

# Saracens Limited

Annual Report and Financial Statements

For the year ended 30 June 2022

Company Registration No. 03110665 (England and Wales)

# Saracens Limited

## Company Information

---

<b>Directors</b>	D Silvester F Pienaar N Golding V Luck L Mercey
<b>Company number</b>	03110665
<b>Registered office</b>	StoneX Stadium Greenlands Lane Hendon United Kingdom NW4 1RL
<b>Auditor</b>	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

---

# Saracens Limited

## Contents

---

	<b>Page</b>
Strategic report	1 - 5
Directors' report	6 - 7
Independent auditor's report	8 - 11
Statement of comprehensive income	12
Balance sheet	13
Statement of changes in equity	14
Notes to the financial statements	15 - 33

---

# Saracens Limited

## Strategic Report

For the year ended 30 June 2022

---

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

### Principal activities

The principal activity of Saracens Limited ('the Company') are those of a professional rugby union football club including entertainment, ticket sales, hospitality and merchandise. Saracens Limited is part of the wider Saracens Group ('Group'), the parent company being Saracens Group Holdings Limited. The Group also includes: Saracens Copthall LLP which holds the stadium assets and business; Premier Team Promotions Limited which stages entertainment and business events; and an investment in Saracens Mavericks Limited who are part of the Netball Super League. Additionally, affiliated to the Group are The Saracens Foundation which is the club's charitable arm and the Saracens Multi-Academy Trust which operates the Saracens High School. Accordingly, the description of activities below embraces the whole of the Group as well as explaining the strategic position of the Company.

### Fair review of the business

We assess progress towards our long-term goals with a series of KPI's, which in this reported year focussed on:

- Safeguarding our people first, caring, high-performance culture
- Retention of our key people and continuity
- Managing cash flow and meeting our financial targets
- Completing the Investment Agreement and as such securing new long term shareholder investment and financial sustainability
- Achieving entertaining, high sports performance
- Remaining at the forefront of women's sport
- Constructing the new West Stand at StoneX Stadium on time and budget
- Commitment to the community and having a substantial socio-economic impact
- Growing our audience
- Establishing leading Governance processes

### Putting people first

Our Group vision is: "Putting people first and enriching people's lives through sport and entertainment." This drives us every day to make a positive impact on people's lives. Or in the words of the far more eloquent Nelson Mandela: "What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others."

We believe that our greatest impact is to make a difference to people's lives, be they our direct employees, our volunteers, our supporters or the wider community. We believe that getting cared for and developed on a day-to-day basis so that our players and staff can fulfil their ambitions and develop as people, is a vital part of our high-performance culture.

We endeavour to provide our athletes with; a world class coaching, physical training, and medical environment, and by taking pro-active interest in the person, their family, and their life away from the game. Overall, our environment is sustained by being an enjoyable, positive, and caring place to be and work.

In addition to providing sporting pathways and the support of our Saracens Foundation and Multi-academy Trust (as below), we have invested in a Head of People to develop our people strategy, retention, recruitment, development pathways, mental health provision and to provide a focus on implementing EDI best practice.

# Saracens Limited

## Strategic Report (Continued)

For the year ended 30 June 2022

### Group financial position

Saracens Group Holdings Limited acquired its investments in its subsidiary undertakings, including Saracens Limited, in February 2022. The shareholders of Saracens Group Holdings Limited agreed to invest £32m of funds into Saracens Group Holdings Limited over the period to June 2024. These funds are intended primarily to be used to fund the working capital requirements of Saracens Limited (rugby activities), Saracens Copthall LLP (stadium asset holder) and other Group entities. As such, Saracens rugby and the wider Group are in an improved financial position and operate as going concerns.

The Group had consolidated net asset position of £6.2m as at June 2022, including £7m of cash in bank. Saracens Group Holdings Limited itself had a net asset position of £1.6m as at June 2022.

The Group has sufficient funds for working capital purposes as well as functioning its third-party debt and none of the Group entities have overdue payables to HMRC.

### Saracens Ltd financial performance

The Company's balance sheet improved materially during the year with the net position improving by £16.8m.

	£m	£m	£m
	21/22	20/21	Variance
Revenues	21.4	12.3	9.1
Operating loss	5.1	8.4	3.3

Revenues of Saracens Ltd recovered well following the impact of Covid and a year in the Championship. Revenues of £21.4m represent a £9.1m increase year on year. We are very pleased with the quick recovery, after an extremely challenging few years, and the return of revenues comparable to the 18/19 season.

The growth in revenues were primarily from commercial activities and there were many achievements during the year. The sponsorship team continued to achieve significant growth. Ticketing and Hospitality sales increased, and our first 'Showdown' game at Tottenham Hotspur was a success and one we are looking to build on in the 2022/23 season.

The £5.1m operating loss for the period was a £3.3m improvement year on year and we expect to reduce operating losses further in 2022/23. We forecast continued commercial growth in 2022/23: the recently completed West Stand is available for the whole season rather than only part of the season as was the case in 2021/22; Sponsorship revenues are expected to continue to grow, some of which is already contractually secured; and we expect further growth in our other commercial areas including events at StoneX Stadium.

### 2021/2022 season overview

From a Saracens Men's perspective, over 2,000 minutes were played in the 21/22 Premiership season, and it came down to three points in the last two minutes of the final. It was painful to lose at the final hurdle to a very good Leicester Tigers team but that does not define a season. Or in the words of our main club partner City Index and StoneX: "We simply couldn't be prouder of Saracens for giving it their all today. And knowing this team of winners, the rebuilding and preparation for next season starts now. It's been an epic season with so many memorable moments and we couldn't be more honoured to have been with you all the way." We have an incredibly special group with phenomenally special people who firmly believe that this is just the start of the next decade of memories.

On to our Saracens Women's team... Four successive Premier 15's finals and three times champions! But again, this is just the start of the journey and an even bigger legacy to build. We are so proud of how our women's team showed up against a talented Exeter team to win the final 43-21. Ruthless defence, immense resilience, moments of brilliance and they did it together. With regards to women's rugby, it feels like we are part of something very special, a massive turning point for the women's game where people are starting to sit up and notice.

# Saracens Limited

## Strategic Report (Continued)

For the year ended 30 June 2022

---

Our players are incredible role models for future generations, and they are paving the way for a seismic shift in the journey towards professionalism. All the coaching and support team deserve huge credit for enabling the team to play their best rugby at the business end of the season.

The live and digital audience of our Saracens Women's Rugby matches continued to grow, with an average of 559 spectators attending our home games and 57,767 watching the final digitally. Our growing audiences have enabled us to generate more income through significant sponsorship deals.

One of our key priorities is the support for our female athletes. This year, we started the journey of integrating our performance departments across our Saracens Men's, Saracens Women's Rugby, and Saracens Mavericks Netball teams. It's clear that by providing shared resources across these teams we can significantly improve the health, wellbeing and performance of our women's players. This has included providing full-time physiotherapy, strength and condition, psychology, and medical support for our Saracens Women's Rugby players, which has enabled us to improve their health and wellbeing.

Our Saracens Mavericks netball team had a season of ups and downs with some narrow losses which cost us the top four finish and a place in the play offs. There have been some changes for next season with Tamsin Greenway coming in as our Head of Strategic Performance and Camilla Buchanan stepping up to Head Coach. When Saracens decide to do something, we commit 100% and want to give it everything. Our desire for the Mavericks to become standard setters is absolute.

Saracens Mavericks continued to see over 700 people regularly attend our home fixtures at the Herts Sports Village. Unfortunately, our two games at the Essex Arena were not as popular with just over 400 people in attendance. We will review our home game venues moving forwards to ensure they are accessible to our regular fans and season ticket holders.

Our pathway programme continues to provide an exceptional route into professional netball for young girls with over 25 players moving into the vitality netball super league in the last five years, with more than half our senior team coming through our academy.

### Entertaining events

As an entertainment and sports business, Saracens Group Holdings Limited took ownership of the subsidiaries Premier Team Promotions (PTP) and UK Investor Show Ltd in February 2022, which have continued to provide a range of high-quality events such as Rugby Speaker of the Year, a London Christmas Sporting Lunch, player testimonial events and charitable dinners. After nearly two years of no events, it was amazing to see people interacting face to face with big smiles on their faces. It was a rebuilding year which saw the revenue for PTP rise back to £22.7m. The UK Investor Show, the UK's biggest one day investor event, came back in May 2022 after a two-year absence. As well as the launch of a smaller UK Investor Summit event which was held at StoneX Stadium. We believe it will take a further 12+ months (from the time of writing) for events business to fully recover from the pandemic and now the cost-of-living crisis. Given the economic backdrop, we are really pleased with the results the team managed to deliver. PTP delivered a net contribution to the Saracens Group of £0.6m.

### West Stand Project

The stadium asset itself sits in Saracens Copthall LLP, another Group entity, but Saracens Limited benefits from use of the stadium. The West Stand project continued to face enormous challenges throughout the year due to increases in the price of materials and turbulence within the construction labour market, making it very difficult to keep skilled labourers on site in the face of offers of more money on other projects. Despite these challenges the project remained on time and on budget.

Saracens were able to start using the lower seating bowl in the new stand from February 2022, earlier than originally expected, to the great joy of Saracens supporters. Completion of most of the external track and pitch facing works by June 2022 meant that the stadium was able to host a full schedule of athletics events during the summer of 2022.

# Saracens Limited

## Strategic Report (Continued)

For the year ended 30 June 2022

---

At the time of writing this report we have held several Men's and Women's home matches at StoneX Stadium with the full range of West Stand facilities available to us, and the positive impact on the spectator experience has been tremendous. New hospitality facilities such as The Park and the W Club have further enhanced our hospitality offering, whilst our players are now able to enjoy some of the best changing facilities in professional sport. As well as completing construction of the West Stand, we have also invested in a new covered area for our supporters behind the North Stand, fitted new television screens across the stadium, and enhanced our food and beverage offering, all of which has resulted in very positive feedback from our supporters and an excellent net promoter score which is measured at all home games at StoneX Stadium.

In addition to providing Saracens with excellent facilities, the new West Stand also provides a new home for Middlesex University who have signed a long-term lease and now occupy a significant proportion of the floor space within the building. The university have created a new home for their London Institute of Sport, School of Health Education and Natural Sciences departments, providing state of the art facilities for their staff and students. The potential of this partnership between Saracens Group and Middlesex University is extremely exciting and the process of knowledge sharing and exploring opportunities for shared value has begun and will be a focus for us as we move forwards.

We are extremely thankful for the continued support and positive partnership approach of both Barnet Council and Middlesex University.

### **Saracens Foundation & Socio-Economic Report**

This year, Saracens published an Ernst & Young report which has, for the very first time, enabled Saracens Foundation and the wider group to demonstrate our considerable economic and social impact on our communities. This independent report, commissioned by the Saracens Group, found that in the year prior to the COVID-19 pandemic, close to £1m was invested by the Saracens Foundation in health and wellbeing, education, and community initiatives, engaging over 12,600 diverse participants, delivering over 16,600 hours of community programming; this activity generated a social value of £5.9m.

The Saracens Foundation and wider Saracens Group showed a social return on investment (SROI) of £6.60 for every £1.00 invested. By comparison, the average SROI across sport is estimated at just £3.28. It's therefore clear that the Saracens Group provide more than double the SROI than similar sports organisations.

The EY report also showed the diverse demographics that access our charities projects with 43% being female, 29% having a disability and 43% from minority ethnic groups. We are proud that our programmes can reach and support people from a range of different backgrounds.

The report also highlighted that the Saracens Group made a £37m contribution to Gross Value Added in the UK and supported over 700 jobs. This is a vital economic impact on local people and communities. There were over 216,000 total visitors to StoneX Stadium (over the 12-month period measured), with visitors to Saracens Men's match days contributing £5.4m to the local tourist economy.

The Saracens Foundation continued to have a significant impact on the health, education, and employability of local people. The charity had a measurable impact on 13,475 local people in 2021/22, with over 57,404 secondary impacts on the wellbeing of family and friends of beneficiaries.

The Saracens Foundation launched a new project called 'Empower Her' which aimed to develop female business leaders of the future. The project, funded by Shawbrook Bank, supported 16 female professional athletes from our Saracens Women's Rugby and Saracens Mavericks Netball teams to achieve mentoring qualifications. These professional athletes mentored 16 girls and women aged between 16 and 24 from local grass roots clubs. These participants were then tasked with growing female participation in rugby and netball across their local clubs while also building up their work experience.

# Saracens Limited

## Strategic Report (Continued)

For the year ended 30 June 2022

---

Our Foundation also launched 'Project Breakdown' which supports young people in Pupil Referral Units. These young people are often some of the most disengaged and disadvantaged, with less than 1% achieving six GCSEs. The charities project aims to support these young people to transition back to traditional secondary schools where they will build better lives for themselves through increased educational attainment.

### **Saracens Multi-Academy Trust**

The Saracens High School has enjoyed an eventful and extremely positive period during 2021-22. Having started its fourth academic year in September 2021, the school moved into its brand new £32m building during the October half-term break. Having had to open and run the school from an old run-down primary school building for three years, it was with great relief and excitement that pupils, teachers, and staff entered the new school building. A fantastic spacious new building doesn't guarantee great education practice, but it does inspire and motivate pupils and teachers to perform to their best, a central focus of the school. At the time of producing this report work is ongoing to provide equally impressive sports pitches and accompanying facilities circa 700 meters away from the main school building.

To say that we are proud of what is being achieved at the Saracens High School would be a huge understatement. The school was founded and operates under the guidance of the four Saracens values – Discipline, Hard Work, Honesty and Humility, and when visiting the school these values and resulting behaviours by pupils and teachers is tangible. The school has sparked the imagination of Saracens supporters, players, coaches, and partners, many providing direct or indirect support to the school to enable activities and support services that otherwise wouldn't be affordable to the school.

### **Principal risks and uncertainties**

The Directors consider that the principal risks to the Group are changes to the competition structures, the financial sustainability of other Premiership clubs, the European Rugby commercial performance, the cost-of-living crisis negatively impacting ticket, hospitality and event sales and rising energy costs.

### **Governance**

One of our board goals at the start of the year was to establish leading governance processes. These include: risk management, ensuring no breaches in regulatory requirements, optimised business processes and systems, regular meetings of the risk and audit committee, having a clear vision and three year financial plan refreshed. I am pleased to say this board goal was met. Our Audit and Risk Committee as well as our Salary Cap Committee meet quarterly and are now well established.

We continue to prioritise strong financial governance processes. We have an experienced finance team who produce high-quality financial information.

The Board and shareholders continue to have a deep commitment to diversity, community, and sustainability. Furthermore, we will continue to maximise Saracens socio-economic impact, caring for our people and community, as well as being the stadium's sector leading environmental standards.

L Mercey

**Director and Chief Executive Officer**

23 December 2022



# Saracens 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.

### Results and dividends

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Silvester  
F Pienaar  
N Golding  
V Luck  
L Mercey

### 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.

### Auditor

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### 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.

# Saracens Limited

## Directors' Report (Continued)

For the year ended 30 June 2022

---

### **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.

### **Going concern**

The financial statements have been prepared on a going concern basis.

As in previous years, the company met its working capital needs through funds provided from the parent Saracens Group Holdings Limited (previously Premier Team Holdings Limited) and continues to do so going forward until becoming profitable. As at 30 June 2022, Saracens Group Holdings Limited itself had net assets of £1.6m and furthermore we fully expect the injection of additional funds in line with the £32m Investor Agreement completed in February 2022 by new investors, Kimono House Limited and Euroblue Investments Limited, to facilitate the operations of the company over twelve months from the date of the approval of the financial statements.

The business plan assumes the continued absence of prohibition on crowds from coronavirus but were this assumption not to be valid then the directors have contingency plans to reduce the impact on cash flow. Whilst there is some uncertainty over the future structure of the Premiership and there is a challenging general economic environment, both of which could impact the size of the crowds in attendance over a season, the directors are not aware of any other events or conditions beyond the period of their assessment that may cast significant doubt on the entity's ability to continue as a going concern.

On behalf of the board

V Luck  
**Director**

23 December 2022

# Saracens Limited

## Independent Auditor's Report

To the Members of Saracens Limited

---

### Opinion

We have audited the financial statements of Saracens 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 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 FRS 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.

### 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. 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.

# Saracens Limited

## Independent Auditor's Report (Continued)

To the Members of Saracens Limited

---

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our 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 and the Directors' Report.

We have nothing to report in respect of the following matters where 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.

# Saracens Limited

## Independent Auditor's Report (Continued)

### To the Members of Saracens Limited

---

#### **Auditor's responsibilities for the audit of the financial statements**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Saracens Limited

## Independent Auditor's Report (Continued)

### To the Members of Saracens Limited

---

#### **Explanation as to what extent 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

#### **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.

**Jamie Sherman (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

23 December 2022

**Chartered Accountants**  
**Statutory Auditor**

6th Floor  
9 Appold Street  
London  
EC2A 2AP

# Saracens Limited

## Statement of Comprehensive Income

For the year ended 30 June 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	21,404,558	12,314,758
Administrative expenses		(27,211,617)	(21,943,121)
Other operating income		680,234	1,212,186
<b>Operating loss</b>	<b>5</b>	(5,126,825)	(8,416,177)
Interest receivable and similar income	<b>8</b>	145,195	193,071
Interest payable and similar expenses	<b>9</b>	(138,391)	(66,237)
Fair value gains and losses	<b>10</b>	-	3,686,633
<b>Loss before taxation</b>		(5,120,021)	(4,602,710)
Tax on loss	<b>11</b>	196,893	(700,460)
<b>Loss for the financial year</b>		(4,923,128)	(5,303,170)

# Saracens Limited

## Balance Sheet

As at 30 June 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	12	42,856	75,795
Tangible assets	13	1,019,275	750,771
Investments	14	19,684,787	19,684,787
		<u>20,746,918</u>	<u>20,511,353</u>
<b>Current assets</b>			
Stock	15	129,033	241,264
Debtors	16	3,753,845	2,894,524
Cash at bank and in hand		608,344	2,635,242
		<u>4,491,222</u>	<u>5,771,030</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(16,275,492)</u>	<u>(30,759,874)</u>
<b>Net current liabilities</b>		<u>(11,784,270)</u>	<u>(24,988,844)</u>
<b>Total assets less current liabilities</b>		<u>8,962,648</u>	<u>(4,477,491)</u>
<b>Creditors: amounts falling due after more than one year</b>	18	(6,954,667)	(10,075,993)
<b>Provisions for liabilities</b>			
Deferred tax liability	21	<u>(3,137,945)</u>	<u>(3,334,838)</u>
<b>Net liabilities</b>		<u>(1,129,964)</u>	<u>(17,888,322)</u>
<b>Capital and reserves</b>			
Called up share capital	23	26,051,221	4,369,735
Share premium account		4,638,278	4,638,278
Profit and loss reserves		<u>(31,819,463)</u>	<u>(26,896,335)</u>
<b>Total equity</b>		<u>(1,129,964)</u>	<u>(17,888,322)</u>

The financial statements were approved by the board of directors and authorised for issue on 23 December 2022 and are signed on its behalf by:

V Luck  
Director

Company Registration No. 03110665



# Saracens Limited

## Statement of Changes in Equity

For the year ended 30 June 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2020</b>		4,369,735	4,638,278	(21,593,165)	(12,585,152)
<b>Year ended 30 June 2021:</b>					
Loss and total comprehensive income for the year		-	-	(5,303,170)	(5,303,170)
<b>Balance at 30 June 2021</b>		4,369,735	4,638,278	(26,896,335)	(17,888,322)
<b>Year ended 30 June 2022:</b>					
Loss and total comprehensive income for the year		-	-	(4,923,128)	(4,923,128)
Issue of share capital	23	21,681,486	-	-	21,681,486
<b>Balance at 30 June 2022</b>		26,051,221	4,638,278	(31,819,463)	(1,129,964)

# Saracens Limited

## Notes to the Financial Statements

For the year ended 30 June 2022

---

### 1 Accounting policies

#### Company information

Saracens Limited is a private company limited by shares incorporated in England and Wales. The registered office is StoneX Stadium, Greenlands Lane, Hendon, United Kingdom, NW4 1RL.

#### 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 £.

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 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; 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;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Saracens Group Holdings Limited. These consolidated financial statements are available from its registered office, StoneX Stadium, Greenlands Lane, London, NW4 1RL.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 1 Accounting policies

(Continued)

#### 1.2 Going concern

Notwithstanding net current liabilities of £11.8m as at 30 June 2022 (2021: £25.0m) and a loss for the year then ended of £4.9m (2021: £5.3m) the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As in previous years, the company met its working capital needs through funds provided from the parent Saracens Group Holdings Limited (previously Premier Team Holdings Limited) and continues to do so going forward until becoming profitable. As at 30 June 2022, Saracens Group Holdings Limited itself had net assets of £1.6m and furthermore we fully expect the injection of additional funds in line with the £32m Investor Agreement completed in February 2022 by new investors, Kimono House Limited and Euroblue Investments Limited, to facilitate the operations of the company over twelve months from the date of the approval of the financial statements.

The business plan assumes the continued absence of prohibition on crowds from coronavirus but were this assumption not to be valid then the directors have contingency plans to reduce the impact on cash flow. Whilst there is some uncertainty over the future structure of the Premiership and there is a challenging general economic environment, both of which could impact the size of the crowds in attendance over a season, the directors are not aware of any other events or conditions beyond the period of their assessment that may cast significant doubt on the entity's ability to continue as a going concern.

#### 1.3 Turnover

Turnover represents the amounts derived from ticketing and hospitality sales, merchandise, catering, stadium rental, executive boxes, sponsorship, Premier Rugby central income, RFU funding and non-matchday revenue arising from the sale of eventing space, net of value added tax. Turnover is recognised in the period to which it relates, and future income which has been received in advance is shown in the statement of financial position as deferred income.

#### 1.4 Intangible fixed assets - goodwill

Goodwill arising on the purchase of Saracens Rugby Football Club, being the excess of the cost of interests acquired over the fair value of underlying net assets, is amortised evenly over twenty years beginning in the year of acquisition. In the opinion of the directors, this represents the period over which the goodwill is effective.

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Computer software is capitalised and amortised over its useful economic life.

Software	4 years
----------	---------

#### 1.6 Tangible fixed assets

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

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 1 Accounting policies

(Continued)

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:

Leasehold improvements	3 years
Office and training equipment	3 to 4 years
Car park	25 years
Stadium equipment	3 to 4 years

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

The company is entitled to income from three classes of shares owned in Premier Rugby Limited; permanent 'P' shares, 'A' and 'B' shares. As a founding member of the Premiership, there was no cost associated with the acquisition of 'P', 'A', or 'B' shares. Further details of the basis of valuation of 'P' shares is given in the fixed asset investment note in the financial statements.

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.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Stock

Stock represents branded merchandise and catering stock and is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal.

At each reporting date, the company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The company has elected to apply 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 and cash and bank balances, 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.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

---

### 1 Accounting policies

(Continued)

#### **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.

#### **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.

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

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

---

### 1 Accounting policies

(Continued)

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently 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.

#### **1.12 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **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. Tax credits in relation to research and development expenditure are recognised when received.

##### **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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. 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.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

---

### 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 the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### 1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to the amounts received under the Coronavirus Job Retention Scheme where staff have been furloughed due to the global pandemic are recognised in the same periods as the related salary costs within other income. Other local council grants have been recognised in the period they were received, and are also included in other income.

#### 1.18 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 in the period are included in profit or loss.



# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

---

### 2 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.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### ***Lease arrangements***

In categorising leases as finance leases or operating leases, management makes judgements as to whether the significant risks and rewards of ownership have transferred to the company as a lessee, or to the lessee where the company is a lessor.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### ***Deferred tax asset***

The recoverable amount of the deferred tax asset is based on estimates of taxable profits in the foreseeable future. As such, the carrying value of the deferred tax asset is determined to be £nil. Further details are given in note 11 to the financial statements.

#### ***Valuation of 'P' shares***

The company holds an investment in 'P' shares in Premier Rugby Limited entitling the holder to future income streams. The investment in Premier Rugby Limited is held at the most recent valuation provided by Premier Rugby Limited and in accordance with other clubs in the league as described in note 14.

#### ***Treatment of CVC funds***

An agreement to sell a significant minority interest in Premiership Rugby Limited (PRL) to certain funds advised or managed by CVC Capital Partners (CVC Funds) was signed on 29 March 2019 and the club received a cash inflow of £12.8m as a result of this transaction. This income is being recognised in profit or loss over 48 months which is in line with the other major commercial contracts entered into by PRL, with amounts relating to future periods being recognised as deferred income, and this has been reflected in note 17.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 3 Turnover and other revenue

	2022 £	2021 £
<b>Turnover analysed by class of business</b>		
Rugby related activities	20,333,054	11,624,605
Stadium related activities	1,071,504	690,153
	<u>21,404,558</u>	<u>12,314,758</u>
	2022 £	2021 £
<b>Other significant revenue</b>		
Grants received	137,020	1,123,069
	<u>137,020</u>	<u>1,123,069</u>

### 4 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	38,500	37,500
	<u>38,500</u>	<u>37,500</u>
<b>For other services</b>		
Taxation compliance services	3,750	3,750
All other non-audit services	-	9,245
	<u>3,750</u>	<u>12,995</u>

### 5 Operating loss

	2022 £	2021 £
Operating loss for the year is stated after charging/(crediting):		
Government grants	(137,020)	(1,123,069)
Depreciation of owned tangible fixed assets	129,902	139,950
Amortisation of intangible assets	32,939	27,169
Cost of stock recognised as an expense	484,811	673,988
Operating lease charges	931,789	569,548
	<u>1,541,421</u>	<u>1,287,586</u>

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 6 Employees

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

	2022 Number	2021 Number
Players and coaching staff	107	108
Administration	52	47
	<u>159</u>	<u>155</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	12,666,450	9,601,892
Social security costs	1,571,563	1,073,887
Pension costs	179,407	138,298
	<u>14,417,420</u>	<u>10,814,077</u>

### 7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	-	94,750

### 8 Interest receivable and similar income

	2022 £	2021 £
<b>Income from fixed asset investments</b>		
Distribution receivable on fixed asset investment	145,195	193,071

### 9 Interest payable and similar expenses

	2022 £	2021 £
Other interest	138,391	66,237

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 10 Fair value gains and losses

	2022 £	2021 £
Other gains and losses	-	3,686,633

### 11 Taxation

	2022 £	2021 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(196,893)	700,460

The actual (credit)/charge 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	(5,120,021)	(4,602,710)
<i>Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)</i>	(972,804)	(874,515)
Tax effect of expenses that are not deductible in determining taxable profit	19,571	25,218
Unutilised tax losses carried forward	1,041,610	866,850
Depreciation and amortisation	27,833	26,591
Allowances deductible in determining taxable profit	(116,210)	(44,144)
Deferred tax arising on revaluation of investments	-	700,460
Deferred tax movement from changes in UK tax rate	1,053,107	-
Losses available for offset against future profits	(1,250,000)	-
Taxation (credit)/charge for the year	(196,893)	700,460

The company has tax losses of approximately £88 million (2021: £88 million) to use in future years (after considering the offset against the revaluation gains as detailed in note 21). The deferred tax asset measured at 25% (2021: 19%) has not been recognised except for below. On the basis of available evidence, it is more likely than not that there will be no taxable profits in the foreseeable future against which the asset can be recovered.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 12 Intangible fixed assets

	Goodwill £	Software £	Total £
<b>Cost</b>			
At 1 July 2021 and 30 June 2022	123,145	195,560	318,705
<b>Amortisation and impairment</b>			
At 1 July 2021	123,145	119,765	242,910
Amortisation charged for the year	-	32,939	32,939
At 30 June 2022	123,145	152,704	275,849
<b>Carrying amount</b>			
At 30 June 2022	-	42,856	42,856
At 30 June 2021	-	75,795	75,795

Amortisation of intangible fixed assets is included within net operating expenses in the statement of comprehensive income.

### 13 Tangible fixed assets

	Leasehold improvements £	Office and training equipment £	Car park £	Stadium equipment £	Total £
<b>Cost</b>					
At 1 July 2021	76,400	1,356,075	656,966	2,172,645	4,262,086
Additions	-	395,566	-	2,840	398,406
Disposals	-	(90)	-	-	(90)
At 30 June 2022	76,400	1,751,551	656,966	2,175,485	4,660,402
<b>Depreciation and impairment</b>					
At 1 July 2021	76,400	1,139,072	143,581	2,152,262	3,511,315
Depreciation charged in the year	-	85,833	26,279	17,790	129,902
Eliminated in respect of disposals	-	(90)	-	-	(90)
At 30 June 2022	76,400	1,224,815	169,860	2,170,052	3,641,127
<b>Carrying amount</b>					
At 30 June 2022	-	526,736	487,106	5,433	1,019,275
At 30 June 2021	-	217,003	513,385	20,383	750,771

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 14 Fixed asset investments

	2022 £	2021 £
Unlisted investments	19,684,787	19,684,787

£17,551,780 (2021: £17,551,780) of the above unlisted investments relates to an investment in Premiership Rugby Limited ("PRL").

In line with other shareholding clubs, the Company holds this investment at the most recent valuation provided by PRL which based on the income stream into perpetuity, discounted at a rate of 8%. There is a fixed charge registered in relation to these shares.

The company also holds, along with the CVC funds, an additional minority shareholding in PRL of £2,133,007. The investment is held at cost, which is based on the same valuation methodology.

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 July 2021 & 30 June 2022	19,684,787
<b>Carrying amount</b>	
At 30 June 2022	19,684,787
At 30 June 2021	19,684,787

### 15 Stock

	2022 £	2021 £
Finished goods and goods for resale	129,033	241,264

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 16 Debtors

	2022	2021 as restated
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	3,071,166	1,972,468
Other debtors	105,448	164,901
Prepayments and accrued income	577,231	757,155
	<u>3,753,845</u>	<u>2,894,524</u>

Amounts due from ticket sales in the current year have been included within trade debtors. To enable this to be comparable with prior years we have restated the prior year figures to reflect this change in treatment, with the overall effect on debtors being £nil.

### 17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Shareholder loans	19	-	925,000
Trade creditors		1,470,107	1,041,927
Amounts due to group undertakings		5,910,618	18,747,359
Other taxation and social security		1,056,797	681,288
Other creditors		201,793	326,286
Accruals and deferred Income		7,636,177	9,038,014
		<u>16,275,492</u>	<u>30,759,874</u>

Included in the above deferred income balance is an amount of £2,349,832 (2021: £3,133,109) that relates to the CVC deal signed on 29 March 2019 where the club received a cash inflow of £12.8m and this is being recognised over 48 months.

### 18 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Other borrowings	19	6,954,667	6,819,187
Deferred income		-	3,256,806
		<u>6,954,667</u>	<u>10,075,993</u>

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 19 Loans and overdrafts

	2022 £	2021 £
Shareholder loans	-	925,000
Other loans	6,954,667	6,819,187
	<u>6,954,667</u>	<u>7,744,187</u>
Payable within one year	-	925,000
Payable after one year	6,954,667	6,819,187
	<u>6,954,667</u>	<u>6,819,187</u>
Payable by installments	<u>6,954,667</u>	<u>6,819,187</u>

Shareholder loan of £nil (2021: £175,000) was subject to interest cover and capital repayments. Interest was payable on these loans at a variable interest rate at 1.5% above LIBOR. The remaining shareholder loan of £nil (2021: £750,000) was interest-free and repayable on demand.

Other loans amount relates to a DCMS loan under the government scheme, which attracts interest of 2% per annum. The first repayment date is 30 September 2024.

### 20 Provisions for liabilities

The provisions for liabilities recognised by the company are :

	Notes	2022 £	2021 £
Deferred tax liabilities	21	<u>3,137,945</u>	<u>3,334,838</u>

### 21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £
<b>Balances:</b>		
Valuation of unlisted investments	<u>3,137,945</u>	<u>3,334,838</u>



# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 21 Deferred taxation

(Continued)

Movements in the year:	£
Liability at 1 July 2021	3,334,838
Effect of change in tax rate - profit or loss	1,053,107
Utilisation of brought forward trading losses	(1,250,000)
Liability at 30 June 2022	<u>3,137,945</u>

The above deferred tax liability is not expected to reverse with 12 months of the reporting date. The deferred tax liability is a provision which would only become payable if the company was to sell its unlisted investment, which is currently held at £17,551,780, in Premier Rugby Limited. Given this investment is intrinsically linked to the existence of the Premiership league, this liability is extremely unlikely to become payable.

Unrecognised deferred tax assets, to the extent that they cannot be offset against the unlisted investment noted above, are shown in note 11 to the financial statements,

### 22 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>179,407</u>	<u>138,298</u>

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £44,948 (2021: £40,368 ) were payable to the fund at the year end and are included in creditors.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 23 Share capital

	2022 £	2021 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,198,806,869 Ordinary shares of 1p each	21,988,069	306,583
21,385,006 Deferred shares of 19p each	4,063,151	4,063,151
1 Special share of £1	1	1
	<u>26,051,221</u>	<u>4,369,735</u>

During the year the company issued 2,168,148,530 ordinary shares at par value of £0.01 per share.

Each ordinary share entitles the holder to one vote at general meetings. The deferred shares shall rank *pari passu* with the ordinary shares of 1p each in the capital of the company in respect of dividends and on a return of capital (whether in a winding up or otherwise), save that all of the holders of the deferred shares shall, in aggregate, be entitled to payment of 1p on any dividend and 1p on a return of capital. The deferred shares shall not entitle the holders thereof to receive notice or attend or vote at any general meetings of the company, shall not be redeemable, and shall not be capable of transfer at any time hereafter other than as provided with the consent of the directors of the company.

The special share may only be held or transferred to the amateur club, Saracens Amateur RFC, providing certain rights relating to the name and activities of the club. It confers no voting rights on the holder of the special share.

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 24 Reserves

#### Profit and loss reserves

The profit and loss account represents cumulative profit and loss net of distribution to owners, and the fair value reserve previously shown separately. This reflects the treatment of fair value gains and losses on investments under FRS 102 which requires such gains and losses to be shown in profit or loss. As the gains or losses relate to unlisted investments, they are not distributable until the gains or losses are realised on disposal.

### 25 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	1,713,750	904,548
Between two and five years	5,785,285	170,576
	<u>7,499,035</u>	<u>1,075,124</u>

The company signed a new lease for stadium rental conditional on the West Stand development completing, which occurred in July 2022, where the new commitment replaces the current lease. The total annual commitment under the new agreement is £1,000,000 per annum.

### 26 Ultimate controlling party

The immediate parent company is Saracens Group Holdings Limited, a company incorporated in the UK (2021: Premier Team Holdings Limited, a company incorporated in the UK) and is the parent of the largest and smallest group for which consolidated accounts are prepared. The registered office of Saracens Group Holdings Limited is StoneX Stadium, Greenlands Lane, Hendon, London, NW4 1RL.

The ultimate parent company is Kimono House Limited, a company incorporated in the UK (2021: Premier Team Holdings Limited, a company incorporated in the UK).

### 27 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>255,730</u>	<u>94,750</u>

# Saracens Limited

## Notes to the Financial Statements (Continued)

For the year ended 30 June 2022

### 27 Related party transactions

(Continued)

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales to related parties		Purchases from related parties	
	2022	2021	2022	2021
	£	£	£	£
Saracens Copthall LLP	64,321	75	265,000	250,000
Other related parties	170,238	51,419	641,118	979,392
	<u>234,559</u>	<u>51,494</u>	<u>906,118</u>	<u>1,229,392</u>

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
<b>Amounts owed to related parties</b>		
Premier Team Holdings Limited	-	18,747,359
Saracens Mavericks Limited	-	41,671
Premier Team Promotions Limited	40,295	-
Shareholder loans	-	925,000
Saracens Copthall LLP	260,324	94,046
Saracens Group Holdings Limited	5,610,000	-
Other related parties	-	173
	<u>5,910,619</u>	<u>1,063,179</u>

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
<b>Amounts owed by related parties</b>		
Saracens Mavericks Limited	86,702	-
Other related parties	-	473
	<u>86,702</u>	<u>473</u>

There were no amounts owed in the previous period.

The amounts owed to/from other related parties which are under common control with the company, or have directors in common, are interest free and have no fixed repayment date.

Saracens Mavericks Limited is a joint venture of Saracens Group Holdings Limited, the parent company.  
Saracens Copthall LLP is a related entity due to the direct ownership by Saracens Limited.

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.