loss. A gain of £158.8m (2020: £136.0m gain) was recognised during the year.

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Notes to the financial statements (continued)
For the year ended 31 July 2021

18. Related party transactions

By the Company's nature and in accordance with its rules, The Football Association Premier League Limited enters into a number of transactions in the normal course of business with its member clubs and with The Football Association Limited. Cost of sales, as reported in the profit and loss account, represents amounts payable to the member clubs of the FA Premier League totalling £2,510,450k (2020: £2,280,759k), of which £4,117k (2020: £750k) was outstanding at the year end. An amount of £159,360k (2020: £177,500k) has been recognised within other debtors relating to the member clubs' share of the broadcaster rebates which are repayable on demand. An advance payment of £636,199k (2020: £720,072k) relating to the next financial year was made to member clubs prior to the year end which has been recognised as a prepayment.

Transactions with the Football Association Limited totalled £750k (2020: £750k) within turnover and £43k (2020: £4k) within operating expenses, of which £nil (2020: £nil) is outstanding at the year end.

Transactions between the Company and its joint venture Football DataCo Limited include £6,953k (2020: £980k) within turnover. Accrued income of £3,293k (2020: £230k) is outstanding at the year end. A debtor of £88k (2020: £65k) is outstanding in relation to expenses paid by the Company on behalf of Football DataCo Limited which will be recovered after the year end.

Transactions between the Company and its associate Professional Game Match Officials Limited include £13,835k (2020: £12,997k) within operating expenses. A creditor of £nil (2020: £nil) is outstanding at the year end. A debtor of £28k (2020: £231k) is outstanding in relation to expenses paid on behalf of the Company by Professional Game Match Official Limited which will be settled after the year end.

Transactions between the Company and its associate Professional Game Academy Audit Company Limited is debtor of £828k (2020: £665k) outstanding in relation to expenses paid on behalf of Professional Game Academy Audit Company Limited by the Company, which will be settled after the year end.

The total remuneration for key management personnel, being the Board of Directors, for the period totalled £1,748k (2020: £1,816k), being remuneration disclosed in note 6.

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Notes to the financial statements (continued)
For the year ended 31 July 2021

19. Supplementary information

The Company continues to distribute payments to member clubs according to the Underlying results. The financial statements thereof are presented in this note:

Underlying Profit and loss account
For year ended 31 July 2021

	2021	2020
	£'000	£'000
Continuing operations		
Company turnover	3,134,381	2,859,822
Cost of sales	<u>(2,803,510)</u>	<u>(2,590,352)</u>
Gross profit	330,871	269,470
Operating expenses	<u>(324,189)</u>	<u>(275,018)</u>
Operating profit/(loss)	6,682	(5,548)
Interest receivable	<u>1,118</u>	<u>11,734</u>
Profit on ordinary activities before taxation	7,800	6,186
Tax on profit on ordinary activities	<u>(7,329)</u>	<u>(5,990)</u>
Profit on ordinary activities after taxation	<u><u>471</u></u>	<u><u>196</u></u>

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Notes to the financial statements (continued)
For the year ended 31 July 2021

19. Supplementary information (continued)

Underlying Balance sheet
At 31 July 2021

	2021 £'000	2020 £'000
Non-current assets		
Tangible fixed assets	6,387	6,763
Investments	-	-
Total non-current assets	<u>6,387</u>	<u>6,763</u>
Current assets		
Trade debtors and other receivables	1,048,782	1,318,765
Cash at bank and in hand	874,679	914,802
	<u>1,923,461</u>	<u>2,233,567</u>
Creditors due within one year		
Trade creditors and other payables	(224,002)	(339,280)
Deferred income	(1,634,353)	(1,701,919)
Net current assets	<u>65,106</u>	<u>192,368</u>
Creditors due after one year		
Deferred income	(70,090)	(198,199)
Net assets	<u>1,403</u>	<u>932</u>
Equity		
Called up share capital	-	-
Retained earnings	1,403	932
Total equity	<u>1,403</u>	<u>932</u>