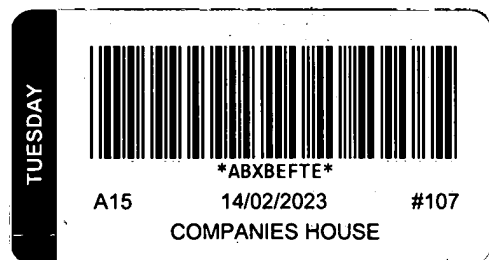


**Company Registration No. 57186**

**Tottenham Hotspur Football & Athletic  
Co. Ltd**

**Report and Financial Statements**

**30 June 2022**



# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Report and financial statements 2022**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Strategic report</b>	<b>2</b>
<b>Directors' report</b>	<b>6</b>
<b>Directors' responsibilities statement</b>	<b>9</b>
<b>Independent auditor's report</b>	<b>10</b>
<b>Income statement</b>	<b>13</b>
<b>Balance sheet</b>	<b>14</b>
<b>Statement of changes in equity</b>	<b>15</b>
<b>Notes to the accounts</b>	<b>16</b>

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Report and financial statements 2022**

### **Officers and professional advisers**

#### **Directors**

D P Levy  
M J Collecott  
D Cullen  
T L Kline - Appointed 1 October 2021

#### **Secretary**

M J Collecott

#### **Registered Office**

Lilywhite House  
782 High Road  
Tottenham  
London  
N17 0BX

#### **Bankers**

HSBC Bank plc  
70 Pall Mall  
London  
SW1Y 5EZ

#### **Solicitors**

Slaughter and May LLP  
1 Bunhill Row  
London  
EC1Y 8YY

#### **Auditor**

Deloitte LLP  
Statutory Auditor  
London

# Tottenham Hotspur Football & Athletic Co. Ltd

## Strategic report

The Directors present their Strategic Report on the affairs of Tottenham Hotspur Football & Athletic Co. Ltd together with the Directors' Report, Financial Statements and Auditor's Report for the year ended 30 June 2022. In preparing this strategic report, they have complied with s414C of the Companies Act 2006.

### Principal activities and business review

The principal activities of Tottenham Hotspur Football & Athletic Co. Ltd ("the Company") continue to be the operation of a professional football club in England together with related commercial activities.

Under a management agreement Tottenham Hotspur Football Co Ltd provides use of a Training Centre and ancillary services to the Company. Under a management agreement the Company provides a football team to compete in matches at the Tottenham Hotspur Stadium ("THS") to Tottenham Hotspur Stadium Limited.

The 2021-22 season saw fans return to the stadium following the previous season being played predominantly behind closed doors. Whilst the season was disrupted by the COVID-19 Omicron variant and restrictions around international travel, the second half of the season started to see a return to pre-pandemic levels of attendance and overall activity in the various business areas. The comparative season in the Financial statements, the 2020-21 season, was severely disrupted by the global pandemic caused by COVID-19 and consequently the season was played predominantly behind closed doors resulting in lost matchday revenue. Furthermore, within the prior year financial statements, seven fixtures from the 19/20 season took place, leading to delayed revenues accounted for within 2020-21. In the current period the NFL returned to THS, and the stadium was able to host the boxing fight between Anthony Joshua and Oleksandr Usyk, the Rugby Union match between Saracens and Bristol Bears and the Rugby League Challenge Cup Final. In the summer post year end the first concerts were hosted with Guns N Roses and Lady Gaga playing shows postponed since 2020. The club signed a new commercial deal with Getir within the period and also launched SpursPlay post year end, an original content subscription service.

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

### Future Developments

The Company will continue in the operation of a professional football club, deriving its revenue from media, sponsorship and commercial activities.

### Key Performance Indicators

The key performance indicators for the Group are revenue and operating profit, both of which are outlined in more detail below.

#### Revenue

Revenue increased on the previous year. Revenue for the year before exceptional items (note 2) was £338.7m (2021: £334.4m) and revenue for the year after exceptional items was £338.1m (2021: £332.9m).

The Club participated in the UEFA Europa Conference League Group Stages (2021: The Club participated in the Group Stages and reached the Round of 16 of the UEFA Europa League) resulting in prize money of £10.2m (2021: £25.6m).

Revenue from the domestic cup competitions earned the Club £0.8m (2021: £0.2m) having reached the fifth round of the FA Cup (2021: fifth round) and semi-final of the EFL Cup (2021: runners up).

Television and media revenues decreased to £144.1m (2021: £183.9m). This is as a result of revenue deferred to the 2020/21 financial year in respect of the 2019/20 season due to that season straddling both years. The Club finished in 4<sup>th</sup> position in the Premier League ("PL") (2021: 7<sup>th</sup> position).

Sponsorship income increased to £124.7m (2021: £113.8m). Other income streams increased to £26.1m (2021: £10.8m). The increase was driven by the Matchday catering revenue and the ability to host stadium tours and a pre-season tour without restrictions.

# Tottenham Hotspur Football & Athletic Co. Ltd

## Strategic report (continued)

### Operating expenses (excluding football trading)

Operating expenses before football trading decreased by £3.6m and 1% from £368.2m to £364.6m in the year mainly driven by management fee recharges offset by stadium operating costs. Included within operating expenses before football trading is depreciation of £10.1m (2021: £10.7m).

### Loss from operations

Loss from operations, excluding football trading and before exceptional items, depreciation and amortisation was £16.4m (2021: loss of £23.2m) and after deducting exceptional items and depreciation was £26.5m (2021: £35.3m).

### Amortisation and impairment of intangible assets

Amortisation and impairment of intangible assets and other football trading-related expenditure (net of income) has decreased to £79.9m (2021: £82.9m) as a result of further investment in the playing squad.

### Profit on disposal of intangible assets

Profit on the disposal of intangible assets was £19.2m for the financial year (2021: £18.9m) which included the sales of Eric Lamela to Sevilla and Juan Foyth to Villarreal.

### Loss for the period

The overall result of the above is a loss after taxation of £82.6m (2021: loss after taxation of £101.4m).

### Financial Fair Play

The Club continues to comply and support both UEFA and the Premier League Financial Fair Play criteria, which is assessed at the consolidated level.

### Financial risk management objectives and policies

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Company's business the only financial risks that the Directors consider relevant to the Company are interest rate risk, currency risk and cash flow risk.

The Company addresses cash flow risk carefully, managing its working capital inflows and outflows. The Company hedges its interest exposure by using fixed interest rate facilities where it is deemed appropriate. The Company is exposed to foreign currency exchange risk through its player transactions but manages its working capital inflows and outflows to minimise any material foreign exchange risk. The Company does not enter into complex financial instruments for speculative purposes.

### Section 172(1) Statement

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

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

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

# Tottenham Hotspur Football & Athletic Co. Ltd

## Strategic report (continued)

### Section 172(1) Statement (continued)

#### Long term consequences

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

#### Interest of employees

- The health, safety and well-being of our employees is one of our primary considerations. We put a great emphasis on employee consultation, we actively promote equality and diversity, and we are committed to paying the London Living Wage. See the strategic report for more information on these areas
- We have launched SPURS Connect, a staff well-being initiative which has been set up to increase connectedness in the changing work environment caused by the pandemic
- We are committed to ensuring that male and female employees are paid equally for equivalent work and release an annual Gender Pay Gap Report to support this. In addition, in the period we achieved the Advanced Premier League Equality, Diversity and Inclusion Standard

#### Interest of other stakeholders (suppliers, customers, others)

- Fans
  - Fans are the lifeblood of our club and are always foremost in our decision-making
  - We are proud to have an ever-increasing number of Supporters Clubs around the world
  - The Board meets regularly with the Tottenham Hotspur Supporters Trust and other fan groups, to discuss the key issues affecting fans
- Partners
  - Our commercial partners remain as important to us as ever and we are pleased to have multi-year contracts with key partners across a variety of industries
- Suppliers
  - We value all our suppliers and have long-standing contracts with key suppliers who share our core values

#### Impact of community & environment

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

- The Club's independent charitable body, the Tottenham Hotspur Foundation, works to create opportunities that change the lives of those living in our local communities and around the world
- Our Community Outreach Programmes focus on tackling Tottenham youth unemployment and crime through sport

# Tottenham Hotspur Football & Athletic Co. Ltd

## Strategic report (continued)

### Section 172(1) Statement (continued)

- During the COVID-19 pandemic the Company arranged for THS to be used to deliver vital NHS services, the relocation of the neo-natal unit, and a food bank
- We have sought to source more environmentally sustainable alternatives to single-use plastic and will continue to do so as part of our commitment to phasing out single-use plastics from all our operations.
- We have designed and built Club facilities with sustainability and environmental impact a foremost consideration, and will continue to do so.

### High standards of business conduct

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

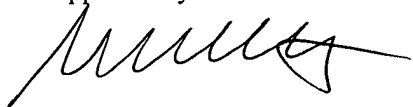
### Act fairly between shareholders

- The Company agreed on delisting in order to retain a public company based structure which ensures we retain non-executive directors and remuneration, nomination, and audit committees.

### SECR Energy Use and Carbon Emissions Disclosure

The Company has taken the parent company exemption from preparing carbon emission disclosures. Further information can be found in the consolidated financial statements of Tottenham Hotspur Limited. For further details refer to note 1.

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



M J Collecott  
Secretary

15/12 2022

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Directors' report**

### **Directors**

The Directors who served throughout the period and up to the date of signing were as follows:

D P Levy

M J Collecott

D Cullen

T L Kline – appointed 1<sup>st</sup> October 2021

There are no directors' interests in the share capital of the Company that are required to be disclosed.

### **Dividends and results**

The Directors do not recommend the payment of a dividend for the current period or through to date of signing (2021: £nil). The Company made a loss after tax for the year of £82,643,000 (2021: loss of £101,423,000) and the net liabilities as at 30 June 2022 were £87,801,000 (2021: net liabilities of £5,158,000).

### **Disclosure of information to the auditor**

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is not aware; and
- the director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

### **Contingent assets and liabilities and post balance sheet events**

Details are included in notes 18 and 19 to the accounts.

### **Financial risk management objectives and policies**

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

### **Donations**

During the year ended 30 June 2022 the Company made charitable donations of £425,000 (2021: £139,000). There were no political donations during the year (2021: £nil). The Group, headed by Tottenham Hotspur Limited, makes many other contributions of Tottenham Hotspur Football Club memorabilia to local registered charities, especially in the Haringey and Enfield districts and adjacent catchment areas.

### **Employees**

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

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

### **Risks and uncertainties**

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

- the negotiation and pricing of broadcasting contracts;
- the recruitment and retention of key employees;
- the performance and popularity of the first team; and



# Tottenham Hotspur Football & Athletic Co. Ltd

## Directors' report

- the renewal of key commercial agreements on similar or improved terms.

### Going concern

The Company made a loss for the year and has net current liabilities and net liabilities at 30 June 2022. The financial statements have been prepared on the going concern basis because the parent company, Tottenham Hotspur Limited, stated that it will provide the necessary financial support to the Company for at least twelve months from the date these accounts are signed.

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

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

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

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

### Matters included in the Strategic Report

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

### Disclosure of information to the auditor

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

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

### Re-appointment of Auditor

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

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

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Directors' report**

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

M J Collecott



Secretary

15/12 2022

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Directors' responsibilities statement**

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare such financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Tottenham Hotspur Football & Athletic Co. Ltd:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the loss for the year then ended;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statements of changes in equity; and
- the related notes to the financial statements 1 to 22.

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

#### **Basis for opinion**

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

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

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

We have nothing to report in this regard.

## **Responsibilities of directors**

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

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

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

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

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

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

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

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

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

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

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

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

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

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

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

#### **Report on other legal and regulatory requirements**

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

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

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

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

#### **Matters on which we are required to report by exception**

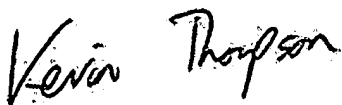
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

#### **Use of our report**

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



Kevin Thompson (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

15th December 2022

# Tottenham Hotspur Football & Athletic Co. Ltd

## Income statement Year ended 30 June 2022

	Notes	Operations excluding football trading* £'000	Football trading * £'000	2022 Total £'000	2021 Total £'000
<b>Revenue</b>	2	338,111	-	338,111	332,917
Operating expenses	3	(364,621)	(79,893)	(444,514)	(451,129)
<b>Operating loss</b>	4	(26,510)	(79,893)	(106,403)	(118,212)
Profit on disposal of intangible fixed assets	6	-	19,150	19,150	18,939
<b>Loss from operations</b>		(26,510)	(60,743)	(87,253)	(99,273)
Net finance costs	7			(15,220)	(18,262)
<b>Loss on ordinary activities before taxation</b>				(102,473)	(117,535)
Tax credit on loss on ordinary activities	8			19,830	16,112
<b>Retained loss for the financial year</b>				<u>(82,643)</u>	<u>(101,423)</u>

*\*Football trading represents the amortisation, impairment, and the profit or loss on disposal of intangible fixed assets and other football trading related income and expenditure.*

*See note 3 for a breakdown.*

The above results for the current and prior year all derive from continuing operations.

There is no other comprehensive income in either period other than the loss as stated above and therefore no statement of comprehensive income is presented.

# Tottenham Hotspur Football & Athletic Co. Ltd

## Balance sheet At 30 June 2022

	Notes	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Property, plant and equipment	9	45,128	50,238
Intangible assets	10	279,049	204,758
Investments in financial assets	11	57	263
Trade receivables due after one year	12	4,206	4,030
		<u>328,440</u>	<u>259,289</u>
<b>Current assets</b>			
Trade and other receivables	12	272,161	293,933
Cash and cash equivalents		53,460	13,410
		<u>325,621</u>	<u>307,343</u>
<b>Current liabilities</b>	13	<u>(478,180)</u>	<u>(328,997)</u>
<b>Net current liabilities</b>		<u>(152,559)</u>	<u>(21,654)</u>
<b>Total assets less current liabilities</b>		175,881	237,635
<b>Non-current liabilities</b>	14	(229,885)	(211,260)
<b>Provisions for liabilities</b>	15	<u>(33,797)</u>	<u>(31,533)</u>
<b>Net liabilities</b>		<u>(87,801)</u>	<u>(5,158)</u>
<b>Equity</b>			
Share capital	16	54	54
Share premium		1,083	1,083
Retained loss		<u>(88,938)</u>	<u>(6,295)</u>
<b>Net liabilities</b>		<u>(87,801)</u>	<u>(5,158)</u>

The financial statements of Tottenham Hotspur Football & Athletic Co. Ltd, registered number 57186, were approved by the Board of Directors and authorised for issue on 15 / 12 2022.

Signed on behalf of the Board of Directors



M J Collecott  
Director



# Tottenham Hotspur Football & Athletic Co. Ltd

## Statement of changes in equity Year ended 30 June 2022

	Share capital £'000	Share premium £'000	Retained earnings/(loss) £'000	Total £'000
<b>Balance at 1 July 2020</b>	<b>54</b>	<b>1,083</b>	<b>95,128</b>	<b>96,265</b>
Loss for the year	-	-	(101,423)	(101,423)
<b>Balance at 30 June 2021</b>	<b>54</b>	<b>1,083</b>	<b>(6,295)</b>	<b>(5,158)</b>
Loss for the year	-	-	(82,643)	(82,643)
<b>Balance at 30 June 2022</b>	<b>54</b>	<b>1,083</b>	<b>(88,938)</b>	<b>(87,801)</b>

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Notes to the accounts Year ended 30 June 2022**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and preceding financial year, are described below.

#### **General information**

Tottenham Hotspur Football & Athletic Co. Ltd is a private company limited by shares, registered in England and Wales, and incorporated in the United Kingdom under the Companies Act 2006. The principal activity of the Company is described in the Strategic report (page 2).

#### **Basis of preparation**

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

The financial statements have been prepared on the historical cost basis and in accordance with the Companies Act 2006.

The presentation and functional currency of the Company is pounds sterling. The financial statements are presented in thousands of pounds (£'000) unless stated otherwise.

#### **Summary of disclosure exemptions**

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

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

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

#### **Cash flow statement**

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash-flow statement. Where required, equivalent disclosures are given in the consolidated accounts of Tottenham Hotspur Limited. The consolidated accounts of Tottenham Hotspur Limited are publicly available.

#### **Going concern**

The Company has net current liabilities at 30 June 2022. The Board of Directors continually monitor the Group's exposure to a range of risks and uncertainties, including the success of the First Team and our level of spending thereon, and the current economic downturn. The financial statements have been prepared on the going concern basis because the parent company, Tottenham Hotspur Limited, stated that it will provide the necessary financial support to the Company for the period of at least 12 months from the date these accounts are signed. The parent company directors prepare budgets and forecasts and have produced detailed and realistic cash flow projections which are reviewed on an ongoing basis. These demonstrate that the parent company has the financial capability to satisfy this obligation. Further detail is contained in the Directors' report on page 7.

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Notes to the accounts Year ended 30 June 2022**

### **1. Accounting policies (continued)**

#### **Revenue**

Revenue represents television income, sponsorship income and management fees receivable, measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, exclusive of VAT.

Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues is recognised over the duration of the football season whilst facility fees received for live coverage or highlights are taken when earned. Merit fee payments are accounted for on the basis of management's prudent best estimate of league position at year-end, to the extent that it is highly probable that there won't be a subsequent material reversal to revenue recognised.

IFRS 15 requires the Company to determine revenues recognised at a point in time from those recognised over time. All revenues are deemed to be recognised over time. As a result of the specific guidance in IFRS 15, revenue on certain commercial contracts will be higher under the new standard with an associated finance cost recognised over the period of each commercial contract.

#### **Exceptional items**

Exceptional items relate to significant and unusual revenues or costs experienced by the Group. They are identified on a case by case basis, and are recognised at contractual value, market value or best estimate depending on the nature of the item identified. In the period they relate to a broadcast rebate due as a result of the disrupted football season caused by the COVID-19 pandemic and onerous employment contracts.

#### **Foreign exchange**

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

#### **Corporation tax**

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

The tax currently payable is based on taxable profit for the year. Taxable profits differ from net profit as reported in the Income statement because they exclude items of income or expense that are taxable or deductible in other years and they further exclude items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been substantively enacted by the balance sheet date.

#### **Deferred tax**

Deferred tax is the tax expected to be payable on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is charged or credited in the income statement.

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts

### Year ended 30 June 2022

#### 1. Accounting policies (continued)

##### Leases

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

##### Pension costs

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

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

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

##### Player costs and transactions

###### *a) Initial capitalisation*

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

###### *(b) Amortisation*

These costs are fully amortised on a straight-line basis over their useful economic lives, in equal annual instalments over the period of the respective contracts. Where a contract life is renegotiated, the unamortised costs, together with the new costs relating to the contract extension, are amortised over the term of the new contract.

###### *(c) Contingent consideration*

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

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 1. Accounting policies (continued)

#### (d) Impairment

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

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

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

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

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

- in the case of a player who has suffered a career-threatening injury, the value attributed to the player by the Group's insurers;
- in the case of a player who has permanently fallen out with the Group's senior football management and Directors, or where they decided the player is not part of the Club's plans, then either:
  - i) the agreed selling price in the event the player has been transferred subsequent to the year end; or
  - ii) if there have not been any bids for the player, management's best estimation of the disposal proceeds (less costs) of the player on an arm's length basis. This is determined by the Group's senior football management in conjunction with the Directors who will use the outcome of recent player disposals (by both the Group and other football clubs) as a basis for their estimation.

#### (e) Disposals

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

#### (f) Remuneration

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

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

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

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts

### Year ended 30 June 2022

#### 1. Accounting policies (continued)

##### Computer Software

Computer software is stated at cost net of amortisation and any provision for impairment.

Amortisation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rate of amortisation for computer software is 33% straight line.

##### Property, Plant and equipment

Property, plant and equipment is stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Leasehold improvements	Over the length of the lease
Plant and equipment	20 - 33% straight-line

Assets under the course of construction are carried at cost less depreciation until the date of transfer. Depreciation commences when the assets are ready for their intended use.

##### Financial instruments

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

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

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

##### Impairment of financial assets

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

##### Critical accounting judgements and sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. There are no critical accounting judgements.

##### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

##### Property, plant and equipment and intangible assets

All non-current assets, including property, plant and equipment (note 9) and intangible assets (note 10), are reviewed for potential impairment using estimates of the future economic benefits attributable to them. Such estimates involve assumptions in relation to future ticket income, media and sponsorship revenue and on pitch performance. Any estimates of future economic benefits made in relation to non-current assets may differ from the benefits that ultimately arise, and materially affect, the recoverable value of the asset.

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 1. Accounting policies (continued)

#### Current taxation

The complex nature of tax legislation under which the Company operates necessitates the use of many estimates and assumptions, where the outcome may differ from that assumed (note 8).

### 2. Revenue

Revenue, which all derives from the Company's principal activity, is analysed as follows:

	2022 £'000	2021 £'000
<b>Revenue comprises:</b>		
Cup competitions – Gate receipts and prize money	834	224
Sponsorship	124,716	113,847
Media and broadcasting (before exceptional items)	144,123	183,868
Management fee receivable	32,817	-
UEFA solidarity and prize money (before exceptional items)	10,171	25,626
Other	26,063	10,819
Revenue before exceptional items	338,724	334,384
Exceptional item		
- Premier League rebate 2019-20	-	524
- UEFA rebate re 2019-20	(613)	(1,991)
	<u>338,111</u>	<u>332,917</u>

All revenue derives from activities in the United Kingdom and is exclusive of VAT.

Management fee receivable relates to a fee paid by another company in the Group for the provision of a football team to utilise the stadium. It is a net payable in the current period due to games being played behind closed doors.

All revenue is recognised over time.

### 3. Operating expenses

	2022 £'000	2021 £'000
Staff costs (see note 5)	186,994	201,085
Amortisation, impairments and other net football trading income and expenditure	79,893	82,888
Exceptional items		
- Onerous employment contracts	528	2,917
Other operating costs	177,099	164,239
	<u>444,514</u>	<u>451,129</u>

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 4. Operating loss

	2022 £'000	2021 £'000
<b>Operating loss is stated after charging:</b>		
Amortisation of intangible fixed assets	79,523	73,812
Impairment of intangible fixed assets	1,843	8,536
Depreciation	10,145	10,674
Charitable donations	425	139
Amounts paid under short-term leases – land and buildings (see note 20)	743	743
Management fees payable	19,141	122,539

The audit fee of £20,000 (2021: £20,000) is borne by another group company in the current year and prior year. No fees were paid to the Company's auditor or affiliated entities, relating to other services, during the year. Refer to the Tottenham Hotspur Limited financial statements for full disclosure of fees payable to the auditor.

Management fees payable relate to remuneration for use of brand IP and provision of a stadium in which to play football matches as a result of games being played behind closed doors.

### 5. Staff number and costs

	2022	2021
The average number of employees (including Directors) during the year was as follows:		
Players and football administration staff	270	252
Stadium operations and support staff	328	289
	<u>598</u>	<u>541</u>

The aggregate payroll costs of these employees (including Directors) was as follows:

	2022 £'000	2021 £'000
Wages, salaries and bonuses	178,183	176,398
Social security costs	26,054	24,149
Other pension costs (see note 17)	851	538
	<u>205,088</u>	<u>201,085</u>

In addition and not included in the above, the Company employs on average 292 temporary staff on match days (2021: 55), significantly higher than the prior year due to 2020/21 fixtures being played behind closed doors. In addition to the above payroll costs, redundancy costs and costs of onerous employment contracts of £544,320 (2021: £3,021,000) were also charged to the income statement during the year.

The total aggregate remuneration of the Directors, who are deemed to represent Key Management Personnel, for the year was £6,773,000 (2021: £4,016,000) including pension costs of £2,000 (2021: £2,000). The highest paid Director received total remuneration of £3,265,000 (2021: £2,698,000). The number of Directors for whom retirement benefits are accruing under a money purchase pension scheme is two (2021: two).



# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts

### Year ended 30 June 2022

#### 6. Profit on disposal of intangible fixed assets

	2022 £'000	2021 £'000
Proceeds	30,973	20,039
Net book value of disposals	(11,823)	(1,100)
	<u>19,150</u>	<u>18,939</u>

#### 7. Net finance costs

	2022 £'000	2021 £'000
Net notional interest expense on deferred payments for players' registrations	8,652	8,729
Net notional interest expense on deferred income relating to commercial revenues	6,350	9,420
Interest receivable	12	12
Net loss arising on financial assets mandatorily measured at FVTPL*	206	101
	<u>15,220</u>	<u>18,262</u>

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

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 8. Tax credit

	2022 £'000	2021 £'000
<b>Current tax</b>		
UK Corporation tax credit on losses for the year at 19% (2021: 19%)	13,029	13,368
Adjustment in respect of prior year	(1,305)	(12,508)
Foreign tax suffered	(5)	-
Current tax credit	<u>11,719</u>	<u>860</u>
<b>Deferred tax</b>		
Origin and reversal of timing differences in prior years	(610)	12,301
Origin and reversal of timing differences in current year	6,628	8,530
Rollover relief	-	-
Difference in tax rates	2,093	(5,579)
Deferred tax credit	<u>8,111</u>	<u>15,252</u>
Total tax credit	<u>19,830</u>	<u>16,112</u>
<b>Reconciliation of the tax charge</b>		
Loss before taxation	<u>(102,473)</u>	<u>(117,536)</u>
Tax on loss before taxation at the UK statutory rate of 19% (2021: 19%)	19,470	22,332
Expenses not deductible	(397)	(412)
Effects of overseas tax rates	(4)	(22)
Difference in tax rates	2,093	(5,579)
Other prior year adjustments	(1,332)	(207)
Total tax credit	<u>19,830</u>	<u>16,112</u>

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

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts

### Year ended 30 June 2022

#### 9. Property, plant and equipment

	Right of use assets £'000	Leasehold property £'000	Plant and equipment £'000	Assets under construction £'000	Total £'000
<b>Cost</b>					
At 1 July 2021	17,389	11,567	52,199	156	81,311
Additions	-	-	4,800	1,019	5,819
Disposal	-	-	(522)	(3)	(525)
Transfer of Assets	-	-	(508)	(178)	(686)
At 30 June 2022	17,389	11,567	55,969	994	85,919
<b>Accumulated depreciation</b>					
At 1 July 2021	884	1,669	28,518	-	31,071
Charge for the year	442	264	9,440	-	10,146
Disposal	-	-	(229)	-	(229)
Transfer of Asset	-	-	(198)	-	(198)
At 30 June 2022	1,326	1,933	37,531	-	40,790
<b>Net book value</b>					
At 30 June 2022	16,063	9,634	18,437	994	45,128
At 30 June 2021	16,505	10,162	23,674	156	50,497

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

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 10. Intangible fixed assets

	Playing Squad £'000	Computer Software £'000	Total £'000
<b>Cost of registrations</b>			
At 1 July 2021	480,709	-	480,709
Additions	160,251	487	160,251
Transfer of Assets	-	686	686
Disposals	(129,214)	-	(129,214)
At 30 June 2022	511,746	1,173	511,746
<b>Amortisation and impairment of registrations</b>			
At 1 July 2021	275,951	-	275,951
Charged in year – amortisation	79,229	294	79,223
Charged in year – impairment	1,843	-	1,843
Transfer of Assets	-	198	
Disposals	(123,645)	-	(123,797)
At 30 June 2022	233,378	492	233,220
<b>Net book value of registrations</b>			
At 30 June 2022	278,368	681	279,049
At 30 June 2021	204,758	-	204,758

Intangible assets relate predominantly to the carrying value of the playing squad and are being amortised over the remaining length of the Players' contracts which are between one and five years. In the period, capitalised player registrations relating to one individual (2021: two) were impaired by £1,843,000 (2021: £8,536,000). Impairment losses were incurred where there was evidence that the carrying value of the player may not be recoverable in accordance with the Group's accounting policy. Recoverable amounts have been estimated as fair values less costs of disposal, in accordance with the Group's accounting policy.

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

### 11. Investments in financial assets

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

On 11 March 2021 the Company purchased 457 €1 shares in Onefootball GmbH. As at the balance sheet date the shareholding was valued in the accounts at £392.

On 16 March 2021 the Company purchased 49,751 \$10.05 shares in VivoPower International Plc, registered on the Nasdaq CM, valued at purchase date at £363,000. As at the balance sheet date the shareholding had been revalued at market rate and converted to GBP and is valued in the accounts at £57,000.

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 12. Trade and other receivables

	2022 £'000	2021 £'000
Trade receivables due in more than one year	4,206	4,030
Non-current assets	4,206	4,030
Trade receivables	22,759	19,532
Amounts due from group undertakings	224,551	250,864
Inventory	586	647
Prepayments and accrued income	9,324	3,980
Other debtors	1,648	1,296
Corporation tax	13,293	17,614
Trade and other receivables	272,161	293,933
	<u>276,367</u>	<u>297,963</u>

Trade receivables above include £22,975,000 (2021: £18,987,000) in respect of the disposal of players' registrations, of which £4,206,000 is due in more than one year (2021: £4,030,000).

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

### 13. Current liabilities

	2022 £'000	2021 £'000
Trade payables	348,830	181,586
Accruals	18,046	24,636
Deferred income	87,858	88,166
Lease liabilities (note 20)	187	171
Other payables	14,004	13,170
Other tax and social security	9,255	21,268
	<u>478,180</u>	<u>328,997</u>

Trade payables above include £103,307,000 in respect of the acquisition of players' registrations (2021: £56,002,000).

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 14. Non-current liabilities

	2022 £'000	2021 £'000
Trade payables	118,581	100,112
Lease liabilities (note 20)	16,584	16,771
Other payables	24,511	22,306
Deferred income	70,209	72,071
	<u>229,885</u>	<u>211,260</u>

Trade payables above are in respect of the acquisition of players' registrations.

### 15. Provisions for liabilities

	2022 £'000
<b>Provisions</b>	
At 1 July 2021	8,123
Provided during the year	19,014
Utilised during the year	(8,639)
At 30 June 2022	<u>18,498</u>
<b>Deferred tax</b>	
At 1 July 2021	23,410
Credit during the year	(8,111)
At 30 June 2022	<u>15,299</u>
<b>Total</b>	
At 30 June 2022	<u>33,797</u>
At 30 June 2021	<u>31,533</u>

# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

	2022 £'000	2021 £'000
Deferred taxation has been provided as follows:		
Roll over relief	27,423	30,890
Short-term timing differences	(799)	(2,358)
Accelerated capital allowances	(11,325)	(5,122)
Total provision	<u>15,299</u>	<u>23,410</u>

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

### 16. Share capital

	2022 £'000	2021 £'000
<b>Authorised:</b>		
53,812 ordinary shares of £1 each	<u>54</u>	<u>54</u>
<b>Called up, allotted and fully paid:</b>		
53,812 ordinary shares of £1 each	<u>54</u>	<u>54</u>

### 17. Pensions

#### Defined contribution schemes

Certain staff of the Company are members of the Football League Limited Pension and Life Assurance Scheme. Others are members of a self-administered company money purchase scheme. The assets of these schemes are held separately from those of the Company, being invested with insurance companies. The pension cost charged during the year amounted to £851,000 (2021: £538,000).

The Company made no payments in either the current year or prior year into an Employee Funded Retirement Benefit Scheme administered by Sanne Trust Company Limited. Accordingly, no liability in respect of the scheme is recognised by the Company.

#### Defined benefit scheme

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

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Notes to the accounts Year ended 30 June 2022**

### **18. Contingent liabilities and assets**

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

Under the terms of certain contracts for the purchase of players' registrations, future payments may be due to third parties, dependent on the success of the team and/or individual players. At the balance sheet date the maximum contingent liability which has not been provided for was £64,768,000 (2021: £41,618,000).

The Company is satisfied that no unprovided liability will arise.

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

### **19. Post balance sheet events**

Since the balance sheet date the following events have occurred:

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

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

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



# Tottenham Hotspur Football & Athletic Co. Ltd

## Notes to the accounts Year ended 30 June 2022

### 20. Lease Liabilities

	2022 £'000	2021 £'000
1 July 2021	(16,942)	(17,098)
Additions	-	-
Interest expense related to lease liabilities	(572)	(587)
Repayment of lease liabilities	743	743
<b>At 30 June 2022</b>	<b>(16,771)</b>	<b>(16,942)</b>
Current lease liabilities	(187)	(171)
Non-current lease liabilities	(16,584)	(16,771)
<b>At 30 June 2022</b>	<b>(16,771)</b>	<b>(16,942)</b>

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

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

	Lease Payments 2022 £'000	Lease Payments 2021 £'000
Year to 2023	743	743
Year to 2024	743	743
Year to 2025	743	743
Year to 2026	743	743
Later years	24,014	24,754
Effect of discounting	(10,215)	(10,784)
<b>Lease liability at 30 June 2022</b>	<b>(16,771)</b>	<b>(16,942)</b>

# **Tottenham Hotspur Football & Athletic Co. Ltd**

## **Notes to the accounts** **Year ended 30 June 2022**

### **21. Ultimate parent company**

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

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

ENIC Sports & Development Holdings Limited is a company incorporated and registered in the Bahamas at 303 Shirley Street, City of Nassau, New Providence, Commonwealth of The Bahamas. The parent undertaking of the largest and smallest group, which includes the Company, and for which group financial statements are prepared is Tottenham Hotspur Limited, a company incorporated in the United Kingdom and registered in England and Wales.

Copies of the annual report and accounts of Tottenham Hotspur Limited can be obtained from Lilywhite House, 782 High Road, Tottenham, London, N17 0BX.

### **22. Related party transactions**

The Company has applied the exemption granted by FRS 101 'Reduced Disclosure Framework' not to disclose intercompany transactions with Tottenham Hotspur group companies.