

Company Registration No. 03096937 (England and Wales)

Premier Rugby Limited

**Annual report and financial statements
for the year ended 30 June 2022**

Premier Rugby Limited

Company information

Directors	Martin St Quinton	
	Christopher Booy	(Appointed 20 August 2021)
	Nicholas Clarry	
	Robin Hooper	
	Gemma Wright	(Appointed 3 December 2021)
	Ismail Kurdi	(Appointed 6 May 2022)

Company number 03096937

Registered office Thomas House
84 Eccleston Square
London
SW1V 1PX

Independent auditor Saffery Champness LLP
St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Premier Rugby Limited

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Premier Rugby Limited

Strategic report

For the year ended 30 June 2022

The directors present the strategic report for the Year ended 30 June 2022.

Fair review of the business

Records fell across the length and breadth of Premiership Rugby in 2021-22, despite Covid disrupting our third consecutive season, allowing us to live up to our aim to create world-class sporting entertainment that is accessible to all.

Those records fell on and off the pitch with a series of new marks being set across the business including:

- Total attendance in Gallagher Premiership Rugby went over 2m: 2.01 million
- A total of 1,051 tries and 7909 points were scored over the 153 matches actually played – the highest points (51.7) and tries (6.8) per match tallies in Premiership Rugby history.
- Close Games: 71 out of 153 games played finished within seven points – almost 50% of matches

It was also a record-breaking season from a TV perspective with viewing on BT Sport up 12% from the previous highest level.

There were five Premiership Rugby matches on ITV, culminating in the Final at Twickenham, which was broadcast on both BT Sport and ITV, ensuring it drew an average TV audience of 946,000 (1.3 million peak) – 113% higher than the previous best for a Final in 2009.

Complimenting this we launched a highlights show on the ITV main channel every weekend of the season, an innovation for 2021-22.

Our Final was back to full strength after Covid-affected events. More than 72,000 fans enjoyed an unforgettable day at Twickenham in June as Leicester Tigers lifted the Gallagher Premiership Rugby trophy after Freddie Burns kicked a drop goal in the dying seconds to beat Saracens 15-13.

Tigers were playing in the club's 10th Premiership Final but a first in nine years after also finishing top of the Gallagher Premiership Rugby league table and earning a home semi-final when they beat local rivals Northampton Saints.

Worcester Warriors won the Premiership Rugby Cup, beating London Irish by scoring more tries in a match that went into extra time.

To help deliver our ambition to be the most accessible league in the world all matches not shown on BT Sport or ITV will now be broadcast on our new streaming service PRTV Live. In the past, two or three games each weekend were inaccessible to supporters in the UK.

We also continued to have an impressive global footprint with Gallagher Premiership Rugby shown in 139 different territories in Europe, Africa, the Americas, and Asia

Commercially Premiership Rugby was delighted to announce the renewal of their partnership with Gallagher in a multi-year deal with one of the world's largest insurance brokerage, risk management, and consulting services companies. The new partnership will launch at the start of the 2022-23 season.

In addition to the Gallagher announcement, Premiership Rugby started new partnerships with Ticketmaster and London Pride, while The Famous Grouse took over the broadcast sponsorship of the new ITV highlights programme.

Fair review of business (continued)

With Ticketmaster, the innovative partnership, the first of its kind in the UK, sees Ticketmaster Sport become the Official Ticketing Partner for Premiership Rugby. As the official ticketing partner, Ticketmaster Sport will deliver ticketing technology and marketing solutions for the next five years.

Fuller's became the Official Beer of Premiership Rugby, reinforcing the brand's heritage with rugby; from supporting the game's grassroots community clubs up to the elite level, and as an iconic ale enjoyed by fans and players alike for generations.

Our digital platforms took a huge step forward in 2021-22 season with 205,000 new followers added across all platforms which delivered 658 million impressions, 9.6 million engagements, and 146 million video views, creating a huge global reach for both Premiership Rugby and Gallagher Premiership Rugby.

From a financial perspective, revenue reached £65.5m, up 6% from the previous season as the recovery from Covid starts to come through. And as articulated in the strategic report for previous years, the company now posts an accounting loss which is to do with the accounting treatment of the CVC investment in that period, as opposed to reflecting operating performance.

Community and Corporate Social Responsibility

Premiership Rugby is an organisation that cares about the communities in which it operates. It believes that rugby has the power to change lives and has created, and delivers with its clubs, players, sponsors, and third sector partners, a range of community programmes that impact positively on society; improving, access to sports participation, physical and mental health, educational attainment, employability, and community cohesion.

With a focus on engaging and inspiring people from diverse backgrounds, and with varying support needs, consistency of delivery and contact with participants is vital for successful outcomes. This consistency was severely impacted during the period by the Covid-19 pandemic. We responded quickly, innovating and adapting our programmes to ensure continued support to young people and disadvantaged groups during the pandemic. We are proud to have supported those in need, inspiring participants to help themselves and others, and instilling in everyone a sense of community. The 21/22 season saw the return of face-to-face delivery with national and local initiatives returning to normal.

Project Rugby, our joint initiative with the RFU and Gallagher has allowed us to target under-representation in the game and support our ambition to take the game to new audiences by providing new accessible opportunities to participate for Ethnically Diverse Communities, young people from Low Socio-Economic backgrounds and for disabled people. The programme reached a milestone of 75,000 participants in April 22.

Additionally, our programmes support a broader range of outcomes away from the pitch. Through rugby, we were able to bring several areas within the school curriculum to life by supporting teachers and parents; HITS addressed social change by supporting education and employability skills for young people Not in Education Employment or Training (NEET) with 96% of participants reporting an increase in soft skills, 85% completing the programme of whom 89% going on to a positive progression into work or further education.

Our Premiership Rugby Champions app along with its associated resources Tackling Health, Tackling Numeracy and Tackling Character have increased healthy eating and physical literacy, improved numeracy skills, and developed character amongst Primary School pupils. Three thousand five hundred teachers have registered on the app helping bring inspirational learning experiences to more than 100,000 young people.

Community and Corporate Social Responsibility (continued)

The company's community work continues to be recognised as market leading. Utilising data from the SportValueBank, we believe the social value of our community work exceeds £15M annually. SportValueBank was developed by Simetrica-Jacobs to provide robust social value measurements for community projects.

From a Diversity and Inclusion perspective we are committed to ensuring Premiership Rugby is a diverse, welcoming, and inclusive environment both on and off the field for our staff, players, and fans whilst also supporting societal change.

When we launched Rugby against Racism in August 2020 to drive awareness and tackle racism in sport and society, we looked at six key commitments to support this ambition which broadly fall into three key areas, increasing diversity within the professional game, increasing access to the game for non-traditional audiences and measurement, tracking and policy updates. We continue to work closely with the RFU and RPA to generate greater insight into several initiatives due to be rolled out during the upcoming summer period which will help shape our current and future interventions to ensure we make progress in this area.

Energy & Carbon reporting

As the Company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

The energy and carbon footprint of the PRL entities is minimal, given that ca. 40 employees are working in one office with occasional travel to matches for operational requirements (and this footprint will reduce further in the 2022-23 season thanks to our move in August 2022 into a smaller office space which, moreover, is shared with 6Nations and United Rugby Championship). As a result, there are no specific metrics currently being produced to assess PRL's energy consumption or carbon dioxide emissions.

During the 2021-22 season, we worked with BASIS (British Association of Sustainability in Sport) to review current sustainability practices at each of the Premiership Clubs. The findings will help shape our future work with our clubs in this area.

Principal risks and uncertainties

The principal risk affecting the company is uncertainty relating to the resurgence of the Covid pandemic, whether in terms of fans being able to attend games, or indeed of professional sport taking place at all. However, at this point those risks appear limited and the business has been able to withstand the impact to date, which should give a fair degree of confidence regarding future prospects for the company.

Another major factor affecting the league is the financial health of the shareholder clubs, as illustrated by the recent issues impacting Worcester Warriors and Wasps. Premiership clubs have benefited from loans provided by DCMS and Sport England through the Sports Survival Package, and whilst this support has been a key factor in no clubs going under during the main phase of the pandemic, those loans will remain on the clubs' balance sheets for many years to come. We continue to work closely with clubs, Sport England and DCMS on this topic.

The company receives income from EPCR in euros, and the income that EPCR receives is from multi-currency agreements. The level of future exchange rates affects the level of euro income that EPCR receives, and therefore the level that the company would receive. We remain focussed on this with EPCR and the planning of currency receipts for and beyond the current season.

Premier Rugby Limited

Strategic report (continued)

For the year ended 30 June 2022

Other information

The company's policy is to consult and discuss with employees, at meetings, matters likely to affect employees' interests, including the strategy, development and performance of the company. Information about matters of concern to employees is given through relevant information channels which seek to achieve a common awareness on the part of all employees of all factors that affect the company's growth and development. All employees share a responsibility for the culture of the company.

The company is committed to promoting equal opportunities in employment and embraces the moral, ethical, legal and business case for equality and diversity.

Fostering the relationships with all of Premiership Rugby's stakeholders, as evidenced through the examples above (whether in terms of completing the season with only minimal cancellations or the many initiatives undertaken with clubs to support local communities) has been a critical part of mitigating the impact that the Covid pandemic has had and continues to have on professional rugby.

Going Concern statement

These accounts have been prepared on a going concern basis as the directors confirm that the entity is a going concern when considering the financial position, liquidity and solvency of the company.

On behalf of the board

Nicholas Clarry

Director

20 October 2022

Premier Rugby Limited

Directors' report

For the year ended 30 June 2022

The directors present their annual report and financial statements for the Year ended 30 June 2022.

Principal activities

The company's principal activity is to promote and develop professional club rugby by pursuing the collective interests of its shareholders in accordance with the Shareholders' Agreement and in line with other policies approved by the Board from time to time.

Results and dividends

The results for the Year are set out on page 12.

Contractual Ordinary dividends of £16,911,341 were payable at the period end. The directors do not recommend payment of a further dividend.

Directors

No director had any direct interest in the shares of the company. The Board of Directors represents the clubs and other shareholders who own and receive distributions from Premier Rugby Limited. The interests of directors in the clubs and other shareholders can be found in the financial statements of the individual clubs concerned.

Martin St Quinton

Bruce Craig

(Resigned 20 August 2021)

Christopher Booy

(Appointed 20 August 2021)

Simon Orange

(Resigned 20 August 2021)

Nicholas Clarry

Robert Lucas

(Resigned 20 August 2021)

Robin Hooper

Jason Whittingham

(Appointed 20 August 2021 and resigned 13 April 2022)

Gemma Wright

(Appointed 3 December 2021)

Ismail Kurdi

(Appointed 6 May 2022)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the Year. These provisions remain in force at the reporting date.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

Premier Rugby Limited

Directors' report (continued) For the year ended 30 June 2022

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

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).

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;
- 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.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of its fair review of the business, details of the group's risks and uncertainties and also its' future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Premier Rugby Limited

Directors' report (continued)
For the year ended 30 June 2022

On behalf of the board

Nicholas Clarry
Director

20 October 2022

Premier Rugby Limited

Independent auditor's report

To the members of Premier Rugby Limited

Opinion

We have audited the financial statements of Premier Rugby Limited (the 'company') for the Year ended 30 June 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its loss for the Year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Premier Rugby Limited

Independent auditor's report (continued)

To the members of Premier Rugby Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

Premier Rugby Limited

Independent auditor's report (continued)

To the members of Premier Rugby Limited

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Neil Davies (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

28 November 2022

Chartered Accountants

Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Premier Rugby Limited

**Statement of comprehensive income
For the year ended 30 June 2022**

		Year ended 30 June 2022 £	Period ended 30 June 2021 £
	Notes		
Turnover	3	65,530,382	61,846,983
Cost of sales		(88,303,140)	(70,009,383)
Gross loss		(22,772,758)	(8,162,400)
Administrative expenses		(12,450,618)	(10,391,314)
Other operating income		4,056	15,365
Operating loss	4	(35,219,320)	(18,538,349)
Interest receivable and similar income	7	8,948	1,695
Interest payable and similar expenses	8	(905,279)	(499,081)
Other gains and losses	9	-	(52)
Loss before taxation		(36,115,651)	(19,035,787)
Tax on loss	10	4,630	-
Loss for the financial Year		(36,111,021)	(19,035,787)

The Statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

Premier Rugby Limited

Balance sheet

As at 30 June 2022

			2022	2021
	Notes	£	£	£
Fixed assets				
Intangible assets	13	-	-	22,803
Tangible assets	12	-	-	11,949
Investments	14	1	1	1
			<u>1</u>	<u>34,753</u>
Current assets				
Debtors falling due after one year	15	33,291,402	68,707,376	
Debtors falling due within one year	15	51,279,503	62,031,995	
Cash at bank and in hand		26,348,030	25,728,634	
		<u>110,918,935</u>	<u>156,468,005</u>	
Creditors: amounts falling due within one year	16	(38,801,506)	(31,362,966)	
Net current assets		<u>72,117,429</u>	<u>125,105,039</u>	
Total assets less current liabilities		<u>72,117,430</u>	<u>125,139,792</u>	
Creditors: amounts falling due after more than one year	17	(29,000,000)	(29,000,000)	
Net assets		<u><u>43,117,430</u></u>	<u><u>96,139,792</u></u>	
Capital and reserves				
Called up share capital	20	2,000,020	2,000,020	
Capital redemption reserve		25	25	
Profit and loss reserves		41,117,385	94,139,747	
Total equity		<u><u>43,117,430</u></u>	<u><u>96,139,792</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 20 October 2022 and are signed on its behalf by:

Nicholas Clarry
Director

Company Registration No. 03096937

Premier Rugby Limited

Statement of changes in equity
For the year ended 30 June 2022

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 November 2020	2,000,020	25	127,695,054	129,695,099
Period ended 30 June 2021:				
Loss and total comprehensive income for the period	-	-	(19,035,787)	(19,035,787)
Dividends	-	-	(14,519,520)	(14,519,520)
Balance at 30 June 2021	2,000,020	25	94,139,747	96,139,792
Period ended 30 June 2022:				
Loss and total comprehensive income for the period	-	-	(36,111,021)	(36,111,021)
Dividends	-	-	(16,911,341)	(16,911,341)
Balance at 30 June 2022	2,000,020	25	41,117,385	43,117,430

Premier Rugby Limited

Statement of cash flows
For the year ended 30 June 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	25	16,028,699	(24,248,393)
Interest paid		(905,279)	(499,081)
Income taxes refunded		6,548	4,541
Net cash inflow/(outflow) from operating activities		15,129,968	(24,742,933)
Investing activities			
Interest received		8,948	1,695
Net cash generated from investing activities		8,948	1,695
Financing activities			
Proceeds of new bank loans		-	6,458,948
Dividends paid		(14,519,520)	(13,034,580)
Net cash used in financing activities		(14,519,520)	(6,575,632)
Net increase/(decrease) in cash and cash equivalents		619,396	(31,316,870)
Cash and cash equivalents at beginning of Year		25,728,634	57,045,504
Cash and cash equivalents at end of Year		26,348,030	25,728,634

Premier Rugby Limited

Notes to the financial statements For the year ended 30 June 2022

1 Accounting policies

Company information

Premier Rugby Limited is a company limited by shares incorporated in England and Wales. The registered office is Thomas House, 84 Eccleston Square, London, SW1V 1PX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

The financial statements of the company are consolidated in the financial statements of Premier Rugby Holdings LLP. These consolidated financial statements are available from its registered office, Thomas House, 84 Eccleston Square, London, SW1V 1PX.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The reporting period for the comparatives was a 8 month period to 30 June 2021. Therefore the comparative amounts in the financial statements are not entirely comparable.

1.4 Turnover

Turnover represents sponsorship and broadcast monies, recharged services and licensing income received net of value added tax. Turnover on long term contracts is assessed with reference to contracted revenues for the year.

1 Accounting policies (continued)

1.5 Intangible fixed assets

Intangible assets comprise capitalised legal fees in respect of revenue generating contracts, and are written off in equal annual instalments over their estimated useful economic life. Annual impairment reviews are undertaken and provision is made for any diminution in value.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	20% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1 Accounting policies (continued)

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company applies the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1 Accounting policies (continued)

1.12 Derivatives

The company enters into foreign exchange forward contracts in order to manage exposure to foreign exchange risk.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies (continued)

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.15 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Club prepayment

A prepayment of club distributions was made in 2018/19. This prepayment is being released over a 4 year period on a straight line basis to coincide with future revenue streams.

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2022

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
Turnover	65,530,382	61,846,983

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	65,530,382	61,846,983

	2022	2021
	£	£
Other revenue		
Interest income	8,948	1,695

4 Operating loss

	2022	2021
	£	£
Operating loss for the period is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	543,476	231,026
Depreciation of owned tangible fixed assets	11,949	6,872
Amortisation of intangible assets	22,803	22,804
Commercial rights prepayment release	43,691,822	29,127,882
Operating lease charges	128,388	42,232

The amortisation of intangible assets is included within administration expenses.

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2022

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	13,500	13,000
For other services		
Taxation compliance services	2,500	2,250

6 Employees

The average monthly number of persons (including directors) employed by the company during the Year was:

	2022 Number	2021 Number
Administration	38	34

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	3,776,391	2,143,022
Social security costs	432,391	273,478
Pension costs	143,849	61,349
	4,352,631	2,477,849

7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	8,948	1,695

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2022

8 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and loans	905,279	499,081
	<u> </u>	<u> </u>

9 Other gains and losses

	2022	2021
	£	£
Other gains and losses	-	(52)
	<u> </u>	<u> </u>

10 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	(4,630)	-
	<u> </u>	<u> </u>

The actual credit for the Year can be reconciled to the expected credit for the Year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Loss before taxation	(36,115,651)	(19,035,787)
	<u> </u>	<u> </u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(6,861,974)	(3,616,800)
Tax effect of expenses that are not deductible in determining taxable profit	6,223	1,251
Tax effect of income not taxable in determining taxable profit	-	(2,866)
Change in unrecognised deferred tax assets	8,875,102	7,952,174
Adjustments in respect of prior years	(4,630)	-
Depreciation on assets not qualifying for tax allowances	-	2,866
Effect of change in deferred tax rate	(2,019,351)	(4,336,625)
	<u> </u>	<u> </u>
Taxation credit for the period	(4,630)	-
	<u> </u>	<u> </u>

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2022

11 Dividends

	2022	2021
	£	£
Contractual dividend payable	16,911,341	14,519,520

12 Tangible fixed assets

	Office equipment £
At 1 July 2021	257,671
Disposals	(230,108)
At 30 June 2022	27,563
At 1 July 2021	245,722
Depreciation charged in the Year	11,949
Eliminated in respect of disposals	(230,108)
At 30 June 2022	27,563
Carrying amount	
At 30 June 2022	-
At 30 June 2021	11,949

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2022

13 Intangible fixed assets

	Intangible assets
	£
Cost	
At 1 July 2021	186,882
Disposals	(127,013)
	<hr/>
At 30 June 2022	59,869
	<hr/>
Amortisation and impairment	
At 1 July 2021	164,079
Amortisation charged for the Year	22,803
Disposals	(127,013)
	<hr/>
At 30 June 2022	59,869
	<hr/>
Carrying amount	
At 30 June 2022	-
	<hr/>
At 30 June 2021	22,803
	<hr/>

In the prior year the company amended its accounting treatment of legal fees incurred in respect of revenue generating contracts. These costs were formerly capitalised and written off over the length of the associated contract. These costs are now expensed in the period in which they occur.

14 Fixed asset investments

	2022	2021
	£	£
Unlisted investments	1	1
	<hr/>	<hr/>

Premier Rugby Limited owns 100% of the issued share capital of Premiership Rugby Limited. This company was dormant throughout the year

Premier Rugby Limited

Notes to the financial statements (continued)
For the year ended 30 June 2022

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	12,986,169	14,572,687
Corporation tax recoverable	-	1,918
Amounts owed by group undertakings	826	-
Other debtors	10,413	1,589,704
Prepayments and accrued income	5,057,229	2,175,864
Prepayment of distribution to clubs	456,000	-
Commercial rights prepayment	32,768,866	43,691,822
	<u>51,279,503</u>	<u>62,031,995</u>
	2022	2021
	£	£
Amounts falling due after more than one year:		
Commercial rights prepayment	-	32,768,866
Debt raise prepayment	28,616,499	28,707,608
Prepayment of distribution to clubs	4,674,903	7,230,902
	<u>33,291,402</u>	<u>68,707,376</u>
Total debtors	<u>84,570,905</u>	<u>130,739,371</u>

Commercial rights prepayments are being released over a four year period to coincide with future commercial revenue and obligations of the Clubs over that timeframe.

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	1,375,942	1,414,143
Taxation and social security	446,189	169,363
Dividends payable	16,911,341	14,519,520
Other creditors	315,849	468,588
Accruals and deferred income	19,752,185	14,791,352
	<u>38,801,506</u>	<u>31,362,966</u>

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2022

17 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	18	29,000,000	29,000,000

18 Loans and overdrafts

	2022 £	2021 £
Bank loans	29,000,000	29,000,000
Payable after one year	29,000,000	29,000,000

The company has an overdraft facility which is secured by way of debenture on the bank's standard form, dated 27 July 2005. It is repayable on demand.

The bank loan is secured by a fixed and floating charge over all assets of the company. Interest is charged at 2.25% plus SONIA and the loan is for a term of 5 years, ending in December 2024.

19 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	143,849	61,349

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2022 £	2021 £
Ordinary share capital		
Issued and fully paid		
200,002,005 Ordinary shares of 1p each	2,000,020	2,000,020

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2022

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	556,255	28,654
Between two and five years	1,396,350	-
	<u>1,952,605</u>	<u>28,654</u>
	<u><u>1,952,605</u></u>	<u><u>28,654</u></u>

22 Events after the reporting date

Since 30th June 2022, 2 clubs, Wasps and Worcester, have been experiencing significant financial difficulties which are evolving rapidly. Those issues may, in a worst-case scenario, have a limited commercial impact on PRL revenue streams but not of such a magnitude to impact the viability of the league in the short or medium term.

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2022

23 Related party transactions

No director had any direct interest in the shares of the company. The Board of Directors represent the Premiership rugby clubs who own, and receive distributions from, Premier Rugby Limited. The interests of the directors in the Premiership clubs can be found in the financial statements of the individual clubs concerned.

At the balance sheet date, an amount of £10,413 (2021: £nil) was owed by PRL Investor Limited, an associated company.

At the balance sheet date, an amount of £413 (2021: £nil) was owed by Premier Rugby Holdco Limited, the parent company.

At the balance sheet date, an amount of £413 (2021: £nil) was owed by Premier Rugby Holdings LLP, the ultimate parent company.

24 Ultimate controlling party

The parent company of the entity is Premier Rugby Holdco Limited. The ultimate controlling party is Premier Rugby Holdings LLP, the accounts of which are publically available at its registered office Thomas House, 84 Eccleston Square, London, SW1V 1PX.

25 Cash generated from/(absorbed by) operations

	2022	2021
	£	£
Loss for the Year after tax	(36,111,021)	(19,035,787)
Adjustments for:		
Taxation credited	(4,630)	-
Finance costs	905,279	499,081
Investment income	(8,948)	(1,695)
Amortisation and impairment of intangible assets	22,803	22,804
Depreciation and impairment of tangible fixed assets	11,949	6,872
Other gains and losses	-	52
Movements in working capital:		
Decrease in debtors	46,166,548	8,039,303
Increase/(decrease) in creditors	5,046,719	(13,779,023)
Cash generated from/(absorbed by) operations	16,028,699	(24,248,393)

Premier Rugby Limited

Notes to the financial statements (continued)

For the year ended 30 June 2022

26 Analysis of changes in net debt

	1 July 2021 £	Cash flows £	30 June 2022 £
Cash at bank and in hand	25,728,634	619,396	26,348,030
Borrowings excluding overdrafts	(29,000,000)	-	(29,000,000)
	<u>(3,271,366)</u>	<u>619,396</u>	<u>(2,651,970)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.