Football Division
Annual Review of Football Finance 2024

Deloitte Sports Business Group
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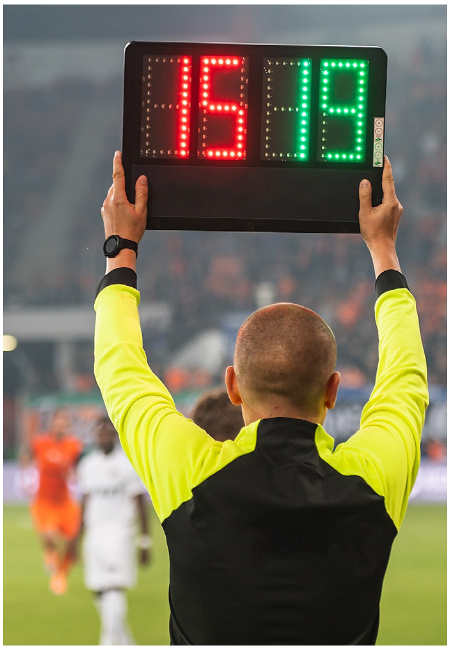

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THE DELOITTE ANNUAL REVIEW OF FOOTBALL FINANCE IS THE LEADING INDEPENDENT REVIEW OF THE BUSINESS AND FINANCES OF EUROPEAN PROFESSIONAL FOOTBALL. THE 2024 EDITION ANALYSES THE 2022/23 SEASON, A PERIOD IMPACTED BY THE FIRST WINTER WORLD CUP AND SHAPED BY AN EVOLVING REGULATORY LANDSCAPE.

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FOOTBALL DIVISION

Welcome to the 33rd edition of the Annual Review of Football Finance, the leading independent review of the business and finances of European professional football. This publication analyses the finances of the 2022/23 season in detail and includes projections for the future outlook of the industry. As divisions appear to be emerging and exacerbating across the industry, greater collaboration within an environment of trust is now needed to ensure the Game that we all love continues to grow and inspire future generations.

The 2022/23 season proved to be a story of momentum shifts, in the first season since 2018/19 unmarred by COVID-19 effects, with a pause halfway through the club season for international play. The 2022 FIFA World Cup in Qatar was unique in its timing, played throughout November and December. While fans are usually captivated by domestic football at this time, all eyes turned to the Middle East for the first World Cup to be hosted in the region.

With the bolster of the 2022 FIFA World Cup, the 2022/23 season marked another year of record revenues, with the European football market achieving 16% growth to a new height of €35.3 billion. The 'big five' leagues continued to proportionately lead the way, contributing €19.6 billion (56%).

The start of the Premier League's new broadcast rights cycle contributed to an 11% increase in the average revenue of English top-flight clubs, which surpassed £300m for the first time. With the full return of fans to stadia in Germany and Italy, Bundesliga and Serie A clubs recorded the largest total percentage growth over the previous season (22% each).

The 'Lionesses lift' following the team's historic triumph at UEFA Women's EURO 2022 sparked growth and excitement for England's Women's Super League clubs, which generated a record £48m in 2022/23. It's now a seminal time as the independent NewCo prepares to govern the top two divisions ahead of the 2024/25 season, with the objective of leading further growth in finances and following.

United front

The fundamental importance of a live event, to create magic moments for fans, remains a crucial component of growth and sustainability in the game and is the principle upon which billions of euros have been invested across the industry. Conjuring these moments requires competition to be at the heart of the game, with leagues appropriately governed to ensure a strong level of contest, keeping fans on the edge of their seats. This annual publication has been a forerunner for advocating the design and implementation of appropriate governance and regulatory frameworks for owners and management who have otherwise too often created financial stress for their club and its fanbase.

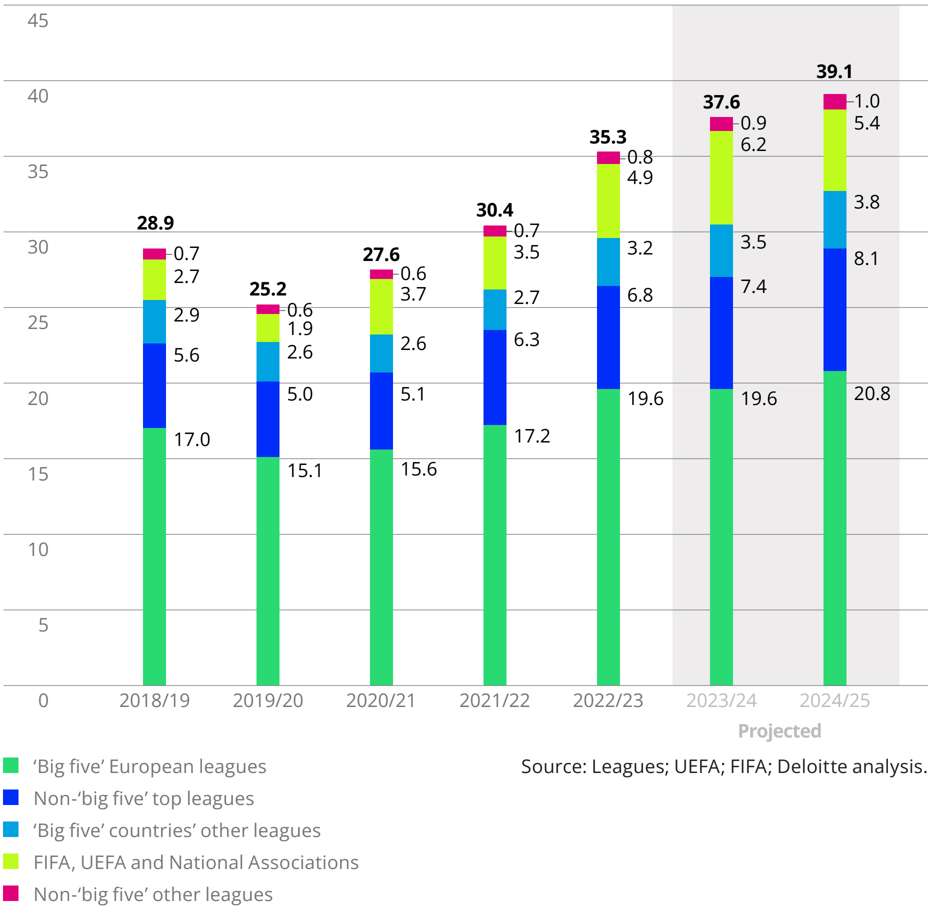
Whilst clubs are typically loss-making and many English Football League clubs' net negative balance sheets may be classed as 'technically insolvent', since 2014 there have been only four insolvency events, compared to almost 60 insolvency events in the previous 20 years. While this is still too many, the reduction demonstrates both the benefits of financial regulations and more frequent monitoring, intervention and sanctioning of clubs over the past decade, but also the continued effect of owners willing to fund the losses of clubs throughout the system.

Plans for an Independent Regulator for English Football, with the primary strategic purpose to ensure that English football is sustainable and resilient, are currently paused as a result of the UK's general election. With lines still to be drawn over the regulatory landscape in England, the game continues to stand at a crossroads.

More widely across Europe discussions have continued, including the back-and-forth considerations around investment in the German game, and the role of private equity now involved in France and Spain. There remains a significant need for clarity of direction and strategic leadership to ensure responsible investment continues to support responsible growth of the game.

The implementation of appropriate regulations aligned to an overall strategy for sustainable growth must be seen as a route to unite all stakeholders, rather than to divide and create animosity. The inconsistency of approach and ongoing public disputes could destabilise the financial security of the clubs that we wish to protect in the first place. Continued uncertainties at the league level risk diverting investment elsewhere – whether rival clubs, leagues, sports or even other industries – as reputational risk and good governance remains paramount to investor interest.

Chart 1: European football market size – 2018/19 to 2024/25 (€ billion)



Source: Leagues; UEFA; FIFA; Deloitte analysis.

Keeping score

In 'The evolution of Premier League investment', we look at the trends of ownership profiles across the past decade of the Premier League. With increasingly business-minded investors at the helm of Premier League clubs, arguably some of the UK's most financially and culturally significant assets, many owners are trying to find a balance between match results demanded by the fans and the financial sustainability that can underpin the growth of their investment value.

WITH THE BOLSTER OF THE 2022 FIFA WORLD CUP, THE 2022/23 SEASON MARKED ANOTHER YEAR OF RECORD REVENUES.

Financial sustainability often relies on owner support, as well as (unreliable) on-pitch performance and player sales.In the 2022/23 season, as clubs looked to secure world-class talent in the lead-up to and wake of the World Cup, we saw transfer spending hit an all-time high. Premier League clubs spent a total of £2.8 billion overall on player transfers during the winter and summer transfer windows and overtook their previous record, set in the 2017/18 windows, by 47%.

In relation to the transfer market, long-term cash flow planning will always be more critical to clubs than the assessment of profit and loss performance over the short term. Well operated clubs are built upon a strong management of cash requirements, aligning to an overarching sporting and financial strategy.

The demand from fans to spend on high quality talent means that football clubs generally will generate little profit, if any at all.

Within the women's game, we recognise that there is an appetite to learn from industry lessons and create financially sustainable operations as soon as possible. Today, many women's clubs continue to rely on financial contributions from their wider group structure but the commentary above demonstrates that this is not a new revelation for the wider industry. This is the time in the development of the women's game where continued investment in growth is key, driven by alignment of all stakeholders behind a bold strategy. We sense a growing and unfair expectation across the market regarding the financials of the women's game, seemingly holding the women's clubs to a profitability metric that the men's game has yet to consistently achieve and probably never will.

Taking the corner

Football is becoming an ever more globally connected game, with new and expanded competitions around the world, clubs targeting new markets, and new fans drawn to the fervour of European football. This also brings new challenges for the game to overcome, particularly in terms of regulation, governance and promoting competitive balance. Therein lies the need for leaders across the industry to provide a more united front, following good governance principles amongst the changing environment, and building a future for European football to be excited for.

As we look forward to a summer of sport, with UEFA EURO 2024 already kicked off and the starting gun about to sound for the Olympic Games, I hope you enjoy all the action, alongside this year's report. Finally, I'd like to thank the team for their hard work and efforts in contributing to this year's edition of the Annual Review of Football Finance. I am grateful to the industry and experts for providing access to the data and insights that makes this report possible.

Tim Bridge, Lead Partner of Deloitte Sports Business Group

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EUROPE'S TOP LEAGUES

In 2022/23, clubs in the 'big five' European leagues generated aggregate revenue of €19.6 billion, up €2.3 billion (14%) on the previous season.

Overview

2022/23 was the first full season since 2018/19 in which all of Europe's 'big five' leagues operated under no COVID-19 restrictions. All five saw aggregate matchday revenue improve, growing by €0.7 billion (35%) to €2.8 billion (average 14% of clubs' total revenue). Bundesliga and Serie A clubs reported the largest increases after release from the pandemic stadia restrictions that had impacted part of the 2021/22 season.

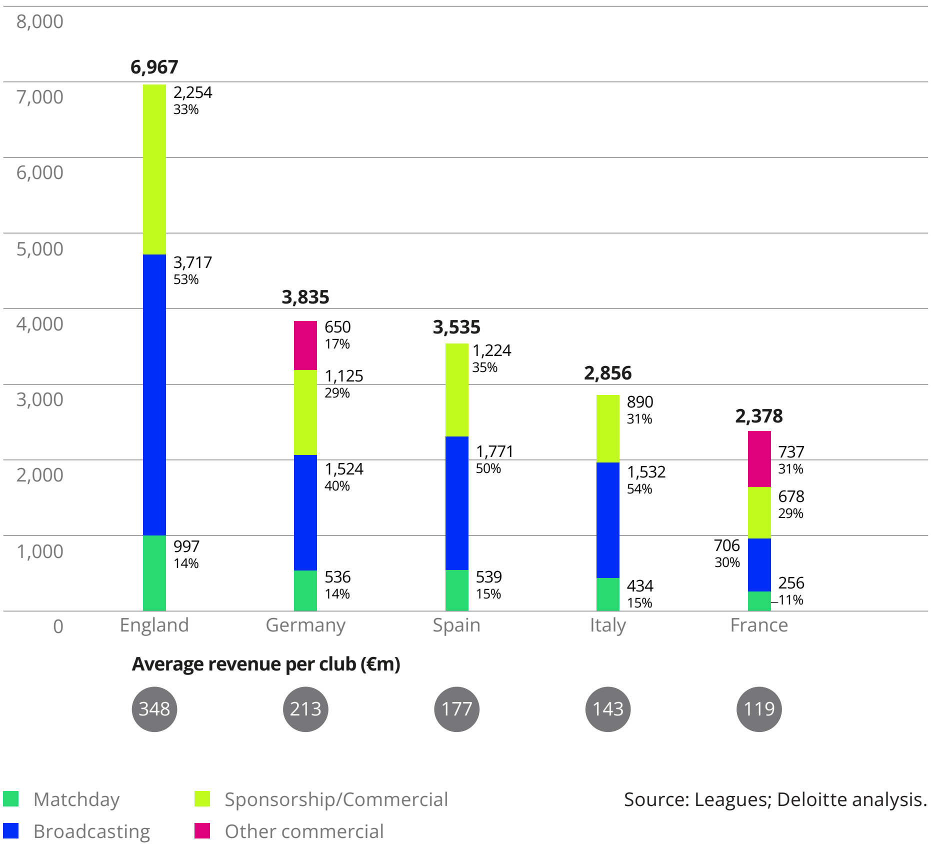
Aggregate commercial revenue of clubs grew by €1.2 billion (19%) to €7.6 billion, driven by new and improved sponsorship deals, utilisation of stadia beyond matchdays and Ligue 1 clubs' receipt of central distributions from the league's private equity deal.

Aggregate broadcast revenue for clubs in the 'big five' leagues was €9.2 billion. Growth on the previous season (€8.9 billion) was minimal as 2022/23 was the second season for the broadcast rights cycles for Serie A, Bundesliga, Ligue 1 and for UEFA club competitions, and there were only relatively small increases in overall values for new deals commencing for Premier League and LaLiga.

The clubs' aggregate wage costs were €13 billion. The substantial increase in aggregate revenue (€2.3 billion) exceeded clubs' increased wage costs (up €0.7 billion), such that the average wages/revenue ratio fell across all of the 'big five' leagues. As a result, the 'big five' league clubs reported an aggregate operating profit (€0.5 billion) for the first time since 2018/19 (€1.4 billion). This macro landscape view has been positively influenced by financial sustainability regulations implemented at both pan-European and national levels over recent years.

In turn, the improvements to operating profitability significantly contributed to a vast reduction in the 'big five' league clubs' aggregate pre-tax losses of €1.0 billion for 2022/23 (2021/22: €2.5 billion), alongside increased profit from player transfers-out (including the influx of monies from players moving to the Saudi Pro League) and some large one-off exceptional credits at a few clubs around Europe including Barcelona, Bournemouth and Chelsea.

Chart 2: 'Big five' European league clubs' revenue – 2022/23 (€m)



Source: Leagues; Deloitte analysis.

Note: Commercial revenue is not disaggregated into 'sponsorship' and 'other commercial' for clubs in England, Spain and Italy.

Revenue projections

Clubs' aggregate revenue across Europe's 'big five' leagues is forecast to continue growing, reaching around €21 billion in 2024/25. The Premier League is once again expected to widen the revenue gap to its closest competitor, despite an increase in aggregate revenue for each of its 'big five' peers.

Changes to UEFA club competitions from 2024/25 will be the primary drivers of the anticipated increase in aggregate revenue for clubs across the continent's top leagues. The new competition formats being introduced for the UEFA Champions League, UEFA Europa League and UEFA Conference League (formerly the UEFA Europa Conference League) will increase the number of matches as well as the number of participating clubs.

A rise in the number of matches will drive improvements in clubs' matchday revenue, whilst also contributing to the expected €0.5 billion increase in UEFA distributions attributable to the competitions. These distributions, which are recognised by clubs as broadcast revenue, are funded by the central sale of the competitions' commercial and broadcast rights. Changes to the mechanism for how these distributions will be made will also bolster aggregate revenue across the 'big five' leagues.

€2.8bn

IN AGGREGATE MATCHDAY REVENUE ACROSS ALL 'BIG FIVE' LEAGUES IN 2022/23, MARKING A 35% INCREASE ON 2021/22.

Diversifying clubs' revenue

In the 'big five' leagues, broadcast revenue has traditionally made up the largest share of clubs' revenue. However, a slow rise in broadcast income in recent years is prompting clubs to seek greater control over their revenue and its growth.

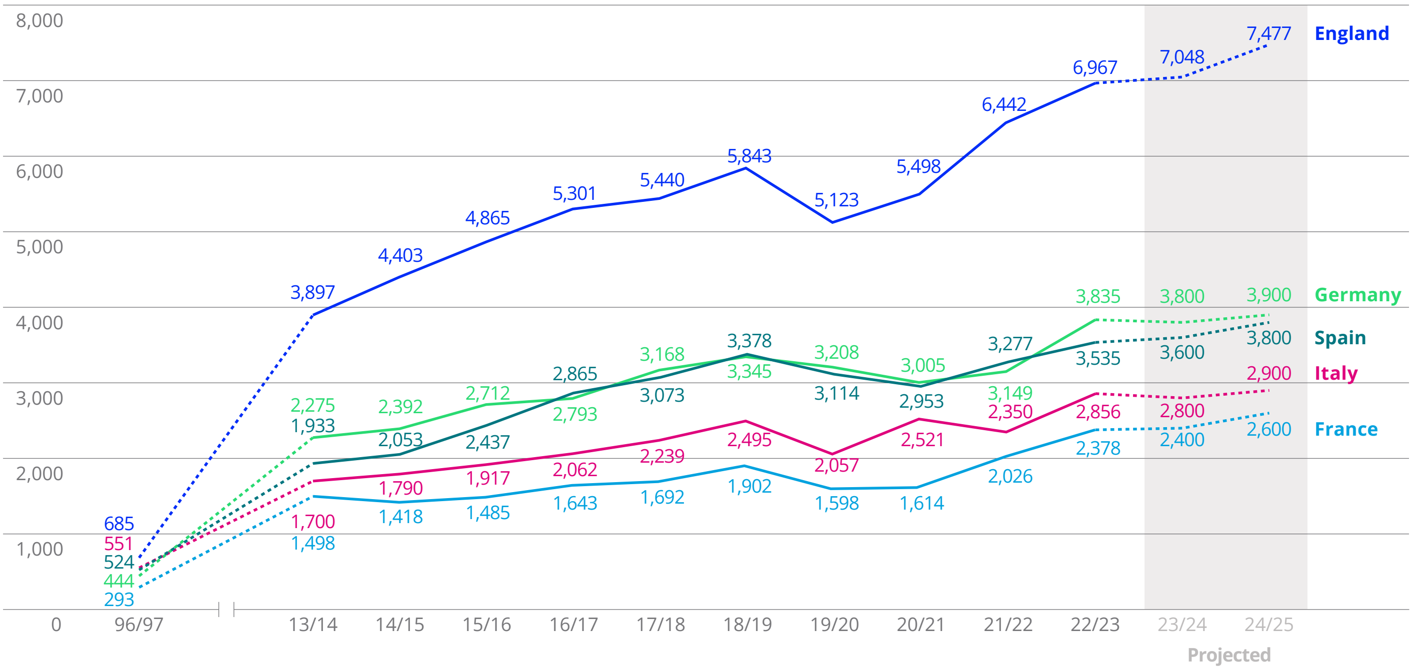
Record matchday (€2.8bn) and commercial (€7.6bn) revenue generated in 2022/23 suggests that some clubs' efforts to diversify their revenue are proving successful. Strong and varied revenue streams can provide a greater degree of financial stability in times of rapid change and evolution. This can help clubs to comply with financial regulations, fund player retention and recruitment, and attract external investment.

Two key levers that clubs have used to drive incremental and diverse revenue are:

- **Stadium investment**: Clubs are investing in enhanced stadium quality and capacity to meet elevated demand and fan expectations. Stadia are increasingly being viewed as year-round entertainment venues that can attract audiences beyond just matchdays, through avenues such as other live events, stadium tours, and food and beverage services. Recently or soon to be completed redevelopments include those at VfB Stuttgart's and Atalanta BC's stadia, with the former providing new and improved hospitality facilities and sound equipment, and the latter increasing capacity and modernising the infrastructure.
- **Brand monetisation**: Rightsholders are challenging the status quo by adapting their go-to-market sponsorship strategy, offering inventory such as stadium naming rights, and elevating the value of existing sponsorships. In terms of merchandising, clubs with strong brand equity are penetrating new and existing markets by developing in-house capabilities, such as Barça Licensing & Merchandising, or outsourcing to specialists in the case of PSG and Fanatics.

As Europe's top clubs become more popular around the world, clubs will focus on growing and monetising their global fanbase and commercial appeal. Successful strategies will be underpinned by thorough research, including market activity and data analysis to evaluate the opportunity on offer.

Chart 3: 'Big five' European league clubs' revenues – 1996/97 and 2013/14 to 2024/25 (€m)



Note: Figures for 2023/24 and 2024/25 are projections. Projections for Germany, Spain, Italy and France are rounded to the nearest €100m.

Source: Leagues; Deloitte analysis.

The newly created 'value pillar' will favour those clubs that have historically performed well in UEFA club competitions, and whose domestic broadcasters contribute the most to overall rights revenue across the continent.

These changes to UEFA club competitions are expected to mitigate the effects of an otherwise challenging time for Ligue 1 clubs' aggregate revenue. The league is forecast to see a decline in the value of its domestic broadcast rights, largely due to frustrations amongst existing broadcast partners and a lack of competitive tension in the market. How material this reduction will be remains to be seen, with the new deal yet to be agreed despite the first season under the new cycle commencing in August 2024. Ligue 1 clubs' aggregate revenue will continue to be assisted to 2024/25 by monies derived from private equity firm CVC Capital Partners, under the terms of its investment into a commercial subsidiary of Ligue de Football Professional. It is hoped that the initial investment and involvement of CVC will help deliver growth for the development of the French football ecosystem beyond the original few seasons of additional distributions to clubs.

Aggregate revenue growth to 2024/25, beyond that catalysed by clubs' involvement in UEFA competitions, is expected to be minimal for Serie A and Bundesliga clubs. 2024/25 will see the start of a new rights cycle for Serie A, for which domestic media rights have been licensed to existing partners DAZN and Sky Italia for an average annual value c.10% lower than the current cycle. Bundesliga clubs are locked into existing domestic deals for the broadcast rights cycle through to 2024/25.

The DFL's proposed sale of a stake in its TV and marketing rights for private equity investment had caused divisions and ceased in early 2024. The influence of fans' opposition reflects the Bundesliga's deep-rooted fan-centric history. The league's emphasis on sustainable growth and fan engagement, coupled with innovative use of technology and digital media, still presents a viable path to enhancing its international stature.

For LaLiga, the commencement of major sponsorship agreements for its two commercial powerhouses will drive further increases. Real Madrid will receive a reported €70m per season from 2024/25 from their first sleeve sponsor, technology giant HP.

Meanwhile, Barcelona introduced several new partners in 2022/23 and are reported to be parting ways with Nike after almost 30 years in favour of a more lucrative kit sponsorship deal.

For Premier League clubs, forecast revenue growth to 2024/25 will be facilitated by steady increases across all three key revenue streams. After a period of little to no increases for the majority of clubs, ticket price rises across 2023/24 and 2024/25, coupled with an overall capacity increase arising from promotion/relegation are expected to drive improvements in matchday revenue. Projected increases in Premier League international media rights distributions to clubs will see broadcast revenues rise, whilst the commencement of new sponsorship deals for several clubs is expected to boost commercial revenue.

Germany

In 2022/23, Bundesliga clubs generated significant growth in total revenue to €3.8 billion (average €213m), a 22% increase compared to the previous season (2021/22: €3.1 billion) and the largest percentage growth of the 'big five' leagues.

Matchday revenue nearly doubled from the previous season, amounting to €0.5 billion (94% increase), as COVID-19 restrictions were lifted and fans returned to stadia in full force. Bundesliga clubs had the highest average attendance among the 'big five' leagues, with an average of 42,966 spectators per match (stadium utilisation 92%).

Aggregate broadcast revenue for Bundesliga clubs grew by 10% to €1.5 billion in 2022/23. This growth was largely driven by the stronger performance of German clubs in the Champions League as four Bundesliga clubs reached the Round of 16 in the 2022/23 competition, in contrast to only one in 2021/22.

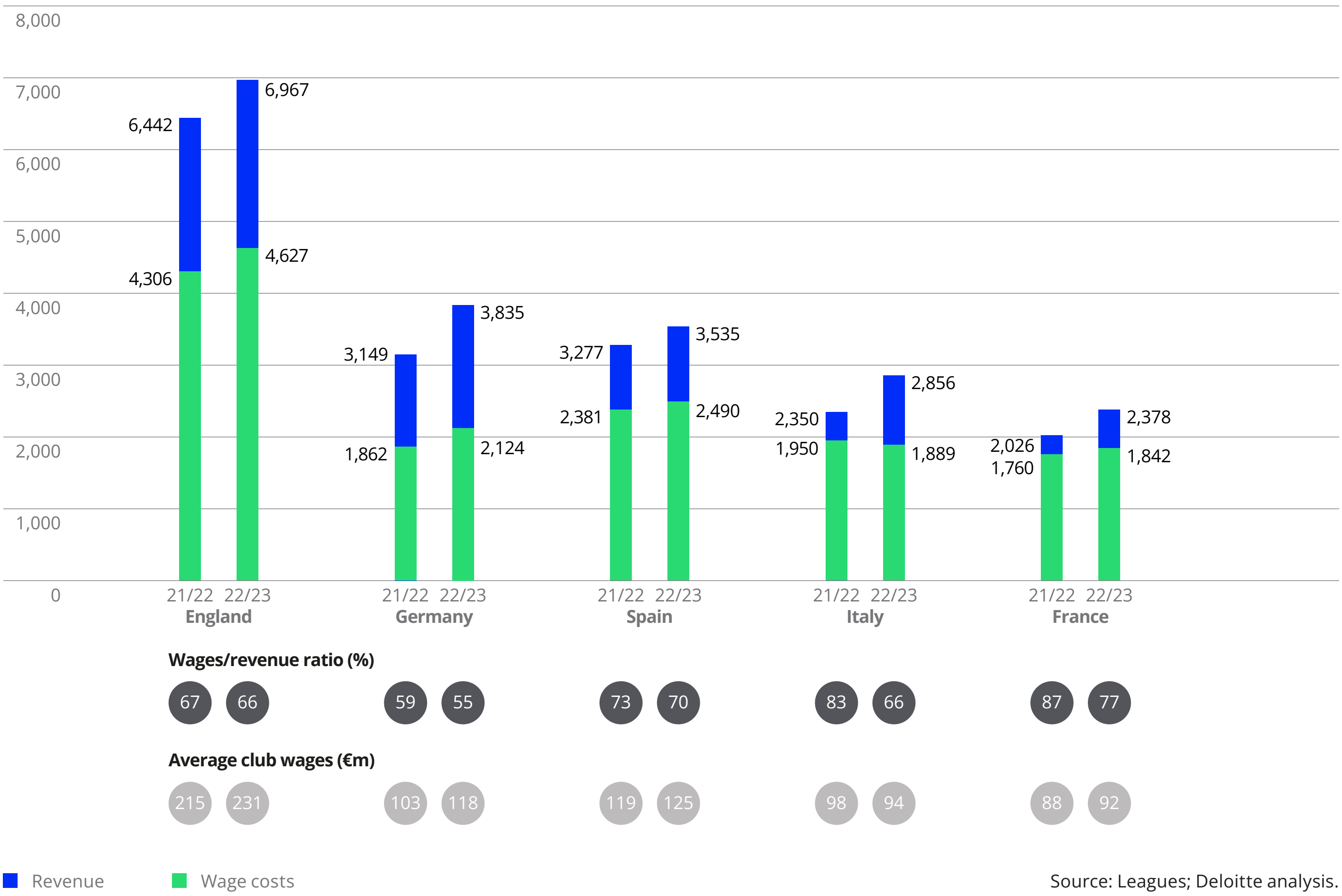
Commercial revenue increased 19% to reach €1.8 billion (2021/22: €1.5 billion). The attractiveness of the league and its clubs to sponsors was evidenced by new partnerships that contributed to this growth, including four new kit deals and three front of shirt sponsors for Bundesliga clubs.

Despite a 14% increase in aggregate wage costs to €2.1 billion (average €118m), Bundesliga clubs maintained their longstanding tradition of recording the lowest wages/revenue ratio (55%) among the 'big five' leagues in 2022/23. This emphasis on financial sustainability helped the Bundesliga clubs report a healthy aggregate operating profit of €0.4 billion, and the improvement in operating results (before player trading) fed through into clubs' aggregate pre-tax profits of €0.1 billion (2021/22: losses of €0.2 billion). This €0.1 billion pre-tax profit of Bundesliga clubs compares to €0.8 billion aggregate pre-tax losses amongst Premier League clubs, funded by debt and equity injections.

55%

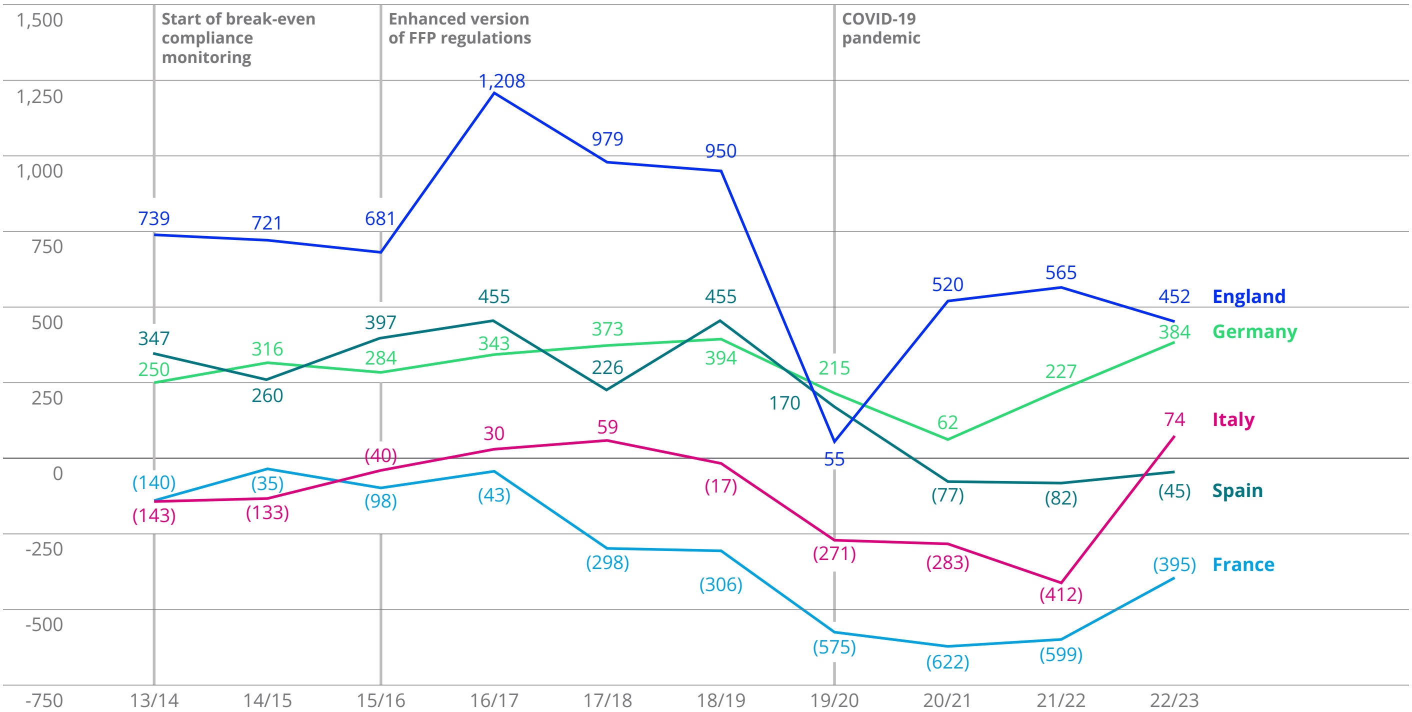
AVERAGE WAGES TO REVENUE RATIO OF BUNDESLIGA CLUBS IN 2022/23.

Chart 4: 'Big five' European league clubs' revenue and wage costs – 2021/22 and 2022/23 (€m)



Source: Leagues; Deloitte analysis.

Chart 5: 'Big five' European league clubs' operating profitability – 2013/14 to 2022/23 (€m)



Note: The operating result is the net of revenues less wage costs and other operating costs. The operating result excludes player trading and certain exceptional items.

Source: Leagues; Deloitte analysis.

Spain

In the 2022/23 season, LaLiga clubs achieved a record high aggregate revenue of €3.5 billion (average €177m). Home to two of the world's highest revenue generating football clubs – both Real Madrid and Barcelona had revenue in excess of €800m – who in various ways stand apart from the rest of Spanish football (average revenue of the other 18 LaLiga clubs was €106m).

An 8% decrease in aggregate broadcast revenue (largely attributed to weaker performance in the Champions League in 2022/23) was more than offset by improved matchday revenue (up €131m / 32%) and commercial revenue (up €274m / 29%). Notably, 67% of the €1.2 billion commercial revenue was reported by the top two clubs, who experienced 45% (€128m) and 27% (€85m) growth in commercial revenue respectively.

In the 2022/23 season, LaLiga clubs' wage costs increased 5% to €2.5 billion (average €125m) and the wages/revenue ratio slightly decreased to 70% (2021/22: 73%). Despite most LaLiga clubs generating operating profits, the league as a whole experienced aggregate operating losses of €45m in 2022/23, skewed by Barcelona which reported an operating loss of €206m.

Whilst aggregate operating losses remained relatively flat compared to 2021/22, aggregate pre-tax results significantly improved to profits of €0.4 billion (compared to losses of €0.1 billion in 2021/22). This was facilitated by a €0.3 billion improvement in the net result of player trading, and €0.6 billion of exceptional credits (an 11% reduction on the previous year). The impact of these results was muted by the amortisation cost of acquired players, which outweighed profits from player sales, albeit by a narrower margin than the previous season.

Real Madrid and Barcelona generated exceptional credits of €320m and €303m in 2021/22, and Barcelona undertook certain additional financial measures in the 2022/23 season generating €607m exceptional credits. In July 2022, the club sold an additional 15% of its LaLiga television rights revenue to Sixth Street Partners, which it was able to do after refraining from entering the league-wide deal with CVC in 2021. Additionally, they sold a 24.5% stake in their in-house production operation to Socios.com. Whilst not being recognised as income (instead being recorded on clubs' balance sheets), the other LaLiga clubs are benefiting from distributions of monies derived from the league's television rights deal with CVC as part of the 'Boost LaLiga' project to invest in growth initiatives.

€3.5bn

A RECORD HIGH AGGREGATE REVENUE GENERATED BY LALIGA CLUBS IN THE 2022/23 SEASON.

Impact of EURO 2024

This summer, Germany hosts the 17th edition of the Men's UEFA European Championship, a tentpole event for the governing body of European football and football fans across the world.

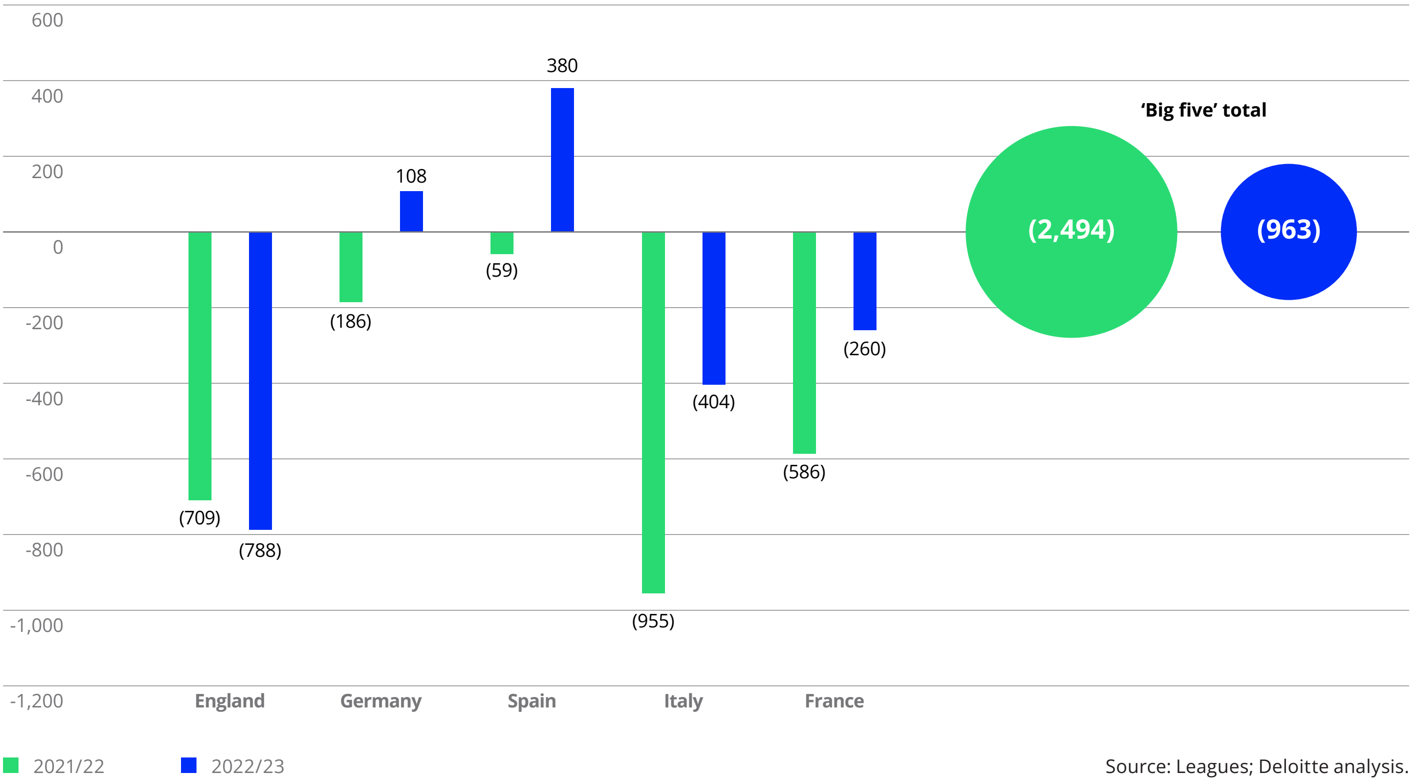
The EURO plays an important role in generating substantial revenue for UEFA, which is then redistributed among national associations and clubs once competition costs are covered. The last comparable edition of the tournament (EURO 2016, as EURO 2020 was heavily impacted by COVID-19 restrictions) generated €1.9 billion of gross revenue, leaving €1.3 billion for redistribution after competition costs.

EURO 2024 is forecast to generate gross revenue of €2.4 billion for UEFA, yielding €1.8 billion for redistribution. Alongside the financial rewards (€331m) available to national associations for participation and progression in the competition, €240m will be shared among clubs which have released players to national teams participating in EURO 2024.

€935m of the remaining €1.2 billion will be used to help finance the HatTrick programme. As part of UEFA's responsibility to promote the development of football across the region, the programme was created in 2004 to redistribute revenue from the men's EURO to each of the member associations for reinvestment in long-term football development projects. Since its inception, the programme has channelled a total of €2.6 billion to UEFA's member associations across five cycles. The €935m committed for 2024 to 2028 is a 21% increase on the previous cycle and has been largely facilitated by the growth in net revenue from EURO 2024.

The impact of EURO 2024 will likely go beyond monetary values, with marquee matchups boosting fan engagement with national teams, domestic clubs, and individual players; further growing European football's global footprint and promoting participation in the game.

Chart 6: 'Big five' European league clubs' pre-tax profitability – 2021/22 and 2022/23 (€m)



Source: Leagues; Deloitte analysis.

Italy

Serie A clubs generated €2.9 billion of revenue in 2022/23 (average €143m), a 22% increase on the previous season and a record high for the league. Revenue increased across all three primary revenue streams, but it was improvements in matchday revenue that was the most significant driver of overall growth.

The easing of COVID-19 restrictions brought with it fuller stadia, driving an 88% (€202m) increase in matchday revenue to €434m compared to 2021/22 (€231m). All 17 clubs that participated in Serie A in both the 2021/22 and 2022/23 seasons recorded an increase in matchday revenue, with Napoli recording the highest relative growth (€32m, 261%), due to the eagerness of fans to be part of the club's first title-winning season since 1989/90, which was only the third in its history.

Broadcast revenue was again the largest contributor (54%) to the clubs' total revenue, growing 15% (€194m) to €1.5 billion. This increase was largely due to Serie A clubs' strong performance in UEFA club competitions, with three progressing to a Final, two to a Semi Final and one to a Quarter Final. Average growth in broadcast revenue among the seven clubs participating in UEFA club competitions was €29m – only Juventus recorded a reduction compared to 2021/22 as they competed in the knockout stages of UEL rather than UCL and suffered a decline in league finishing position following a 10-point deduction for off-pitch irregularities.

Commercial revenue of Serie A clubs reached €0.9 billion in 2022/23, up 14% (€109m) on the previous season. The growth was somewhat stunted by reductions in commercial revenue for AS Roma (€14m) and FC Inter Milan (€14m) as a blockchain shirt sponsor failed to make sponsorship payments.

Serie A was the only one of the 'big five' leagues to record a reduction (€61m) in wage costs to €1.9 billion (average €94m). This, coupled with increased revenue, meant Serie A clubs were on average able to significantly reduce their wages/revenue ratio in 2022/23 to 66% (2021/22: 83%). As a result of this better balance, Serie A clubs recorded an aggregate operating profit (€74m) for the first time since 2017/18. Half of the clubs generated an operating profit in 2022/23, up from just two in 2021/22. This vast €0.5 billion improvement of operating results, together with an improvement in the net result of player trading, meant that Serie A clubs' aggregate pre-tax losses reduced to €0.4 billion (down from €1.0 billion in 2021/22).

88%

INCREASE IN MATCHDAY REVENUE TO €434M COMPARED TO 2021/22.

France

Despite a small reduction in broadcast revenue and muted growth in matchday and commercial revenue, Ligue 1 clubs' aggregate revenue grew 17% (€352m) in 2022/23 to €2.4 billion (average €119m). This was due to income derived from private equity firm CVC's investment into a commercial subsidiary of Ligue de Football Professional.

Ligue 1 clubs will reportedly receive €1.2 billion across the 2022/23, 2023/24 and 2024/25 seasons, with the amounts varying by club and by season, according to a pre-defined schedule. The second and third tranches of distributions are dependent on successful applications by clubs outlining how funds will be invested across a set of agreed expenditure categories, designed to improve infrastructure, competitiveness and the international brand of the league.

This growth facilitated by CVC's investment offsets a reduction in Ligue 1 clubs' aggregate broadcast revenue, which fell 3% (€23m) from the previous season to €0.7 billion. This was the lowest broadcast revenue amongst the 'big five' leagues in 2022/23, some €0.8 billion behind Bundesliga's €1.5 billion. The reduction can be largely attributed to clubs' weaker performances in UEFA competitions compared to 2021/22.

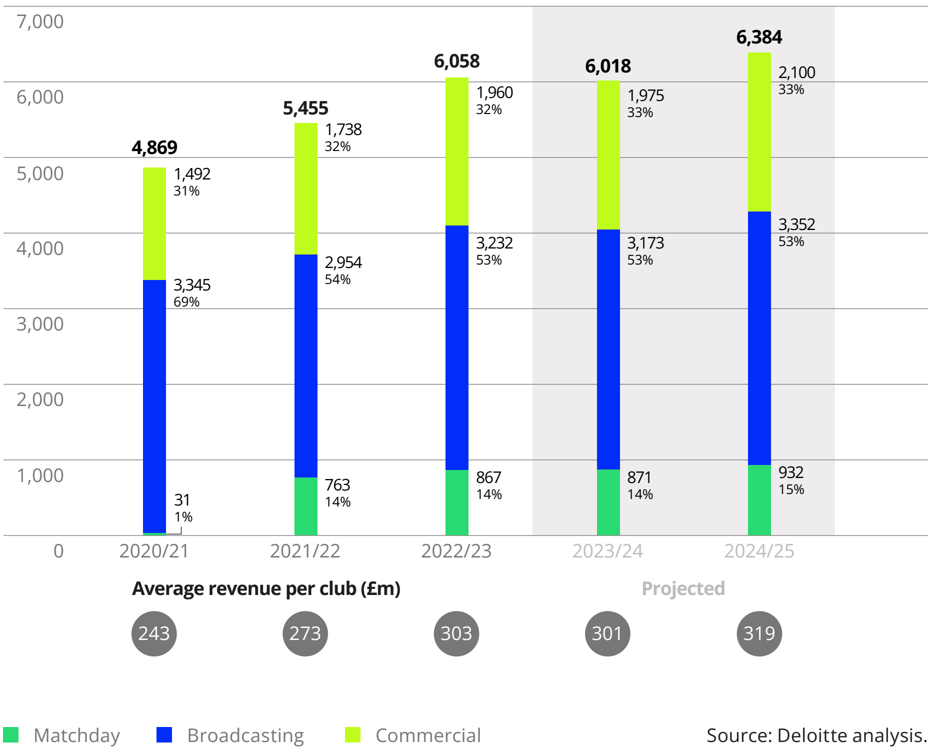
Ligue 1 clubs' aggregate wage costs of €1.8 billion (average €92m) grew by less than revenue, reducing the average wages/revenue ratio to 77%. However, Ligue 1 still had the highest wages/revenue ratio of the 'big five' leagues for the sixth consecutive season. Despite their wages/revenue ratio being in line with the league average (77%), champions Paris Saint Germain's wage costs (€621m) were almost four times higher than the next-highest spending club (Olympique Lyonnais, €157m).

Ligue 1 clubs' aggregate operating losses of €0.4 billion were an improvement on 2021/22 (€0.6 billion), but still the highest among the 'big five' by a significant margin. Encouraged by the Directorate of Controle of Management's ("DNCG") new financial requirements, this €0.2 billion improvement of operating results, together with a €0.2 billion turnaround in the net result of player trading (profits on disposal of players exceeding amortisation cost of acquired players) meant that Ligue 1 clubs' aggregate pre-tax losses reduced to €0.3 billion (down from €0.6 billion in 2021/22).

PREMIER LEAGUE CLUBS

The 2022/23 season was another record year for revenue generation in the Premier League, with clubs' revenue surpassing £6 billion for the first time. Growth was predominantly driven by increased broadcast revenue, given the commencement of the Premier League's new international rights agreements, and further bolstered by continued optimisation of commercial models and matchday offerings. Despite revenue improvement, rising wage costs and amortisation (of prior player acquisitions) adversely impacted pre-tax losses, with an increase of 14% to £685m.

Chart 7: Premier League clubs' revenue – 2020/21 to 2024/25 (£m)



Source: Deloitte analysis.

Note: Figures for 2023/24 and 2024/25 are projections.

Premier League clubs' revenue

In the 2022/23 season, Premier League clubs generated £6.1 billion in revenue, an 11% increase on the previous year (£5.5 billion). Each of the 'big six' clubs generated more than the league average of £303m (range £718m to £464m) whilst the other 14 clubs generated less (average of £184m, range £250m to £141m), with the financial gap remaining substantial.

Matchday revenue increased 14% to £867m as stadia were largely full (average stadium utilisation of 99%), a new record average league attendance of 40,291 was set and the majority of clubs increased their ticket prices. It remains to be seen what impact those price rises will have on fan sentiment and the ability of the fan to spend across a club's offerings and channels, a factor which must be considered when ticket price strategies are developed.

Commercial revenue also reached new heights, increasing £221m year-on-year to just shy of £2 billion in 2022/23. The vast majority of this growth was driven by the Premier League's 'big six' clubs, with Manchester United (up £46m) and Tottenham Hotspur (up £44m) having the largest increases. Manchester United's growth was driven by its pre-season tour of Thailand, Australia and Norway, along with implementation of a market segmentation sponsorship strategy. Meanwhile, Tottenham Hotspurs' increase was driven by utilisation of its stadium on non-matchdays, including hosting major international sporting events (such as NFL, Rugby Union and Boxing) and concerts (including Beyonce's Renaissance Tour).

The 'big six' clubs generated average commercial revenue of £255m, compared to an average of £31m among the other 14 Premier League clubs. Manchester City's commercial revenue of £347m – the highest in the league – was almost 30 times larger than the lowest (AFC Bournemouth, £13m).

Of the 17 consistent clubs in the Premier League across the 2021/22 and 2022/23 seasons, 13 delivered improved commercial revenue. The largest proportional increases were by Newcastle United (65%, £19m) and Aston Villa (36%, £11m), with both achieving improved on-pitch performances which resulted in qualification for UEFA club competitions in the 2023/24 season.

Broadcast revenue increased 9% (£278m) to £3.2 billion in 2022/23, predominantly due to higher distributions to clubs from the Premier League's new, more lucrative international broadcast deals that run to 2024/25. Broadcast rights payments made by the Premier League to its clubs in 2022/23 ranged from £167m, to Champions Manchester City, to £94m, for bottom placed Southampton.

UEFA distributions received by the seven English clubs participating in UEFA club competitions in 2022/23 were aggregate £391m (2021/22: £392m), with Manchester City and West Ham United winning their first European trophy since 1970 and 1965 respectively. From 2024/25, changes to the structure of UEFA club competitions will see the number of competing clubs increase, with the traditional group stage of 32 clubs replaced by a single 36 club league phase.

£3.2bn

IN BROADCAST REVENUE FOR PREMIER LEAGUE CLUBS IN 2022/23.

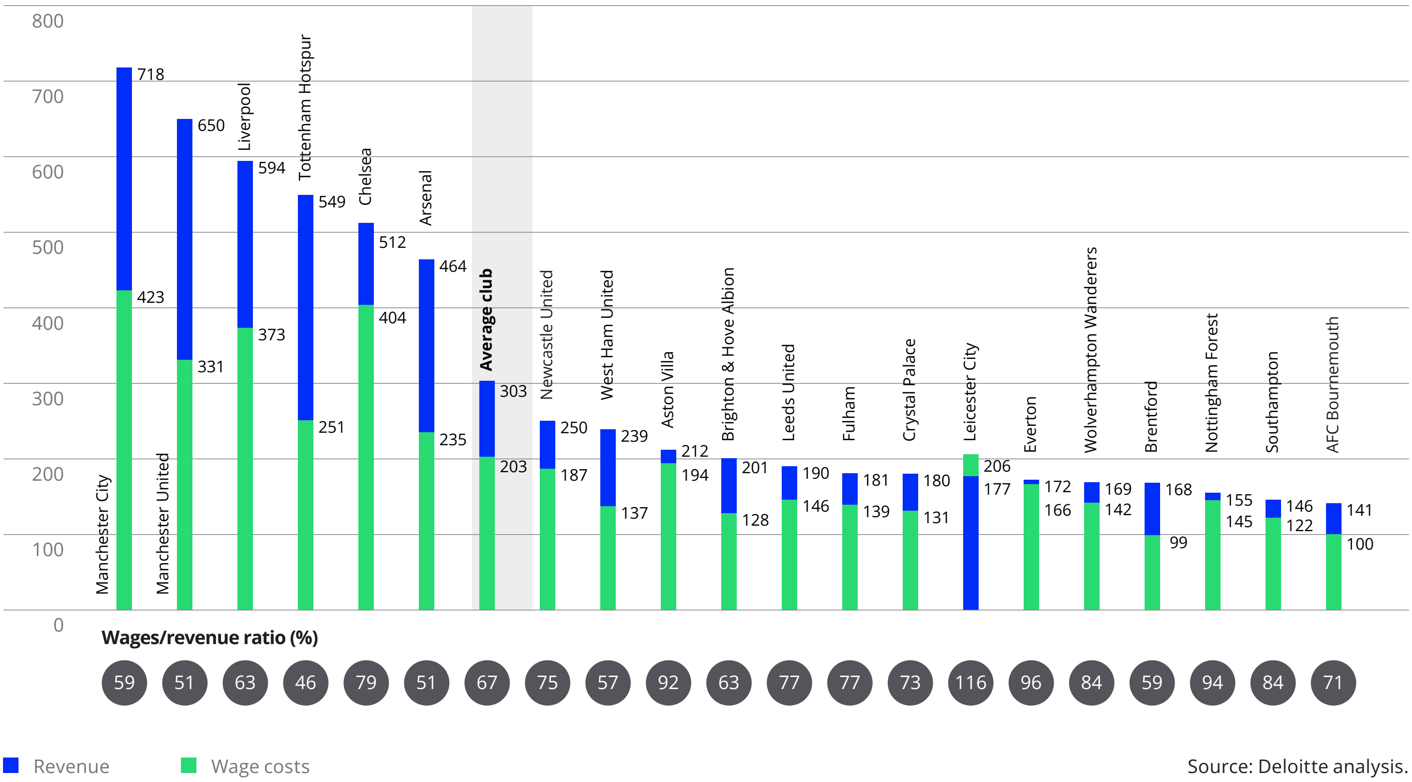
Generative AI: a new team-mate

Generative artificial intelligence (GenAI) provides an opportunity to transform some operational aspects of football, the beautiful game, catalysing a step-change in fan engagement capabilities and on-field innovation. Football organisations that successfully harness this emerging and ever-improving technology as part of their strategic approach could realise significant on and off-field performance benefits, including:

- **Personalised fan engagement**: GenAI is starting to revolutionise content management, creation, and distribution, enabling sports organisations to instantly curate, create, and deliver hyper-personalised experiences based on individual fan personas; fostering deeper engagement and loyalty.
  - E.g. LaLiga's 'Beyond Stats' delivers personalised content, informed by real-time stats and predictions, and augmented live broadcasts that bring fans closer to the action.
- **Optimised business operations**: GenAI is enhancing operational performance across sports, delivering efficiency gains via the automation of routine tasks and delivering real-time insight – enabling organisations to achieve more with less.
  - E.g. GenAI is being used to automate routine operations such as customer service, with chatbots delivering accurate, efficient responses and improving internal efficiency.
- **On-field innovation**: GenAI is enabling organisations to process mountains of data to inform player scouting and recruitment, player development and support, and performance analytics; supporting enhanced decision-making.
  - E.g. Google partnered with Liverpool FC to deliver TacticAI; a tool which provides tactical suggestions to coaches that were preferred by human expert raters 90% of the time over tactical setups seen in practice.

GenAI has the potential to support sports organisations in operating more effectively both on and off the pitch. However, GenAI adoption must be implemented as part of a broader digital strategy. The technology is nascent and its effectiveness is dependent on human direction, both in terms of managing quality and in navigating the ethical challenges that come with the responsible use of AI.

Chart 8: Premier League clubs' revenue and wage costs – 2022/23 (£m)



Source: Deloitte analysis.

This will see clubs play more matches across the UEFA Champions League, UEFA Europa League and the UEFA Europa Conference League. These structural changes have helped UEFA generate increased media and commercial revenues for the 2024/25 rights cycle, with UEFA distributions to clubs forecast to increase by c.20%.

The weaker performance of Premier League clubs in UEFA club competitions is a factor of the expectation that overall revenue will remain relatively flat for 2023/24. This also has implications for 2024/25, as only four clubs instead of a possible five will participate in the new league phase of the UEFA Champions League. Despite this, clubs' revenue is expected to grow to £6.4 billion in 2024/25 driven by higher distributions per club from UEFA competitions, strengthened commercial deals, and matchday uplift resulting from clubs with larger capacity stadiums being promoted to the Premier League. Clubs' revenue will be boosted again when the Premier League's new domestic broadcast rights deals kick-in from 2025/26, delivering a 4% uplift in annual value versus the previous cycle, and with international rights packages to be fully concluded in due course.

Increasing revenue makes promotion to the Premier League more desirable than ever, and our analysis shows that the winners of the 2023/24 Championship Play-Off Final – Southampton – will receive a revenue uplift of at least £140m across the next three seasons. Whilst this figure is somewhat tempered by Southampton already being in receipt of parachute payments, the uplift could rise to almost £300m if the club avoids relegation from the Premier League in 2024/25. Automatically promoted Ipswich Town will receive a minimum uplift of over £200m, even if relegated at the end of their first season back in the Premier League.

Premier League clubs' wage costs

In 2022/23, total wage costs once again increased, rising 10% to surpass £4 billion for the first time. Annual growth in wages (£377m) is lower than growth in revenue (£603m) for the third consecutive season.

Performance bonuses fuelled the largest increase of £69m recorded by Manchester City, up 20% to £423m. The highest relative increases were recorded by Brentford (45%, £31m), and Aston Villa (42%, £57m). Of the 17 consistent Premier League clubs across 2021/22 and 2022/23, only Everton (£6m, 4%)

£4bn+

IN TOTAL WAGE COST FOR PREMIER LEAGUE CLUBS IN 2022/23.

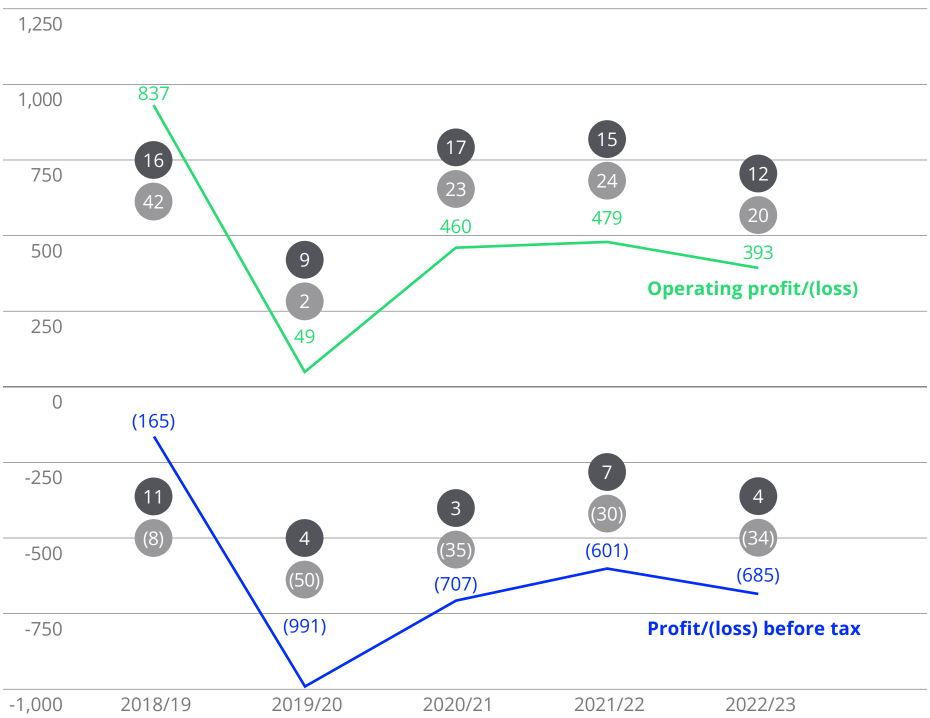
and Manchester United (£77m, 19%) reported year-on-year wage cost reductions, as Everton worked to try to with the Premier League's Profitability & Sustainability Rules and Manchester United significantly overhauled their squad, including the exit of Cristiano Ronaldo.

11 of the 17 consistent clubs reported an increase in their wages/revenue ratio, with four clubs (Aston Villa, Everton, Nottingham Forest and Leicester City) recording a ratio of more than 90% (up from two in 2021/22, Everton and Newcastle United).

Everton (twice) and Nottingham Forest have both been sanctioned with points deductions in 2023/24 for breaching the Premier League's Profitability & Sustainability Rules for losses over recent seasons. In March 2024 the Premier League also referred Leicester City to an independent Commission for an alleged breach for the assessment period ending in 2022/23 season, when the club was a member of the Premier League. Meanwhile, the behind the scenes legal process continues in respect of the reported 115 charges for alleged breach by Manchester City of Premier League Rules.

Based on Premier League clubs' financial results for 2022/23 and applying certain assumptions for calculating a club's squad cost ratio under UEFA's new rules, over half of the clubs had a ratio greater than 70%. For these clubs, applying UEFA's new financial disciplinary grid to such excesses would have resulted in a 'luxury tax' of up £50m for a first-time breach. Whilst there is still time for realignment ahead of the 70% limit applying for UEFA club competitions from 2025/26, and future equivalent rules for domestic competition will allow a higher limit, clubs must plan ahead to appropriately structure the revenue-cost balance of their on-pitch performance and proactively manage their player trading.

Chart 9: Premier League clubs' profitability – 2018/19 to 2022/23 (£m)



- Clubs generating operating profit/pre-tax profit
- Average club operating profit/ pre-tax loss

Note: The operating result is the net of revenue less wage costs and other operating costs. The operating result excludes player trading and certain exceptional items, which are included in the pre-tax result, along with other costs such as financing costs. The pre-tax results can be particularly impacted by one-off costs and credits from year-to-year.

Source: Deloitte analysis.

Future cap on costs

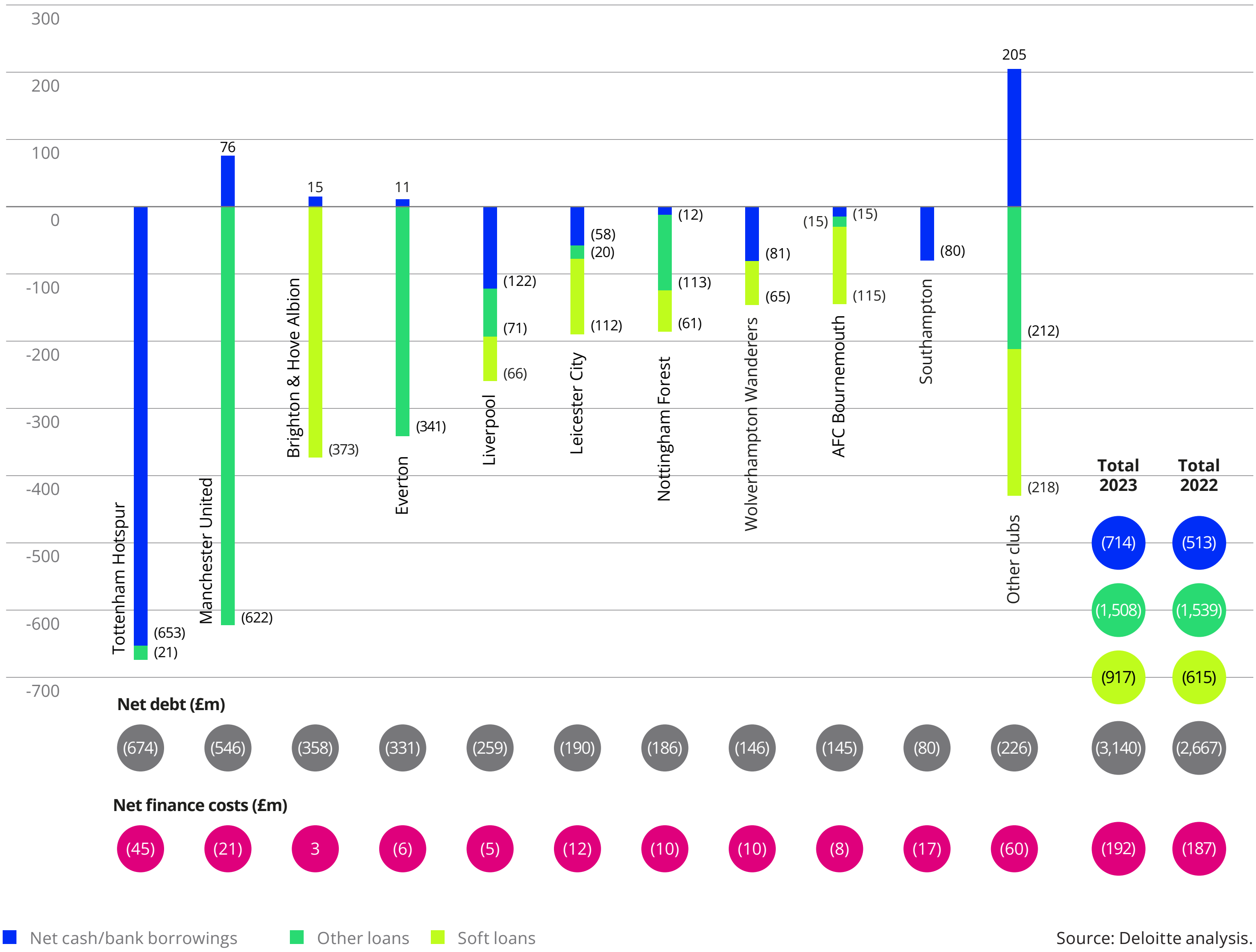
Fuelled by frustrations over the implementation of the current profitability and sustainability rule, divergence of opinions amongst clubs, and desire for closer alignment with UEFA's new squad cost rule, the Premier League and its member clubs have been exploring changes to the financial restrictions on club spending.

The Premier League have announced that, on a trial basis for the 2024/25 season in shadow to the existing rules, a Premier League club's salary, agent and transfer costs in respect of players and head coach will be limited to 85% (or 70% for clubs participating in UEFA club competitions) of revenue generated. These costs will also be subject to an absolute cap set as a multiple of the lowest club's central broadcast and commercial distributions from the League, with a view to full implementation of both rules in the 2025/26 season.

All stakeholders will want to mitigate the legal and sporting uncertainty and divisiveness arising from implementation of the financial rules that stalked the 2023/24 season. As for other sports regulators, beyond definition of the rules themselves, mitigation of these risks will require diligent design and effective future implementation of an overall regulatory framework including:

- Clarity and consistency of financial reporting requirements for clubs;
- A multi-faceted compliance monitoring approach to genuinely police the rules;
- Clear processes, roles and responsibilities for all involved parties to facilitate timely implementation of enforcement action and independently judged proportionate sanctions; and
- A communications programme to encourage common understanding about the regulatory framework amongst clubs, fans and other stakeholders.

Chart 10: Premier League clubs' net debt – 2023 (£m)



Source: Deloitte analysis.

Note: Manchester United's 2023 net finance costs include £22m credit in unrealised foreign exchange gains (2022: £59m loss) on retranslation of unhedged US dollar borrowings.

The Spearman's rank correlation coefficient, the strength of relationship between league position and wage cost ranking, decreased from 0.78 (high correlation) to 0.47 for the 2022/23 season. High wage expenditure did not translate to better on-pitch performance as often, with Brentford (£99m) and Brighton & Hove Albion (£128m), both amongst the five lowest wage spenders yet finishing ninth and sixth respectively. Whilst Chelsea (£404m) and Leicester City (£206m) reported the second and seventh highest wage costs yet finished at 12th and 18th respectively (with Leicester City relegated to Championship).

Premier League clubs' profitability

Despite the growth of revenue exceeding wage cost growth (by £226m), clubs' operating profitability (before player trading) fell by 18% to £393m as other operating expenses increased to c.£1.6 billion, driven in part by inflation and direct costs associated with delivering certain revenue streams.

Despite reporting aggregate operating profit, Premier League clubs reported an aggregate pre-tax loss for the fifth consecutive year (£685m in 2022/23, a 14% increase year-on-year). The £1.1 billion difference between operating profit and pre-tax loss is the net of £1.8 billion amortisation costs of transfer-in of players (up 17%), £192m finance costs in respect of net debt, £697m profit from transfer-out of players, and £191m exceptional credits. Four clubs reported a pre-tax profit in 2022/23 (Brighton & Hove Albion: £133m, Manchester City: £80m, AFC Bournemouth: £44m and Brentford: £9m), a reduction from seven clubs in the prior season. Aston Villa reported the highest pre-tax loss of £120m, despite reporting a small pre-tax profit the year before (bolstered by £97m profit from transfer-out of players), demonstrating the volatility of financial performance in the football sector. The other 15 clubs generated an average pre-tax loss of £58m.

Premier League clubs' net debt

In 2022/23 clubs' net debt increased by £473m to £3.1 billion, largely driven by funding for clubs' infrastructure projects. A portion (£52m) of this increase is attributable to the mix of clubs promoted to/relegated from the Premier League compared to previous season.

The 17 consistent clubs reported an aggregate increase in net debt of £421m, with a variety of strategies employed. Everton's net debt increased by £189m (to £331m in 2022/23), other loans funding expenditure on its new Bramley-Moore Dock Stadium. Chelsea moved from a net funds position of £54m in 2022 to net debt of £58m in 2023, driven by an increase of £146m in soft loans as the new ownership funded significant investment in the men's first team playing squad. Newcastle United increased bank loans (up £49m) to fund land acquisition around St James' Park. Liverpool also increased bank loans (up £38m) to fund the stadium expansion completed in 2024. Leicester City reduced its net debt after conversion of £194m of soft loans to equity.

In addition to the increase of net debt, funding for clubs' operating and player expenditure was supplemented by equity injections (of £0.8 billion across nine clubs). In addition to net debt, according to the Premier League clubs' balance sheet position at summer 2023, net liabilities due to other clubs for transfers-in of players was over £2 billion, as transfer fees are typically settled over one to three years, up by c.£1 billion compared to summer 2022 position.

£3.1bn

IN NET DEBT FOR PREMIER LEAGUE CLUBS IN 2022/23, AN INCREASE OF £473m LARGELY DRIVEN BY FUNDING FOR CLUBS' INFRASTRUCTURE PROJECTS.

Kick It Out: Together we can change it

The 2022/23 football season marked the 30th anniversary for Kick It Out's efforts to eradicate all forms of discrimination within sport. Initially established in 1993 to tackle racism in football, the organisation has widened its scope to promote an inclusive environment in all respects across sport. In addition to campaigning, it has achieved this through collaborative efforts such as offering educational programmes for academy players, parents, and fans and by providing support for people to thrive in football.

The impact of Kick It Out in addressing discrimination has been notable. Research carried out to mark the organisation's anniversary found that 43% of fans are now more likely to call out discrimination than when the campaign was launched 30 years ago, or when they first became a fan.

Kick It Out is now calling on industry collaboration to introduce a transparent system tracking diversity metrics across the football workforce, while committing to targets for better representation in roles across the game.

According to research published in the **2024 Deloitte Football Money League**, just 17% of board members at the top 20 revenue generating clubs in world football are considered to be ethnically diverse, and only 15% of members are women.

Research continues to demonstrate the positive impact that a diverse leadership and workforce can have on operational and financial performance. Therefore, committing to gender and ethnicity recruitment and pay targets, supported by recruitment and workplace inclusion strategies, can help bring wider societal returns to the football industry.

Visit www.kickitout.org to learn more about Kick It Out's activities.

THE EVOLUTION OF PREMIER LEAGUE INVESTMENT

2003
Roman Abramovich buys Chelsea from Ken Bates in a deal reported to be valued at c.£140m.

2005
The Glazer family takes control of Manchester United through a leveraged buyout in a deal reported to be valued at c.£790m.

2007
Tom Hicks and George Gillett take over Liverpool FC for a reported £435m.

2008
Sheikh Mansour's Abu Dhabi United Group buys 90% of Manchester City from Thaksin Shinawatra, former prime minister of Thailand.

2010
Portsmouth becomes the first Premier League club to enter administration, resulting in a nine-point deduction and ultimately, relegation to the EFL Championship.

Fenway Sports Group buys Liverpool for a reported £300m.

David Sullivan and David Gold acquire a 50% stake in West Ham for a reported £50m.

2012
Manchester United list on the New York Stock Exchange. The club raise around USD$233m at a valuation of $2.3bn.

Matthew Benham buys League One club, Brentford, and ushers them through the English football system culminating in promotion to the Premier League in 2021.

2013
City Football Group (CFG) Limited incorporate in January 2013 after the creation of New York City FC in the USA. CFG currently has 13 clubs in its multi-club network.

Shahid Khan buys Fulham for a reported £190m.

2014
Premier League domestic broadcasting rights sell for over £1bn per season from the 2013/14 season, a c.60% increase relative to the previous cycle.

Clubs are subject to sanctions, resulting from UEFA FFP break even requirements, for the first time.

2015
David Blitzer and Josh Harris invest £50m into Crystal Palace and join Steve Parish on the club's board.

Premier League's profitability and sustainability rules (PSR) are introduced.

This timeline is not exhaustive of all investments, rule changes, or other deals during this time period. All information is based on publicly available information.

2016

Wolverhampton Wolves are bought by the Chinese conglomerate Fosun International for a deal reportedly valued at £45m.

Farhad Moshri becomes major stakeholder in Everton through the acquisition of a 49.9% stake, before increasing stake to 94.1% over the next six years.

2017

Kroenke Sports & Entertainment (KSE) acquires 100% of Arsenal Football Club.

Nassef Sawaris and Wes Edens (V Sports) purchase a controlling stake in Aston Villa.

Intense competition between Sky and BT (now TNT) drives domestic broadcasting rights fees to c.£1.8bn per season, commencing in the 2016/17 season, a c.63% increase relative to the previous cycle.

2019

In December 2017, Sky and BT announce a content cross-wholesale agreement to 2030, which becomes one of the main factors behind a decline in domestic values in the broadcasting cycle commencing in 2019/20 (c.8% decline relative to previous cycle).

2020

The COVID-19 pandemic delays the conclusion of the 2019/20 season, with matches played behind closed doors.

ALK Capital completes its takeover of Burnley by buying an 83% stake, with future investment from former professional star athletes JJ and Kealia Watt, as well as YouTube sensations Dude Perfect.

2021

The Fan-Led Review of Football Governance is published by UK Minister of Sport, Tracey Crouch.

RedBird Capital Partners buys an 11% stake in FSG for a reported £533m.

The Public Investment Fund (PIF) completes £305m deal for Newcastle United, holding majority share (80%). Minority shareholders include Cantervale Limited (Amanda Staveley) and RB Sports and Media (10% each).

John Textor invests £87.5m for 40% ownership of Crystal Palace.

Daniel Kretinsky acquires a 27% stake of West Ham United for a reported £160m.

The Premier League rolls-over its domestic media rights deal into the 2022/23 to 2024/25 cycle.

2022

Todd Boehly-led consortium commits £4.25bn to purchase Chelsea FC; £2.5bn to acquire the club and a further £1.75bn investment into Stamford Bridge, Chelsea Women, Chelsea academy and Chelsea Foundation.

Silverlake buys CMC Holdings remaining shares of Manchester City.

Bill Foley-led partnership, Black Knight Football Club, complete takeover of Bournemouth FC valued at a reported £120m.

International media rights increase 26% in the 2022/23 to 2024/25 cycle due to uplifts in key territories; the first time the value of international rights has exceeded the value of domestic rights for the Premier League.

2023

Dynasty Equity invests £100m of capital into Liverpool FC, as the fund's first investment.

Atairos agrees deal to become minority partner in V Sports, the owners of Aston Villa.

Everton are deducted ten points in the 2023/24 season following a PSR breach for the monitoring period ending with the 2021/22 season. The penalty is reduced to six points upon appeal by the club.

The Premier League agrees four-year deals with Sky and TNT Sports for its domestic broadcasting rights worth a reported £6.4bn total commencing in the 2025/26 season.

2024

Sir Jim Ratcliffe acquires a 25% stake in Manchester United for a reported £1.25bn, with an additional £245m committed towards improving the club's infrastructure.

Both Nottingham Forest (four points) and Everton (two additional points) receive deductions following a PSR breach for the monitoring period ending with the 2022/23 season.

Over its 32 year history, the Premier League has established itself as one of the most-watched sports leagues in the world. Those watching eyes extend to investors, attracted by the resilience and reliability of the unscripted drama of the Premier League, in the midst of macroeconomic challenges and other entertainment offerings struggling to engage audience.

In recent years, many have deployed capital in Premier League clubs, instigating a new wave of investment rippling across the League. Whilst an influx of capital presents clubs with a swathe of new opportunities, it also presents investors with a significant responsibility to protect the cultural and financial assets of some of the world's most valuable sports organisations.

The diversity of Premier League club ownership has evolved significantly in recent years, with high-net-worth individuals now joined by sovereign wealth, private equity, and multi-faceted conglomerates. As valuations continue to rise, intricate ownership and funding networks are being formed, with the goal of fuelling growth through either control acquisitions or strategic minority investment.

Over half of the 2024/25 Premier League clubs (11) have received some form of external investment in the last five years.

The further development of sporting and financial regulations aimed at bolstering financial sustainability and sporting integrity also stands to potentially expand the investor pool attracted to the market (or at least the credibility of the investor pool), whilst also setting enhanced standards that investors must comply with in order to invest.

With an increasing investor base focused on the growth potential of the league and opportunity to obtain financial returns, an increasing emphasis from new ownership is being placed on investing in strategic growth initiatives. Investors are considering club investments alongside infrastructure projects, further commercialisation, revenue diversification and the equity value of the women's team, with the overall objective of generating higher returns on their investment.

Minority investment activity

As noted in **Deloitte's 2024 Sports Investment Outlook**, 2023 saw a rise of minority investment activity, as super-premium and premium assets saw valuations rise to record figures. With the Premier League home to 40% of **Deloitte's 2024 Football Money League** clubs, its clubs have been subject to several minority investments over the last 12 months. In September 2023, Dynasty Equity announced a strategic investment in Liverpool FC, with the funds primarily used to pay down bank debt and capital expenses on infrastructure enhancements. Similarly, in December 2023, V Sports, owners of Aston Villa, announced a minority partnership agreement with strategic investment company Atairos to fund growth and infrastructure development. Most recently, in February 2024, Sir Jim Ratcliffe's INEOS group completed a deal to buy a minority stake in Manchester United and take-on responsibility for the management of the Club's football operations.

As investor interest in Premier League clubs intensifies, we expect deeper pools of strategic / economic capital to be attracted to Premier League clubs via minority investments (in the face of rising valuations). It will therefore become increasingly important for incumbent owners to not only consider the economics, but also strategic / structural alignment and exit implications of onboarding additional partners.

Multi-club and multi-sport ownership structures

Recent years have seen the rise in the multi-club ownership (MCO) model as investors seek to test the hypothesis of synergies across clubs to fuel commercial growth. Investors in Premier League clubs have been a key contributor to this trend, with 60% of 2023/24 Premier League clubs involved in MCOs, with some clubs also linked to non-football sports properties (i.e. NFL, NBA, NHL, MLB franchises) via common ownership.

Despite their popularity, MCO models remain relatively unproven business models, with their success requiring a deliberate strategy, encompassing the cross-over and education presented by the structure of investments. The MCO model can provide ownership with the ability to drive efficiencies across their network, both on-and-off the pitch, through the development of player networks, data and digital enhancements, and global sponsorship and branding opportunities, but how overall value is driven for investors is likely still only fully achievable through an equity sale.

Over the past few years, there has been greater interest from American investors to include European football in multi-sport models. In the Premier League, nine of the 20 clubs (45%) currently have a form of American majority ownership. Many of these clubs are part of a broader multi-sport network; for example, Manchester United and Tampa Bay Buccaneers (NFL), Fulham and Jacksonville Jaguars (NFL), Chelsea and LA Dodgers (MLB). US-based private equity firms, such as RedBird Capital Partners and Arctos, are also investing in clubs across Europe.

Post-transaction transformation

Once successful investment has been struck, the first 100 days of ownership is a seminal period.

The first 100 days

Upon completion of the deal, the new owners of the club are handed the keys to the centrepiece of a community and bear a newfound responsibility to gain the trust of fans. The first 100 days following the close of a deal are crucial for the ownership to define a new strategy, understand the current state of play, have the right leaders in place and bring staff, players and fans on the journey. New owners may consider:

An enhanced market analysis – understanding what the organisation currently has, where it can play, and its ability to win based on market opportunities and existing foothold in the market. An effective market analysis will be driven by a comprehensive data strategy, allowing investors to pinpoint opportunity and challenges.

Leadership workshops – to align senior management teams and ownership with the new vision for growth and transformation.

Finalising governance principles – design and implement new governance principles to protect and enhance the value of their asset, as new ownership can present a high level of risk due to a new owner's limited oversight of company activities.

Reviewing operational models – to ensure that teams and partners have the right capabilities to be deliver against the strategy and growth initiatives.

Developing a plan for transformation – Understand the initiatives and activities required to implement the strategy to achieve the transformational outcomes set out.

WE EXPECT DEEPER POOLS OF STRATEGIC / ECONOMIC CAPITAL TO BE ATTRACTED TO PREMIER LEAGUE CLUBS VIA MINORITY INVESTMENTS.

Multi-club considerations

Whilst we expect to see the number of MCOs rise in the near future, the intricacies of club ownership require consideration of their merits and the wider regulatory / structural challenges they may present, above those already associated with ownership of a single club.

With MCOs yet to consistently showcase their benefits, MCO operators must ensure that prior to an investment, they responsibly assess the merits of an investment on a standalone basis, and not rely upon benefits that may not materialise.

As MCOs become increasingly prevalent it will be crucial that MCO operators and governing bodies work cohesively to ensure not only sporting integrity, but that any mandated divestments and financing restrictions imposed as a result of common ownership do not negatively impact the future of affected clubs and ensure the protection of important community assets.

Creating the right narrative – building an appropriate communications strategy to build trust and engagement among the club's fanbase, partners, players, workforce, and the local community.

Ensuring a long-term impact

Responsible investment requires an ownership strategy that protects the long-term financial sustainability and operational viability, while also balancing this with garnering on-pitch results that retain fan engagement and loyalty. This balance may be daunting to achieve, but by taking the steps in the first 100 days and beyond to build new connections across the clubs' landscape and articulating the vision for the near and long term, the new owner can demonstrate their commitment to achieving growth both on-and-off the pitch and the plan that will allow them to achieve their ambitious goals.

FOOTBALL LEAGUE CLUBS

EFL Championship clubs’ revenues exceeded their wage costs in 2022/23, for the first time since 2016/17. However, second-tier clubs generated deficits of £16m, remaining heavily loss making and requiring significant owner funding in the hopes of achieving promotion to the Premier League.

Football League clubs' revenue

In 2022/23, Championship clubs' aggregate revenue of £749m was a 10% increase compared to the previous season (£678m), largely as a result of club mix. The five clubs in receipt of parachute payments had average revenue of £66m (range £76m to £57m), with the other 19 clubs averaging revenue of £22m (range £36m to £16m).

In aggregate, parachute payments to the five clubs contributed around £200m (27%) of Championship clubs' total revenue (2021/22: c.£190m for five clubs), helping to fund the efforts of Burnley and Sheffield United to gain promotion, alongside the remarkable rise of Luton Town who reached the top-tier without such support. All three clubs will be back in the Championship again for the 2024/25 season following a single season in the top division. The Football League's hierarchy continue to push strongly for a revamp of the Premier League's system of parachute payments, the scale of which have increased significantly over the past decade, emboldened by the prospect of a new Football Regulator with backstop powers to deliver financial redistributions should the game be unable to agree a deal itself.

Although still behind pre-pandemic levels (2018/19: £166m), matchday revenue of £152m among Championship clubs in 2022/23 represented a £22m (17%) uplift compared to the previous season (£130m), largely driven by increased attendances across the league. Over 10 million cumulative fans attended a Championship match (average 18,925), making it the fifth highest total attended division in Europe behind only the Premier League, Bundesliga, LaLiga and Serie A. An aggregate 19.8 million attendees across Championship, League One, and League Two competitions marks the largest aggregate figure in almost 70 seasons (1953/54), fuelled in part by a rise in season ticket sales and the clubs' efforts to draw new audiences.

There was a 21% uplift in commercial revenue among Championship clubs in 2022/23 to £199m, boosted by both club mix and commercial efforts across the division. Where possible, clubs are increasingly exploring ways to generate greater commercial revenues, viewing their stadia as year-round, multi-purpose entertainment venues. The increased exposure from the new broadcast deals will also support future commercial revenue growth.

Championship clubs' broadcast revenue of £397m in 2022/23 included c.£200m of parachute payments shared among five clubs,

Political football

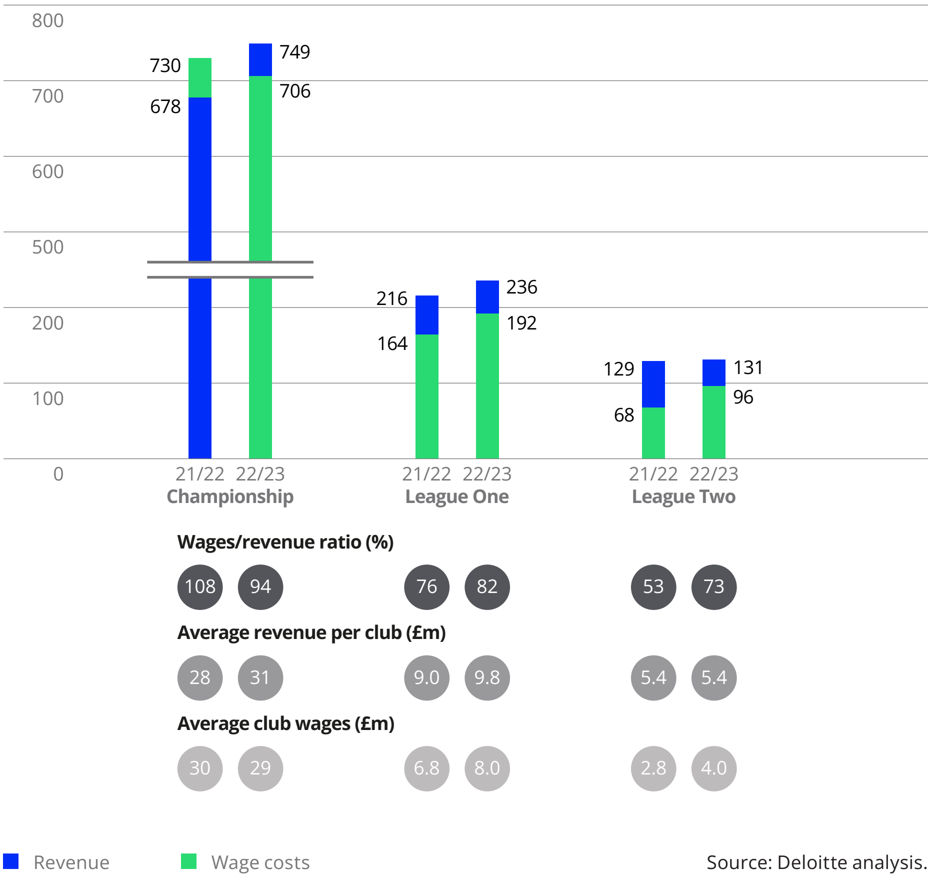
The journey towards the establishment of a new Independent Football Regulator (IFR) and its regulatory regime was progressing with some pace in 2024, up to the dissolution of Parliament until after July's general election meant the legislative process for the Football Governance Bill was halted at Committee stage. However, given cross-party support and broad consensus on the Bill's contents, the prospect of the next government moving quickly to set-up the new regulator remains very real.

The Football Regulator's objectives focus on clubs' financial soundness, systemic financial resilience and safeguarding the heritage of English football. This will include the IFR operating a licensing regime covering clubs in the top five divisions of English football, to include requirements for each club to prepare and submit detailed financial plans about its operations and sources of funding.

Similarly, prospective new owners will also be required to set out to the IFR their financial plans for their targeted club and sources of funding.

The IFR's regulatory principles recognise that it will add to an already complex array of financial reporting and other requirements for clubs, so a collaborative approach will help deliver a coherent regulatory landscape. This will be important for the efficiency and effectiveness of the regime for clubs, leagues and the IFR, and also to help manage the fans' understanding about the business, governance and finances of football and implications for their clubs. For many fans these days, beyond the football itself, there's a growing interest and scrutiny of the off-pitch operations and governance of football.

Chart 11: Football League clubs' revenue and wage costs – 2021/22 and 2022/23 (£m)



Source: Deloitte analysis.

1,000+

MATCHES FROM ACROSS EFL COMPETITIONS WILL BE BROADCAST EACH SEASON FROM 2024/25.

meaning broadcast revenue excluding these payments was relatively stable under the Football League's broadcast arrangements running to 2023/24 season.

EFL clubs have agreed a record domestic rights deal with broadcaster Sky Sports worth £895m over five years from 2024/25 (plus £40m in additional marketing benefits), representing a 50% uplift on current rights value and increased exposure for clubs across all three divisions. According to the EFL's existing formula, the additional £60m per season will increase distributions to Championship clubs by 67% and to League One and League Two clubs by 50%.

In total, over 1,000 matches from across the EFL's competitions will be broadcast each season from 2024/25 (56% of 1,891 matches), compared to 243 matches in the current Sky deal and 360 matches on iFollow and club streaming services. This will include 10 live EFL matches each weekend fixture round televised by Sky Sports.

In addition to the uplift in revenue, the new deal commits greater parity in the broadcasts of clubs across the leagues and increases the digital capabilities of the coverage. Although the deal will keep in place the Saturday blackout period between 2:45pm and 5:15pm, more matches will be available to stream across the leagues and cup competitions. There will also be an extended notice period for TV selections, which provides fans with greater certainty to plan travel arrangements for matches.

League One clubs' average revenue in 2022/23 of £9.8m was 9% greater than the previous season (£9.0m). This was partly driven by significant increases in revenue among League One's consistent clubs with Ipswich Town and Bolton Wanderers each recording increases of over 40%, albeit Sunderland was absent compared to previous season. League Two clubs' average revenue in 2022/23 of £5.4m was slightly (1%) higher than 2021/22, aided by increased matchday attendances.

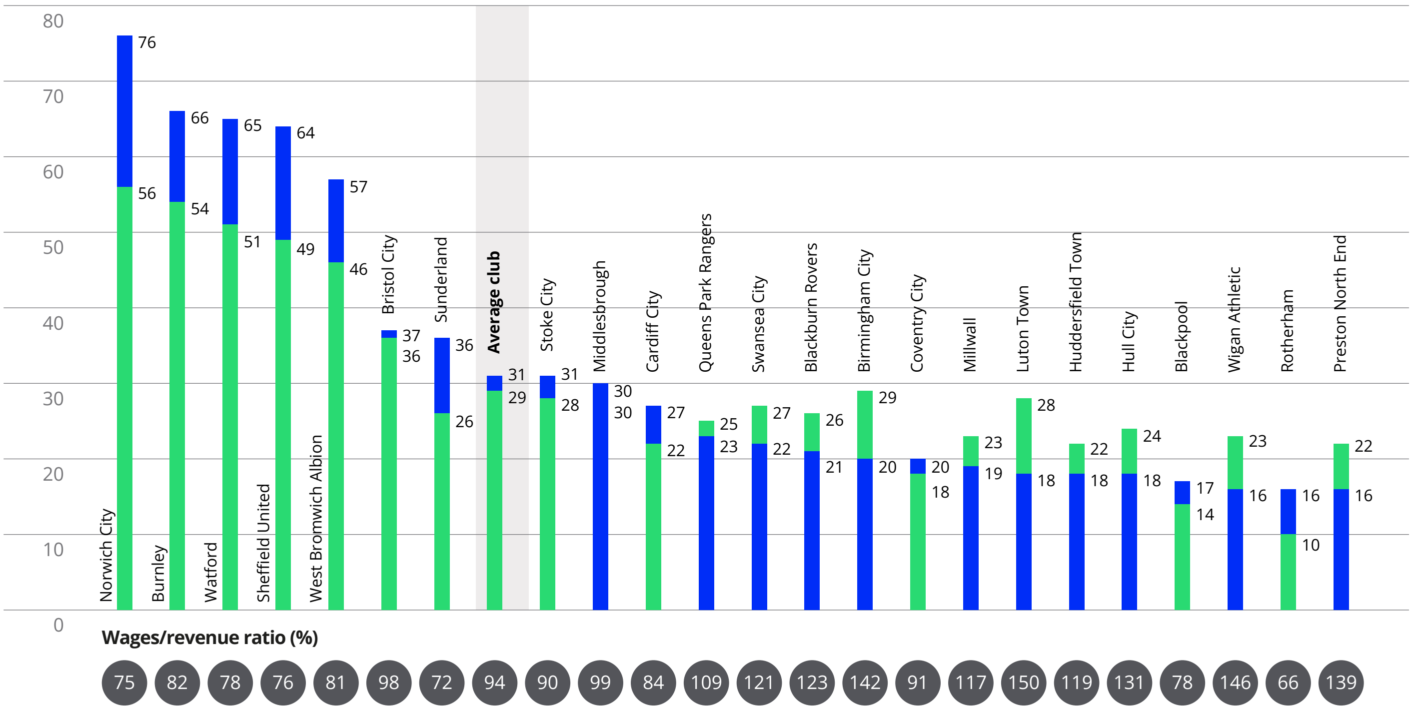
Football League clubs' wage costs

For a third consecutive year the wage costs of Championship clubs fell, dropping 3% to £706m (2021/22: £730m). This reduction, combined with an uplift in revenue, resulted in Championship clubs' revenue exceeding wage costs for the first time since 2016/17. The decrease was predominately driven by the Championship's club mix compared to the previous season.

The average wages/revenue ratio for Championship clubs was 94%. The five clubs in receipt of parachute payments were each able to achieve a lower than average wages/revenue ratio in the range 82-75%. Ten Championship clubs had a wages/revenue ratio in excess of 100%, the highest of which was Luton Town's 150% in part due to promotion bonuses to be covered by the following season's revenues to be gained from Premier League status.

Whilst in recent years the identity of the Championship's promoted clubs has become more strongly correlated with parachute payments, a Spearman's rank correlation of 0.47 illustrates mixed fortunes with clubs both over and under-performing relative to their wage costs ranking.

Chart 12: Championship clubs' revenue and wage costs – 2022/23 (£m)



Revenue
Wage costs
Note: revenue and wage costs figures not available for Reading.
Source: Deloitte analysis.

Beyond the game

The power of football can be used to catalyse economic growth and social benefits for a place by attracting investment, boosting the visitor economy, creating jobs, and improving social outcomes:

- **Catalysing further investment**: Investment in clubs and stadia can attract further investment to surrounding neighbourhoods. Local governments and stakeholders can collaborate with clubs and their owners to provide supplementary infrastructure investment, such as transportation and community facilities, to drive additional financing and boost economic returns through better utilisation of stadia. For instance, Luton Town announced the development of a new stadium at the Power Court site, highlighting that it would be accompanied by a "new town quarter for Luton with 1,200 homes, leisure, restaurants, bars, retail and community space".

- **Boosting the visitor economy**: The UK is home to some world-renowned clubs and, if harnessed effectively, football can stimulate tourism and boost the visitor economy. For example, Wrexham has reported significant increases in day visitors, overnight visitors, and visitor spending, attributed in part to the growing profile of Wrexham AFC.

- **Delivering jobs and skills**: Football clubs are significant employers within their communities and contribute to the economy through job creation. Stadia construction can provide further employment opportunities through a local supply chain, as illustrated by Knighthead Capital Management's announcement that the development of the Sports Quarter in East Birmingham is expected to generate over 3,000 local jobs.

- **Driving social benefits**: Sport England estimates that for every £1 spent on sport and physical activity, £4 is generated in health and wellbeing benefits, thereby reducing the burden on the NHS and increasing participants' life satisfaction. Football clubs' community programmes contribute to several social benefits and improved health outcomes, highlighting the role clubs can play in helping governments to improve population health..

Unlocking these opportunities requires a careful combination of private and public investment, communication of the vision for both sporting values and growth trajectory, alongside community awareness of the future benefits that will be created.

League One clubs' average wage costs in 2022/23 of £8.0m were 17% higher than the previous season (£6.8m), contributing to a wages/revenue ratio of 82% in 2022/23, a six point increase on 2021/22 (76%). League Two clubs' average wage costs were £4.0m, with the wages/revenue ratio among these clubs increasing to 73% (2021/22: 53%).

Football League clubs' losses

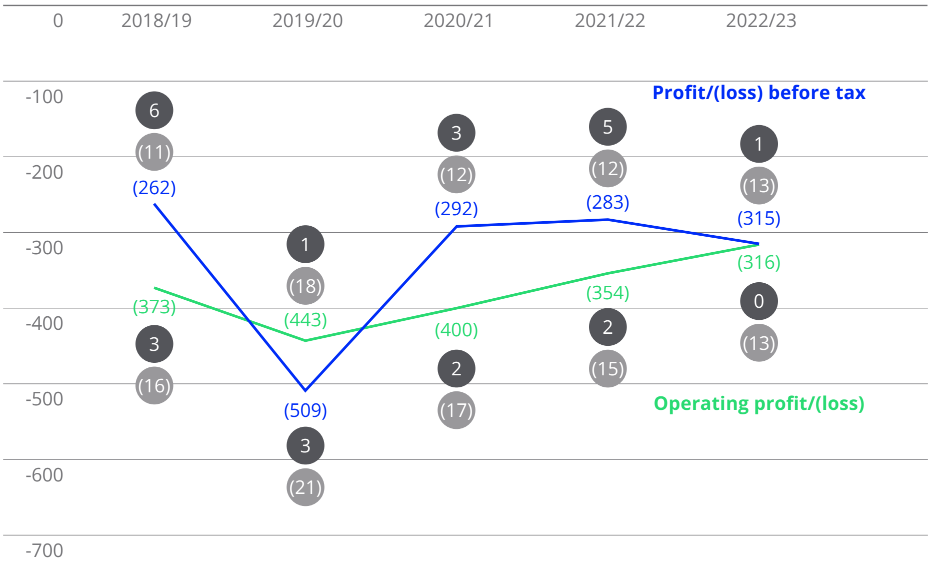
For the third consecutive year, Championship clubs' operating losses improved to £316m in 2022/23, albeit not a single Championship club managed to generate an operating profit (before player trading).

Championship clubs' pre-tax losses of £315m were at similar level to operating losses in 2022/23, as costs of player amortisation (£158m) and finance costs (£35m) were broadly offset by profit from transfers-out of players (£182m) and £11m exceptional credits. Seven Championship clubs suffered losses in excess of £20m and only one club managed to generate a profit (Watford, £24m) given player disposals following relegation.

Whilst losses incurred by Championship clubs remain unsustainable without significant funding from club owners, there was some improvement in 2022/23 as previous season's losses were over £450m excluding some one-off credits for loan waivers at certain clubs.

League One clubs' pre-tax losses worsened to an average of £5.0m (2021/22: £2.2m), with Derby County responsible for £30m (25%) of the total (c.£121m). League Two clubs' pre-tax losses averaged £1.5m per club.

Chart 13: Championship clubs' losses – 2018/19 to 2022/23 (£m)



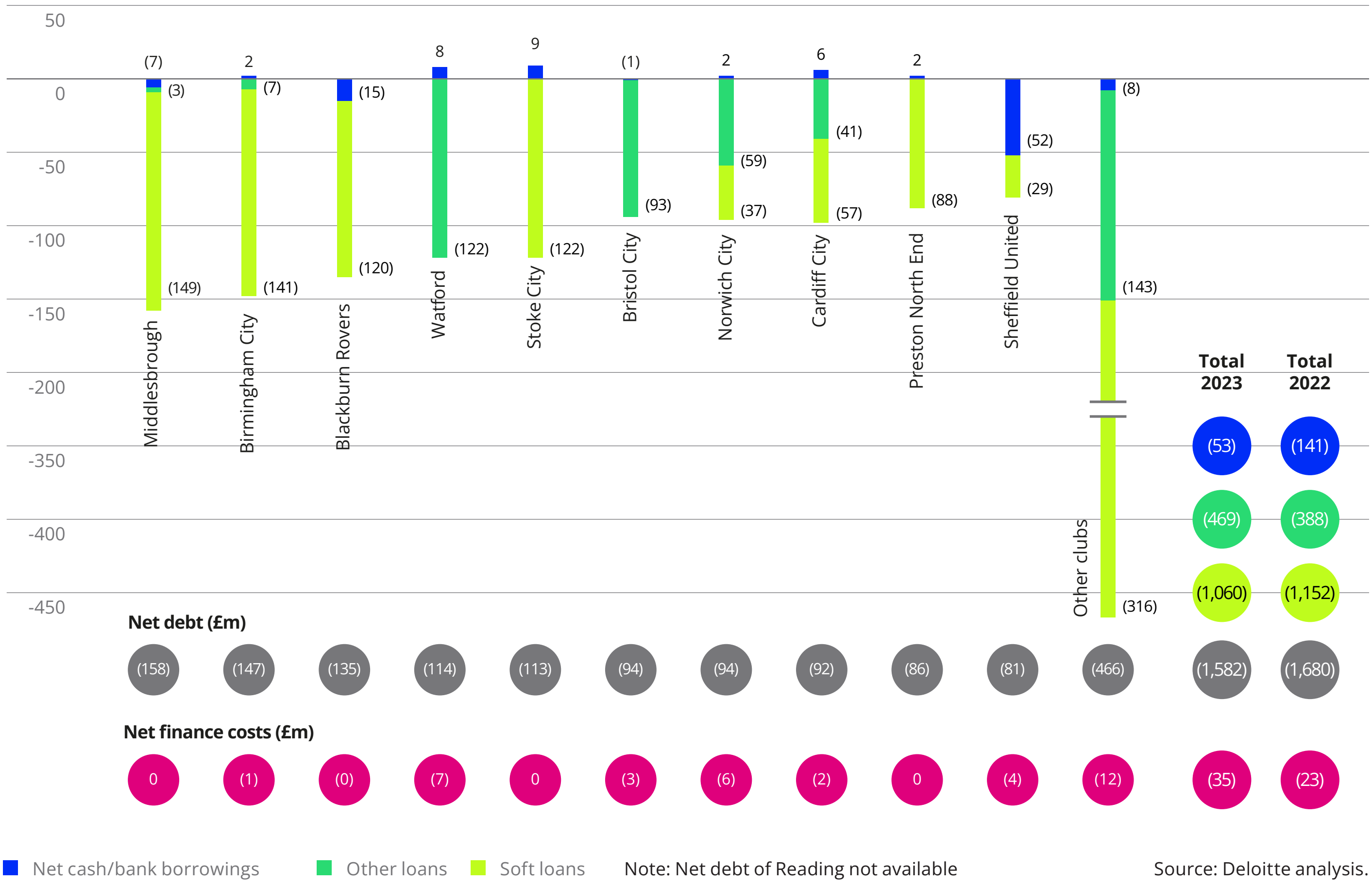
● Clubs generating operating profit/pre-tax profit
● Average club operating loss/pre-tax loss

Note: The operating result is the net of revenue less wage costs and other operating costs. The operating result excludes player trading and certain exceptional items, which are included in the pre-tax result, along with other costs such as financing costs. The pre-tax results can be particularly impacted by one-off costs and credits from year-to-year.

Number of clubs reporting an operating profit is based on the 23 clubs we have disclosures for.

Source: Deloitte analysis.

Chart 14: Championship clubs' net debt – 2023 (£m)



Note: Net debt of Reading not available

Source: Deloitte analysis.

Championship clubs' net debt

The net debt of Championship clubs in 2022/23 reduced slightly to £1.6 billion (2021/22: £1.7 billion). Only two clubs reported positive net funds (Sunderland £2m and Swansea City £3m). Meanwhile five clubs reported net debt in excess of £100m, compared to eight in 2021/22.

The small fall in net debt levels amongst Championship clubs in 2022/23 can be primarily attributed to the change in club mix. Whilst there were a variety of ups and downs, the net debt of the 18 consistent clubs increased by c.£55m to £1.3 billion.

£1.1 billion of soft loans from owners make up the largest element of Championship clubs' net debt at summer 2023 balance sheet date, as there continues to be a supply of stakeholders willing to inject huge sums into operating a club, with no guarantee of returns from either repayment or success on the pitch. In 2022/23 there was also £0.2 billion of additional owner equity injections across nine Championship clubs, to help fund operating and player expenditure.

Exiting the Championship at the wrong end of the division exposes a club to instability and financial stress as experienced in recent years by communities such as Bolton, Charlton, Derby and Wigan. Such situations have been key drivers for the prospective Football Regulator's focus on clubs' financial planning and security of owner funding to help promote financial sustainability, which also needs to be accompanied by the gritty realism that in a pyramid of promotion and relegation, not all clubs can always be successful.

£1.1bn

OF SOFT LOANS FROM OWNERS MAKE UP THE LARGEST ELEMENT OF CHAMPIONSHIP CLUBS' NET DEBT.

WOMEN'S SUPER LEAGUE CLUBS

In 2022/23, the first season following the Lionesses' EURO 2022 triumph, WSL clubs generated £48m in aggregate revenue, a 50% increase on the prior season (£32m) and more than double the revenue generated in 2020/21.

WSL clubs' revenue

The uplift in the 12 WSL clubs' revenue can largely be attributed to the improvement in commercial and matchday revenue, increased distributions for English clubs playing in UEFA competitions, and an uptick of income from a club's corporate group.

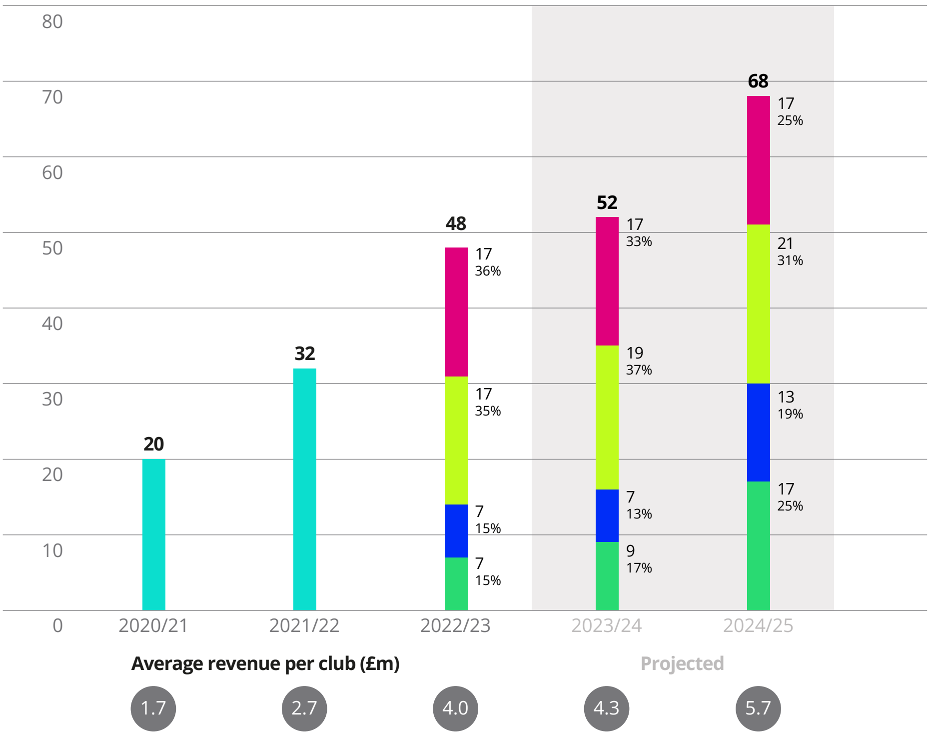
The average revenue for WSL clubs was £4m in 2022/23, up from £2.7m in 2021/22. There remains significant disparity across the WSL, as the top four revenue-generating clubs composed 66% of the total revenue for the league. Arsenal (£11m), Chelsea (£8.8m), Manchester United (£7m) and Manchester City (£5m) remained the highest revenue-generating clubs in the league. Whilst the revenue multiple between the WSL's highest and lowest revenue-generating club has remained relatively similar (16x), in real terms the gap (£10.3m) increased by £3.9m. Some of these differences are due to different funding arrangements and consequential accounting treatment.

Although we are pleased to add additional metrics for WSL clubs in this year's report, there remain certain limitations to the availability and comparability of WSL clubs' financial information and different accounting treatments. As clubs begin to delineate financial information for their women's football activities, we hope to continue the journey towards a more comprehensive analysis in future editions.

Commercial revenue remained a major driver of growth, representing 35% of total revenue for WSL clubs, demonstrating the importance of sponsorship and commercial partners to the future financial growth of the league's clubs. The reporting and attribution of commercial revenue to women's clubs from shared deals remained inconsistent, although transparency is improving. As such, in the 2022/23 season, Manchester United (£5.2m), Manchester City (£3.6m), Liverpool (£3m) and Tottenham Hotspur (£1.7m) all reported commercial revenues over £1m.

As the debate between unbundling and bundling commercial deals continues to garner attention (or indeed even the overall position of the women's club within the group structure), it is important to note that this decision will be different for each organisation and category of sponsorship. Front of shirt sponsorships trended towards bundling; in 2022/23, all 12 WSL clubs had the same front of shirt sponsor as their affiliated men's club, compared to 10 clubs in 2021/22 and eight clubs in 2020/21.

Chart 15: Women's Super League clubs' revenue – 2020/21 to 2024/25 (£m)



Matchday
Broadcasting
Commercial
Group income
Total revenue

Note: Figures for 2023/24 and 2024/25 are projections.
Source: Deloitte analysis.

NewCo opportunity

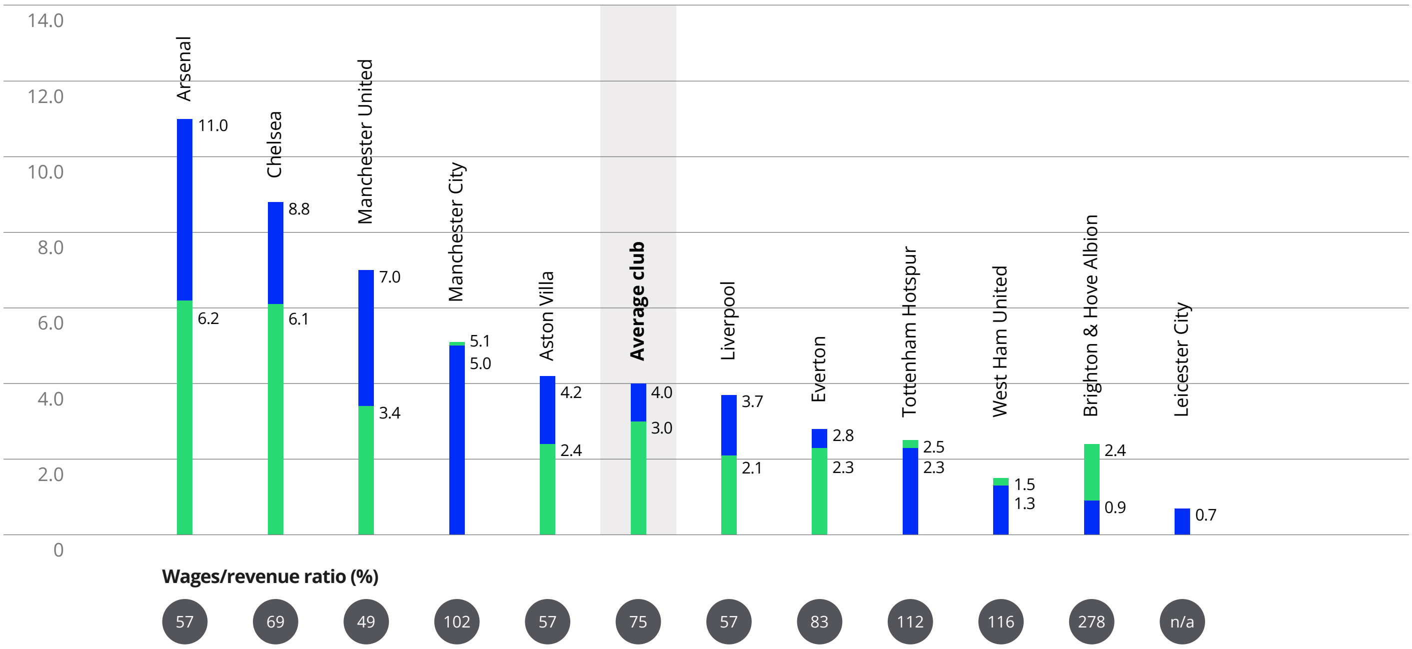
Amongst a variety of strategic recommendations, the Karen Carney-led independent review into women's football in England set a high bar of expectations for the new entity tasked with running women's football across the country. The review prompted NewCo to not settle for anything less than world leading standards for players, fans, staff and other stakeholders involved in the women's game.

NewCo will step into the governance role in place of the FA in 2024 as a standalone entity with a professional and dedicated management team to capitalise on the growth and opportunity in front of the women's game. The clubs will be both participants in the competition and shareholders off the pitch.

All stakeholders will be excited about the prospects for the future quality, exposure and popularity of the women's game. Although we expect revenue to grow rapidly, without restraint, so will costs. NewCo's strategic objectives will need to balance between competing pressures.

Achieving their objectives will require good governance structures to empower leadership within the context of strategic consensus, to help unify and mobilise all stakeholders to push in the same direction in order to avoid division and decision-making led by self-interest.

Chart 16: Women's Super League clubs' revenue and wage costs – 2022/23 (£m)



■ Revenue ■ Wage costs

Note: Revenue and wage costs of Reading not available.
Wage costs of Leicester City not available.

Source: Deloitte analysis.

Additional revenue provided through dedicated women's football deals are increasing in occurrence. For example, the 2022/23 financial figures include revenue from the first stadium naming rights deal for a WSL club for Manchester City Women's deal with Joie. Clubs are additionally recognising the benefits of unbundling certain categories of deals, including fashion and beauty, that may resonate more closely with the demographic of women's team fans. A comprehensive fan analysis can prove advantageous for clubs as they judge which deals will add value to the full club's brand, or as more pertinent to the women's team.

Matchday revenue received a boost in 2022/23 following the success of the Lionesses in the UEFA Women's EURO 2022 and growing media profile of star players, as clubs across the league mobilised to increase the use of their main stadia and enhanced their matchday offerings attracting average attendance of 5,616 (up nearly 200% on previous season's average of 1,923).

Arsenal led the way in terms of matchday attendances, with an average of 16,976 in 2022/23. The club also drew the highest ever attendance at a single WSL match in 2022/23 (47,367) – a record which it then went on to break on four separate occasions in the most recent 2023/24 season. Arsenal significantly outperformed the other 11 clubs in respect of matchday revenue, accounting for 38% of the league's total. Arsenal Women have announced that the club will use the Emirates Stadium as its main home from 2024/25.

Broadcast revenue of £7.2m represented 15% of the total revenue for WSL clubs. Year-on-year growth was limited due to the 2022/23 season taking place mid-cycle for both domestic WSL broadcast rights and UEFA Women's Champions League (UWCL) rights. UEFA distributions to WSL clubs competing in the UWCL increased in 2022/23. This was due to improved performances with two clubs progressing past the group stage, Arsenal and Chelsea, compared to one in the previous season. These two clubs were the only WSL clubs to report over £1m in broadcast revenue, demonstrating the incremental value of competing in European competitions.

The Karen Carney-led major review of women's football published in 2023 set out ten recommendations, in which one encouraged the collaboration of industry stakeholders to establish a dedicated broadcast slot for women's football. The FA's response to the independent review emphasised the need for a regular slot to unlock growth and create habitual viewership, citing an unprecedented

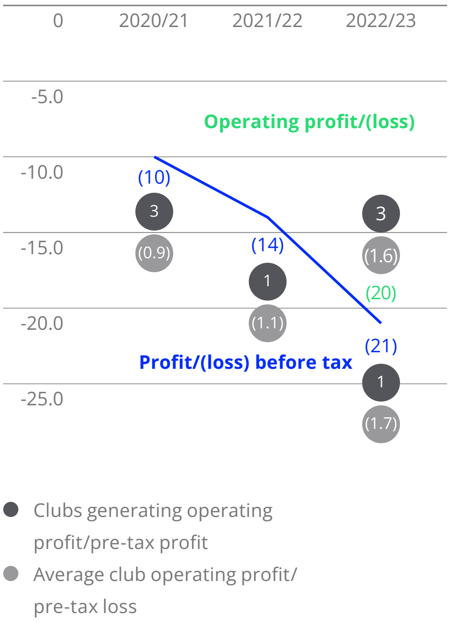
MATCHDAY REVENUES RECEIVED A BOOST IN 2022/23 FOLLOWING THE SUCCESS OF THE LIONESSES IN THE UEFA WOMEN'S EURO 2022 AND GROWING MEDIA PROFILE OF STAR PLAYERS.

opportunity with 80% of followers of the women's game being new to football.

The WSL has recently agreed to a one-year extension to the current broadcast deal with Sky Sports and the BBC, through to the end of the 2024/25 season. NewCo will now look to agree an enhanced broadcast deal for the next cycle from 2025/26 as discussions continue around fees, broadcast slots, and other commercial metrics. The league's next contract will be an important indicator for growth, and this visibility will remain paramount for the development of interest and future revenues across the league.

The revenue of seven of the 12 WSL clubs include group income as a mechanism by which women's football activities receive significant investment from the wider organisation. In aggregate, group income accounted for 36% of revenue across WSL clubs, and more than 50% of total revenue for four WSL clubs (Aston Villa, Chelsea, Everton and Arsenal).

Chart 17: Women's Super League clubs' profitability – 2020/21 to 2022/23 (£m)



Source: Deloitte analysis.

Investment structures in English women's football

In May 2024, Chelsea announced a new strategic growth plan that will see Chelsea Women repositioned to sit alongside, rather than beneath, the men's team in the club's overall structure.

Chelsea's new structure will provide Chelsea Women with dedicated resources, management, and commercial leadership, all focussed solely on the growth and success of the women's team, according to the club's announcement.

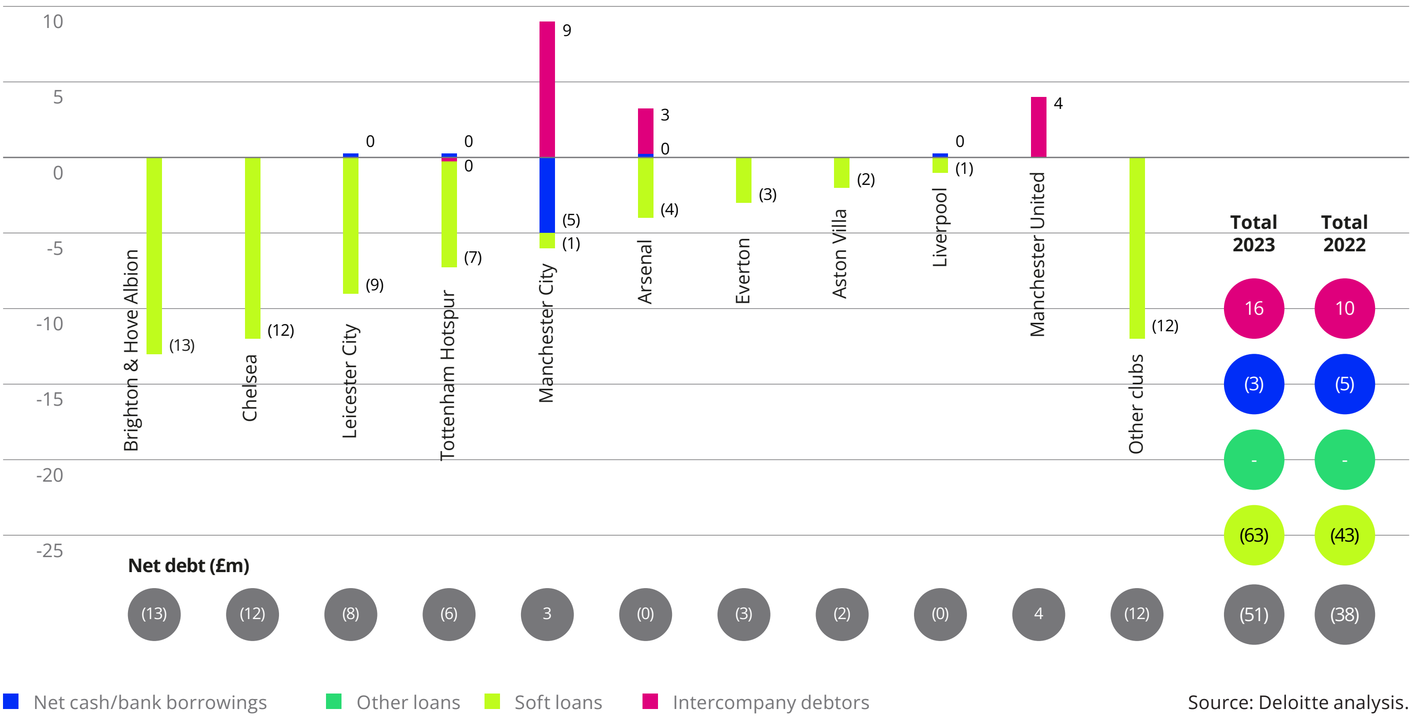
In the upcoming 2024/25 season, all 12 WSL clubs will have a Premier League equivalent. The combined structure has heralded questions as to the ability of women's teams to attract dedicated external investment, as a prospective investor would currently need to invest through a men's team.

Investment into standalone women's football entities is not a rare concept in other global leagues, as these clubs have recently attracted prominent ownership groups.

Chelsea's decision to explore selling a minority stake in its women's team may provide capital for investment into infrastructure and player development, while ensuring Chelsea Women retains the benefits of association with the wider brand and fanbase.

Women's football in England is transitioning to a dedicated structure, with independent company, "NewCo", taking the helm from the FA ahead of the 2024/25 season. Chelsea's announcement prompts the question on if, or when, we will see other WSL clubs follow suit.

Chart 18: Women's Super League clubs' net debt – 2023 (£m)



Source: Deloitte analysis.

WSL clubs' wage costs

In 2022/23, aggregate wage costs totalled £36m (average £3.0m), up 45% on the previous season (£25m). The average wages/revenue ratio of 75% was relatively stable across the two seasons (2021/22: 78%), albeit this value is considerably higher if group income is excluded (117%).

The range in wage costs across the league continued to widen, up 47% from £3.6m in 2021/22 to £5.2m in 2022/23. The top four highest wage bills align with the highest revenue generating clubs in the league. In 2022/23, Arsenal (£6.2m), Chelsea (£6.1m), Manchester City (£5.1m), and Manchester United (£3.4m) again accounted for over half (57%) of the league's total wage costs.

£36m

IN AGGREGATE WAGE COSTS FOR WSL CLUBS IN THE 2022/23 SEASON.

WSL clubs' profitability and net debt

WSL clubs' had relatively small values for player trading and finance costs, so there was little difference between aggregate operating losses of £20m and pre-tax losses of £21m in 2022/23.

As global leagues continue to professionalise, the player trading market for women's players will evolve to greater sums. In the 2023/24 season, transfer fee records have been set and broken on multiple occasions, with the fees growing towards the £1m threshold. Whilst revenues are increasing across the game, investment from the wider organisation remains a significant tool to support the acquisition of top talent and nurturing of youth prospects. The climbing fees can also provide the opportunity for clubs to release emerging talent and reinvest the funds for wider use.

WSL clubs pre-tax losses worsened to £21m (2021/22: £14m), despite being mitigated by the inclusion of £17.4m of group income for certain clubs. These losses were largely funded by a £13m increase in the net debt during 2022/23, which rose to £50.9m by the end of the 2022/23 season, and equity injections including £6m for Manchester City Women.

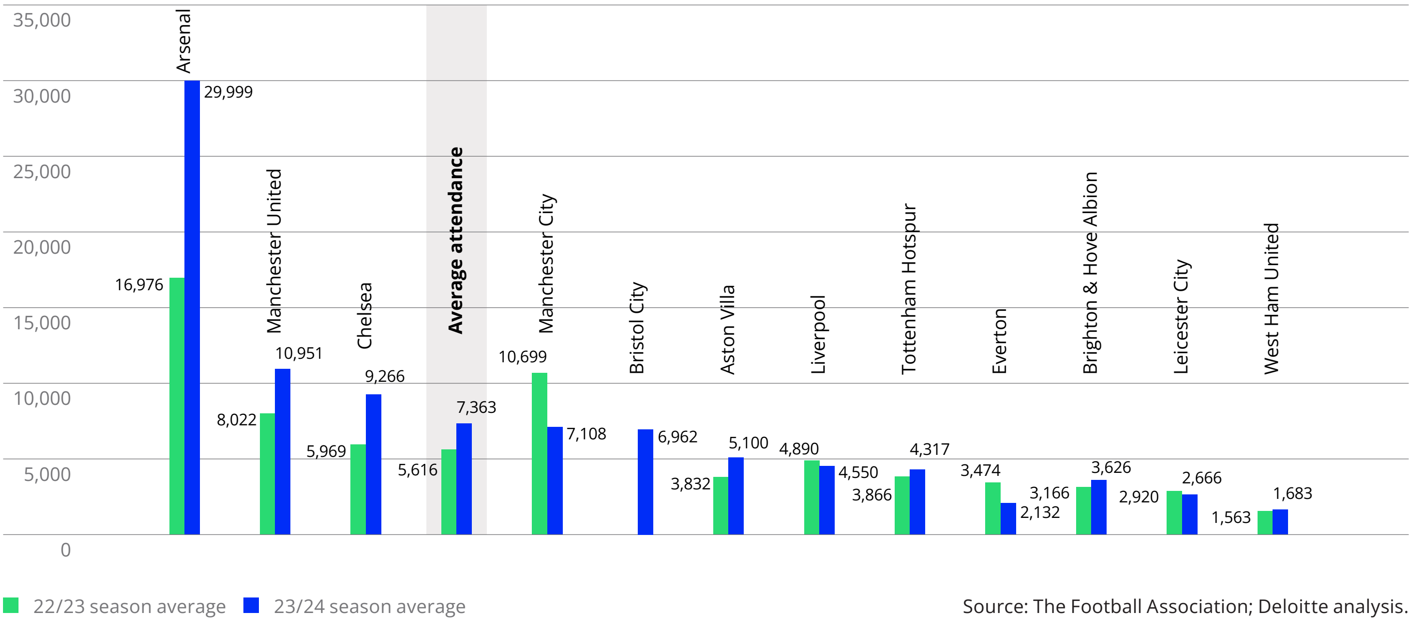
The different ways in which WSL clubs are funded through some combination of group income, debt and/or equity and how shared revenue and costs are being attributed convolutes the comparability of both profit and loss accounts and balance sheets.

WSL clubs' net debt of £51m was largely soft loan liabilities due to other group companies, after off-setting some balances due from other group companies.

Future outlook

The most recent 2023/24 season showcased the increasingly dedicated audience and demand for women's football in England. Following an impressive showing by the Lionesses at the 2023 FIFA Women's World Cup and more TV airtime and social media exposure for star players, matchday attendances continued an upward trajectory as clubs expanded use of main stadia and marketing activations. In the 2023/24 season, cumulative attendance surpassed one million for the first time across the WSL and Women's Championship, showcasing the growing appetite for women's football.

Chart 19: Women's Super League clubs' average attendances – 2022/23 and 2023/24



Source: The Football Association; Deloitte analysis.

Note: Average attendances are included only for clubs participating in the WSL in each season. Average attendances relate to home league matches of each club (excluding domestic and international cup matches and friendlies) in the 2022/23 and 2023/24 seasons.

At the club level, investment in women's specific infrastructure looks to fuel future growth, encouraging a better fan and player experience. For example, Brighton & Hove Albion Women are planning to construct the first purpose-built stadium for an English women's football club. Manchester City Women have also submitted plans for a stand-alone facility dedicated to the women's first team.

At the league level, the implementation of an independent company ahead of the 2024/25 season to govern the top-two tiers of the women's game will aim to increase the game's profile, standards and revenue. As part of the transition, the WSL and Women's Championship clubs have approved an interest-free loan of £20m from the Premier League to NewCo to aid initial development. This new structure will provide dedicated strategy and resources for women's football, aiming to unite and mobilise stakeholders to accelerate the growth of the league both on and off the pitch.

Promoting future investment

In August 2023, the UK government launched the Women's Sport Investment Accelerator, to boost investment and increase broadcast audiences.

Delivered in collaboration with Deloitte, the inaugural year of the programme brought together 20 UK-based women's sports rightsholders, including leagues, teams, competition, and events, to learn more about the investment landscape and network with each other, industry experts and sports investors. Almost half of the participants in the programme are football leagues and clubs.

The programme offered market insights, leadership workshops, as well as mentoring opportunities for those rightsholders seeking investment.

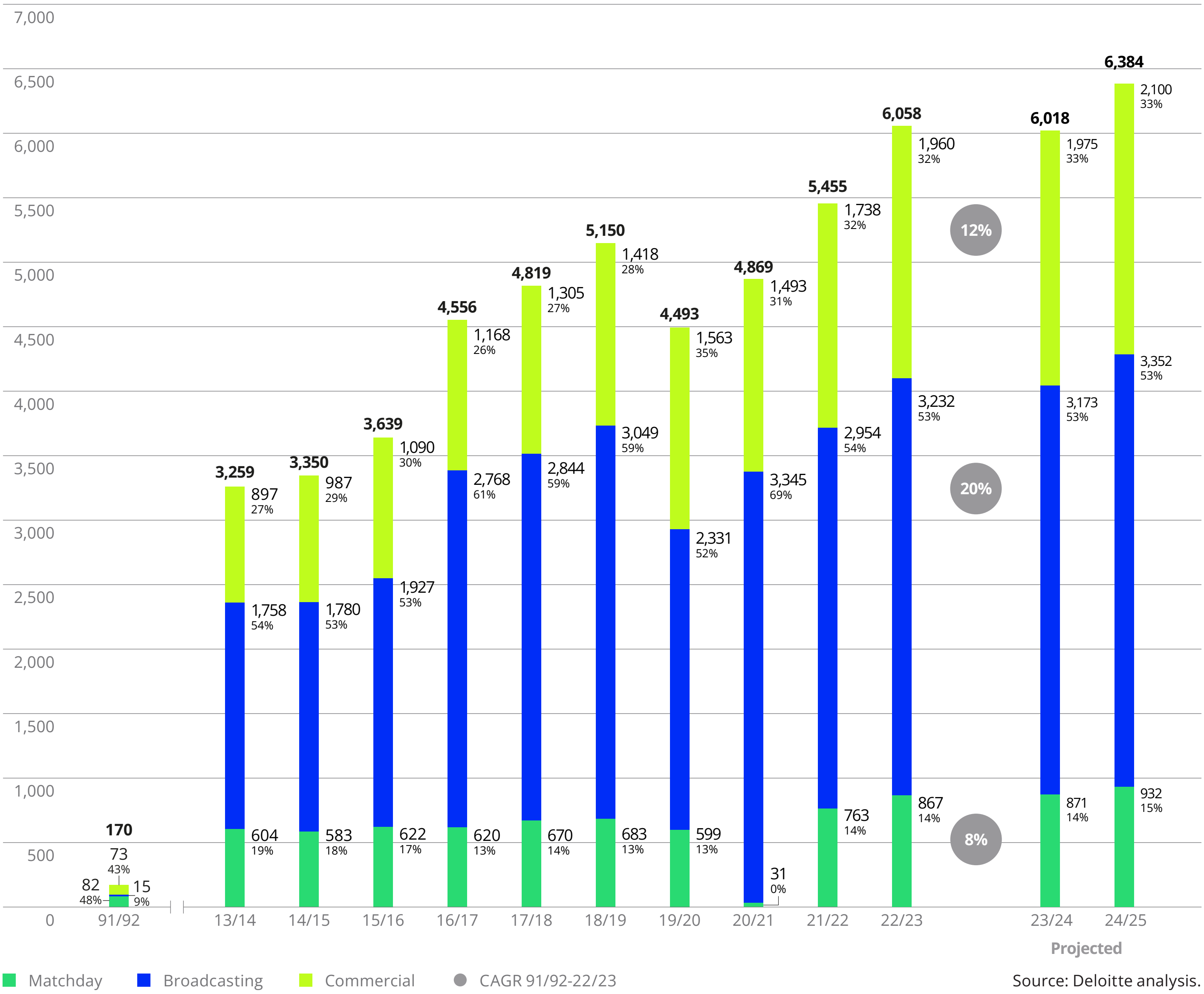
Key topics addressed in the programme included the investment lifecycle, fan engagement strategies, and the journey toward professionalisation.

According to **Deloitte analysis**, 14% of all sports investment transactions globally in 2023 were women's sport only deals. It is anticipated that 2024 will bring an expanding group of investors into the women's sport sector, including institutional investors, private equity and high net worth individuals.

Programmes such as the Women's Sport Investment Accelerator enable rightsholders to develop their growth strategies and case for investment, while positioning their brand in the market, and expanding their network to attract the necessary growth capital when the time is right.

DATA APPENDICES

Chart 1: Premier League clubs' revenues – 1991/92 and 2013/14 to 2024/25 (£m)



Source: Deloitte analysis.

Note: Figures for 1991/92 are the last season of the 'old' Division One (22 clubs).
Figures for 2023/24 and 2024/25 are projections.

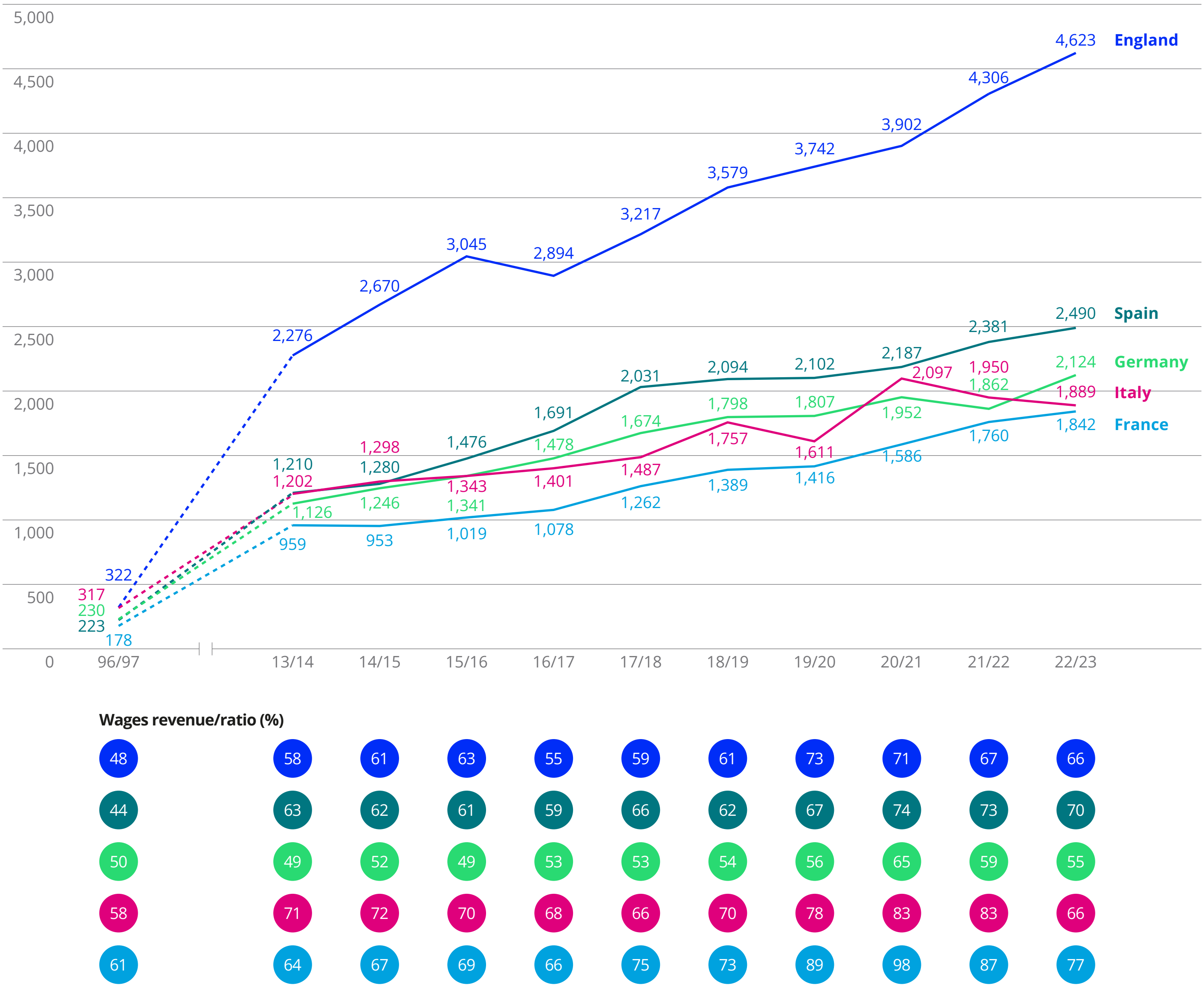
Chart 2: Premier League clubs' net debt – 2019 to 2023 (£m)

Source: Deloitte analysis.

Chart 3: Championship clubs' net debt – 2019 to 2023 (£m)

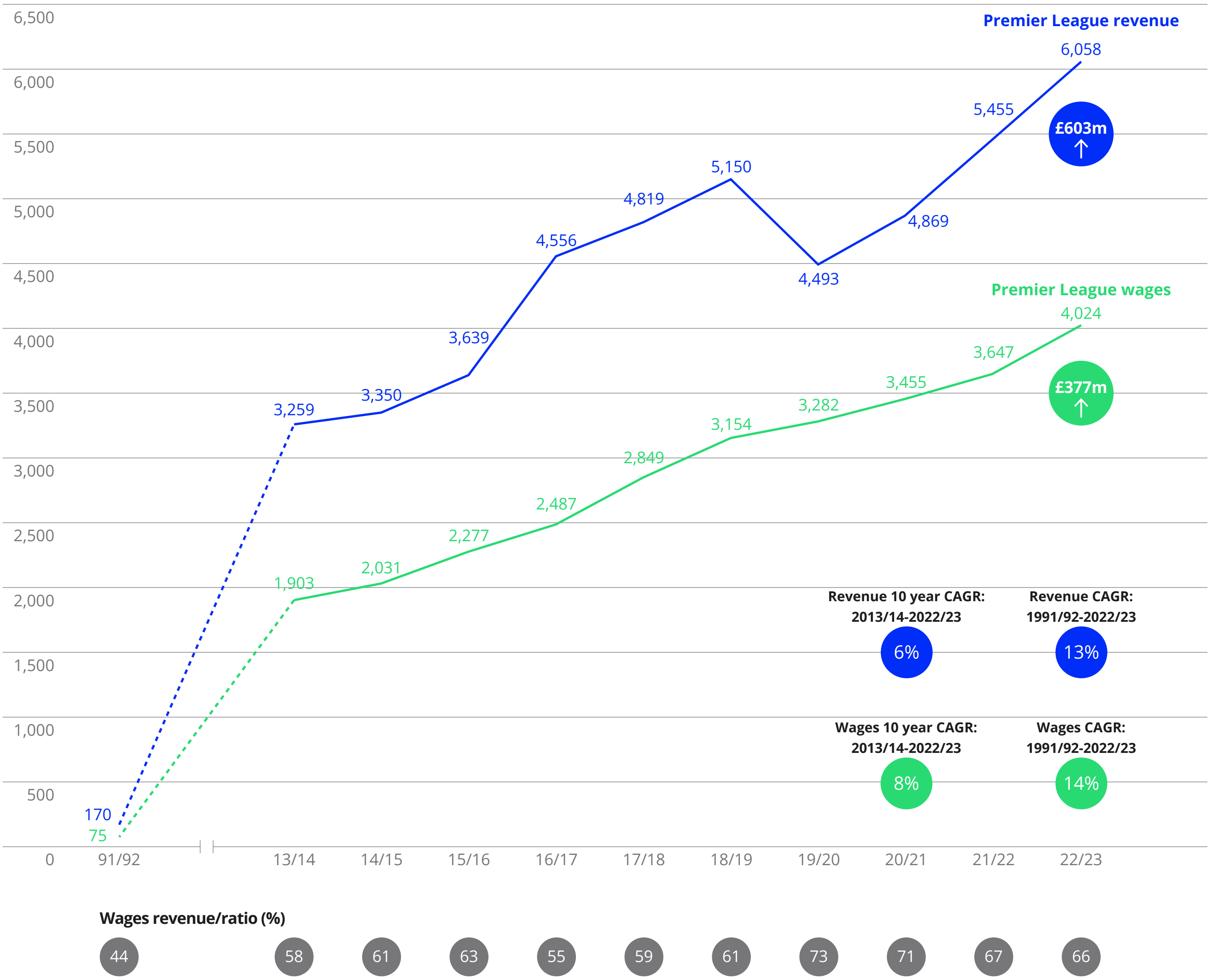
Source: Deloitte analysis.

Chart 4: 'Big five' European league clubs' wage costs – 1996/97 and 2013/14 to 2022/23 (€m)



Source: Leagues; Deloitte analysis.

Chart 5: Premier League clubs' revenue and wage costs – 1991/92 and 2013/14 to 2022/23 (£m)



Note: Figures for 1991/92 are the last season of the 'old' Division One.

Source: Deloitte analysis.

Table 1: Premier League clubs' financial information – 2021/22 and 2022/23

Club	Year end	2023 League pos.	2023 UEFA comp.	2023 Revenue	2022 Revenue	2022/23 % +/(-)	2023 Wage costs	2022 Wage costs	2022/23 % +/(-)	2023 Op result	2022 Op result	2022/23 +/(-)	2023 Amort-isation
				£'000	£'000	%	£'000	£'000	%	£'000	£'000		£'000
AFC Bournemouth [1]	Jun 23	15	n/a	141,004	53,857	162%	100,109	61,381	63%	17,940	(25,897)	43,837	(41,226)
Arsenal	May 23	2	UEL (R16)	463,570	367,554	26%	234,766	212,345	11%	98,241	60,582	37,659	(157,151)
Aston Villa [2]	May 23	7	n/a	211,950	169,123	25%	194,236	137,044	42%	(46,977)	(3,948)	(43,029)	(92,519)
Brentford	Jun 23	9	n/a	167,596	141,277	19%	98,800	68,152	45%	32,838	46,422	(13,584)	(30,903)
Brighton & Hove Albion	Jun 23	6	n/a	201,169	174,461	15%	127,563	115,264	11%	13,626	12,357	1,269	(32,272)
Chelsea [3]	Jun 23	12	UCL (QF)	512,467	481,278	6%	403,962	340,249	19%	(42,540)	14,705	(57,245)	(205,000)
Crystal Palace	Jun 23	11	n/a	180,066	159,999	13%	130,626	123,835	5%	19,925	12,741	7,184	(40,487)
Everton	Jun 23	17	n/a	172,155	181,007	(5%)	166,094	172,524	(4%)	(48,051)	(35,050)	(13,001)	(82,409)
Fulham	Jun 23	10	n/a	181,188	67,092	170%	139,064	90,360	54%	9,318	(42,940)	52,258	(45,617)
Leeds United	Jun 23	19	n/a	189,684	189,207	0%	145,857	121,406	20%	(4,491)	23,256	(27,746)	(101,246)
Leicester City [4]	Jun 23	18	n/a	177,326	214,590	(17%)	205,780	181,973	13%	(75,174)	(8,582)	(66,592)	(76,945)
Liverpool	May 23	5	UCL (R16)	593,836	594,271	(0%)	372,881	366,092	2%	69,416	82,537	(13,121)	(109,687)
Manchester City	Jun 23	1	UCL (W)	718,224	619,082	16%	422,895	353,881	20%	109,810	119,302	(9,492)	(145,448)
Manchester United	Jun 23	3	UEL (QF)	649,513	583,201	11%	331,374	407,968	(19%)	141,080	42,143	98,937	(169,767)
Newcastle United	Jun 23	4	n/a	250,265	179,986	39%	186,679	170,204	10%	20,050	(26,357)	46,407	(89,343)
Nottingham Forest	Jun 23	16	n/a	154,935	29,334	428%	145,040	58,606	147%	(20,772)	(44,614)	23,842	(40,766)
Southampton	Jun 23	20	n/a	145,567	150,628	(3%)	122,492	113,449	8%	(25,890)	(2,023)	(23,867)	(51,993)
Tottenham Hotspur	Jun 23	8	UCL (R16)	549,162	442,833	24%	251,135	209,205	20%	61,685	40,061	21,624	(119,469)
West Ham United [5]	May 23	14	UECL (W)	239,151	255,126	(6%)	136,844	135,709	1%	52,430	70,513	(18,083)	(65,306)
Wolverhampton Wdrs	May 23	13	n/a	168,575	165,659	2%	141,599	120,591	17%	(18,215)	9,639	(27,854)	(82,444)

Notes:

1. AFC Bournemouth – Pre-tax result for 2022/23 includes an exceptional credit of £71.4m in respect of waiver of previous shareholder loans following change of ownership.

2. Aston Villa – Pre-tax result for 2021/22 includes an exceptional cost of £10m in respect of impairment of amounts due to the Group relating to liabilities arising on retention of Premier League status.

3. Chelsea – Operating result excludes and pre-tax result for 2022/23 includes a £17.1m credit relating to litigation costs recharged to the parent company incurred subsequent to the acquisition of the Group by new ownership (2021/22: £18m one-off legal costs), and a £12.5m settlement fee credit.

4. Leicester City – 2022/23 figures are for the 13-month reporting period to June 2023.

5. West Ham United - Pre-tax result for 2022/23 includes an exceptional cost of £3.9m (2021/22: £2.6m) in respect of a Stadium lease penalty clause.

Average attendances relate to home league matches of each club (excluding domestic and international cup matches and friendlies) in the 2022/23 season.

n/a means not available or not applicable.

Source: Company/Group financial statements; Deloitte analysis.

2022 Amort-isation £'000	2023 Net pft/ (loss) on sale of ply reg. £'000	2022 Net pft/ (loss) on sale of ply reg. £'000	2023 Pre-tax profit/ (loss) £'000	2022 Pre-tax profit/ (loss) £'000	2022/23 +/(-) £'000	2023 Net assets/ liabs £'000	2022 Net assets/ liabs £'000	2023 Players' regs NBV £'000	2022 Players' regs NBV £'000	2023 Net funds/ (debt) £'000	2022 Net funds/ (debt) £'000	2023 Facilities spend £'000	2023 Average league attend	2023 % of capacity %
(29,786)	3,912	6,934	44,495	(55,510)	100,005	(96,130)	(148,159)	142,203	54,927	(145,078)	(197,962)	6,315	11,081	98%
(127,023)	12,189	24,216	(52,124)	(45,481)	(6,643)	145,540	192,293	417,044	333,490	25,531	13,188	16,677	60,208	99%
(82,535)	22,462	97,445	(120,309)	421	(120,730)	179,204	175,352	228,778	287,502	217	(23,105)	13,372	41,711	98%
(22,851)	8,071	6,090	9,163	29,888	(20,725)	85,217	47,285	107,035	55,168	(53,645)	(52,121)	10,983	17,058	99%
(53,507)	124,422	62,356	133,252	24,099	109,153	(27,720)	(150,541)	90,707	83,677	(358,004)	(391,230)	9,607	31,481	99%
(239,157)	62,861	123,213	(90,100)	(121,355)	31,255	351,055	440,827	704,854	302,868	(58,191)	54,184	20,875	40,025	99%
(34,151)	331	-	(29,650)	(27,588)	(2,062)	(357)	(707)	104,396	89,585	(71,409)	(65,964)	9,610	25,121	99%
(68,327)	47,518	67,684	(89,090)	(38,413)	(50,677)	221,728	241,168	144,533	148,932	(330,549)	(141,709)	213,378	39,270	100%
(31,028)	8,743	12,479	(26,057)	(57,017)	30,960	244,879	208,425	100,437	60,797	47,603	26,934	35,459	23,762	99%
(57,517)	73,345	890	(33,704)	(36,710)	3,006	(93,655)	(59,951)	200,174	144,681	(74,612)	(57,285)	2,959	36,645	97%
(74,793)	74,767	9,206	(89,719)	(92,496)	2,777	59,660	(44,858)	109,488	162,380	(190,422)	(311,990)	2,477	31,887	99%
(102,912)	33,767	28,124	(14,586)	1,887	(16,473)	166,231	178,849	289,098	275,626	(259,113)	(210,692)	53,693	52,931	99%
(140,708)	121,720	67,699	80,371	41,726	38,645	790,413	709,200	488,071	442,126	15,425	13,450	20,517	53,041	99%
(148,949)	20,424	21,935	(32,574)	(149,623)	117,049	103,950	127,508	384,885	316,211	(546,157)	(519,329)	22,497	73,574	99%
(51,139)	2,836	5,832	(73,330)	(72,867)	(463)	160,117	106,138	262,180	198,975	(36,027)	5,057	23,392	52,205	100%
(6,887)	2,614	4,557	(69,226)	(47,712)	(21,514)	(185,739)	(116,513)	138,207	11,660	(185,854)	(114,785)	8,206	29,188	96%
(35,134)	7,443	31,203	(87,043)	(15,410)	(71,633)	(4,354)	4,176	128,623	82,440	(80,137)	(70,750)	5,744	30,286	94%
(81,069)	8,333	20,620	(94,674)	(61,328)	(33,346)	637,526	177,244	294,103	278,372	(673,501)	(645,531)	48,793	62,662	100%
(48,825)	16,980	709	(18,283)	12,277	(30,560)	39,375	56,441	218,738	107,383	(20,462)	40,892	1,821	62,332	100%
(65,119)	43,874	14,977	(67,186)	(46,100)	(21,086)	(12,883)	54,304	244,908	123,744	(145,555)	(73,020)	1,265	31,348	99%

Table 2: Championship clubs' financial information – 2021/22 and 2022/23

Club	Year end	2023 League position	2023 Revenue	2022 Revenue	2022/23 % +/(-)	2023 Wage costs	2022 Wage costs	2022/23 % +/(-)	2023 Op result	2022 Op result	2022/23 +/(-)	2023 Amort-isation
			£'000	£'000	%	£'000	£'000	%	£'000	£'000	£'000	£'000
Birmingham City	Jun 23	17	20,399	19,350	5%	28,912	32,107	(10%)	(23,141)	(23,743)	602	(3,480)
Blackburn Rovers	Jun 23	7	20,987	16,650	26%	25,794	24,356	6%	(17,490)	(17,689)	199	(3,419)
Blackpool	Jun 23	23	17,261	15,290	13%	13,529	11,579	17%	(1,993)	(593)	(1,400)	(1,194)
Bristol City[1]	Jun 23	14	36,653	30,002	22%	35,952	30,325	19%	(21,219)	(19,205)	(2,014)	(6,845)
Burnley	Jul 23	1 (P)	65,789	124,639	(47%)	53,661	91,978	(42%)	(18,588)	12,738	(31,326)	(22,115)
Cardiff City	May 23	21	26,653	20,038	33%	22,287	29,215	(24%)	(7,801)	(21,796)	13,995	(3,409)
Coventry City[2]	May 23	5	20,370	18,088	13%	18,460	15,674	18%	(5,014)	(2,820)	(2,194)	(2,871)
Huddersfield Town	Jun 23	18	18,120	31,390	(42%)	21,522	20,265	6%	(13,525)	(2,215)	(11,310)	(1,274)
Hull City[3]	Jun 23	15	18,088	15,373	18%	23,651	12,697	86%	(17,385)	(6,244)	(11,141)	(3,214)
Luton Town	Jun 23	3 (P)	18,441	17,671	4%	27,594	17,825	55%	(18,614)	(5,779)	(12,835)	(2,395)
Middlesbrough	Jun 23	4	29,804	28,112	6%	29,625	28,427	4%	(17,485)	(12,789)	(4,696)	(11,566)
Millwall	Jun 23	8	19,358	18,593	4%	22,583	22,316	1%	(11,635)	(11,051)	(584)	(2,114)
Norwich City	Jun 23	13	75,750	133,869	(43%)	56,448	117,992	(52%)	(2,647)	2,953	(5,600)	(23,217)
Preston North End	Jun 23	12	15,566	13,843	12%	21,560	24,573	(12%)	(13,075)	(17,101)	4,026	(2,084)
Queens Park Rangers	May 23	20	23,281	22,121	5%	25,408	27,561	(8%)	(19,124)	(20,686)	1,562	(3,059)
Reading	Jun 23	22	n/a	19,011	n/a	n/a	26,650	n/a	n/a	(30,292)	n/a	n/a
Rotherham	Jun 23	19	15,591	9,849	58%	10,336	6,592	57%	(1,621)	(2,250)	629	(475)
Sheffield United	Jun 23	2 (P)	64,339	66,936	(4%)	48,662	42,370	15%	(13,896)	702	(14,598)	(18,136)
Stoke City[4]	May 23	16	31,197	31,167	0%	28,231	35,560	(21%)	(22,252)	(22,589)	337	(4,310)
Sunderland	Jul 23	6	35,543	26,099	36%	25,614	16,289	57%	(8,869)	(6,364)	(2,505)	(2,715)
Swansea City	Jul 23	10	22,023	20,122	9%	26,615	27,624	(4%)	(18,642)	(20,472)	1,831	(3,237)
Watford	Jun 23	11	65,413	127,595	(49%)	50,722	86,776	(42%)	(7,238)	4,756	(11,994)	(21,138)
West Bromwich Albion[5]	Jun 23	9	56,749	65,416	(13%)	45,947	42,382	8%	(8,368)	4,120	(12,488)	(10,491)
Wigan Athletic	Jun 23	24	15,865	8,308	91%	23,240	13,009	79%	(13,143)	(9,966)	(3,176)	(607)

Notes:

1. Bristol City – 2022/23 figures are for the 13-month reporting period to June 2023.

2. Coventry City – The reporting entity used for 2021/22 is Sky Blue Sports & Leisure Limited. The reporting entity used for 2022/23 is Coventry City Football Club Limited, as a result of the ownership change. Pre-tax result for 2022/23 includes exceptional credit of £2.9m in respect of the write back of accrued withholding tax. Pre-tax result for 2021/22 includes exceptional credit of £29m in respect of the waiver of intercompany loans.

3. Hull City – Pre-tax result for 2021/22 includes exceptional credit of £20m in respect of the waiver of loan from previous owners.

4. Stoke City – Pre-tax result for 2021/22 includes exceptional credit of £120m in respect of intercompany loans waived.

5. West Bromwich Albion – The reporting entity used for 2021/22 is West Bromwich Albion Holdings Limited. The reporting entity used for 2022/23 is West Bromwich Albion Group Limited, as a result of the ownership change. Pre-tax result for 2022/23 includes an exceptional credit of £5.1m in respect of reversal of loan impairment charges (2021/22: £7.1m cost).

Revenue for 2022/23 for the following clubs includes Premier League parachute payments: Burnley, Norwich City, Sheffield United, Watford, West Bromwich Albion.

Average attendances relate to home league matches of each club (excluding domestic and international cup matches and friendlies) in the 2022/23 season.

2022 Amort-isation £'000	2022/23 +/(-) £'000	2023 Net pft/ (loss) on sale of ply reg. £'000	2022 Net pft/ (loss) on sale of ply reg. £'000	2023 Pre-tax profit/ (loss) £'000	2022 Pre-tax profit/ (loss) £'000	2022/23 +/(-) £'000	2023 Net assets/ liab £'000	2022 Net assets/ liab £'000	2023 Players' regs NBV £'000	2022 Players' regs NBV £'000	2023 Net funds/ (debt) £'000	2022 Net funds/ (debt) £'000	2023 Facilities spend £'000	2023 Average league attend.
(6,282)	2,802	2,129	3,194	(25,332)	(25,028)	(304)	(129,752)	(112,390)	5,621	6,383	(147,030)	(133,811)	2,850	16,658
(4,041)	622	349	10,051	(20,895)	(11,241)	(9,655)	(121,465)	(122,226)	4,276	2,865	(134,946)	(145,979)	690	14,816
(797)	(397)	2,927	1,958	(260)	568	(828)	(7,665)	(7,551)	1,742	1,554	(15,008)	(10,692)	124	12,388
(7,450)	605	9,532	1,261	(22,206)	(28,528)	6,322	(31,689)	(32,051)	4,885	7,940	(94,167)	(95,254)	1,825	20,550
(23,638)	1,523	11,399	54,250	(35,999)	36,253	(72,252)	78,535	106,478	92,061	40,329	(50,380)	(35,970)	1,360	19,866
(7,492)	4,083	1,658	4,225	(11,430)	(26,639)	15,209	(19,399)	(55,965)	4,603	2,521	(92,305)	(103,407)	1,206	19,472
(2,764)	(107)	2,369	494	(4,907)	21,836	(26,744)	(5,578)	(34,621)	1,751	2,830	(4,422)	(12,930)	1,855	20,371
(1,099)	(175)	8,884	910	(6,628)	(3,768)	(2,860)	(25,174)	(20,966)	2,274	666	(45,929)	(41,718)	67	19,037
(1,624)	(1,590)	15,192	2,326	(5,218)	13,943	(19,161)	(13,242)	(8,024)	6,397	1,348	(37,593)	(28,791)	-	17,809
(1,686)	(709)	4,716	1,075	(16,294)	(6,380)	(9,913)	(14,068)	(5,706)	7,886	3,532	(835)	(2,269)	60	9,856
(7,997)	(3,569)	22,319	1,350	(6,399)	(19,459)	13,060	(136,384)	(131,924)	10,624	10,553	(158,430)	(148,154)	1,280	26,012
(1,771)	(343)	2,512	(106)	(12,212)	(12,597)	385	170	(5,129)	4,000	2,125	(14,491)	(17,706)	636	14,768
(23,414)	197	4,743	(51)	(27,201)	(23,576)	(3,625)	(21,709)	5,583	38,081	49,920	(94,133)	(65,428)	5,667	26,118
(3,374)	1,290	786	302	(14,362)	(20,154)	5,792	(57,513)	(45,303)	2,090	3,297	(85,746)	(74,877)	649	16,269
(3,552)	493	1,049	221	(20,337)	(24,667)	4,330	(56,856)	(49,619)	2,270	6,186	(68,078)	(44,419)	13,141	14,975
(6,863)	n/a	n/a	16,161	n/a	(20,997)	n/a	n/a	(155,703)	n/a	6,788	n/a	(219,615)	n/a	15,261
(562)	88	965	1,125	(1,078)	(1,686)	608	(3,086)	(2,207)	521	826	(2,600)	(2,400)	83	10,514
(24,802)	6,666	4,419	11,168	(31,453)	(16,015)	(15,438)	(34,176)	(2,722)	18,563	32,189	(81,322)	(67,658)	2,576	27,657
(6,426)	2,116	15,259	10,936	(11,069)	101,935	(113,004)	(103,857)	(92,788)	4,643	6,471	(113,237)	(99,446)	266	20,678
(2,052)	(663)	308	1,243	(8,932)	(7,174)	(1,758)	69,917	78,851	8,820	4,471	2,320	1,683	1,141	39,148
(2,663)	(574)	4,519	10,888	(18,403)	(13,122)	(5,281)	22,065	(1,760)	8,655	6,282	2,511	(23,219)	440	16,816
(29,684)	8,546	59,156	15,337	23,961	(16,153)	40,113	(13,172)	(37,661)	37,651	64,472	(114,265)	(129,462)	1,612	19,947
(16,244)	5,753	6,545	16,916	(7,621)	(2,172)	(5,449)	34,324	32,074	21,344	33,926	(6,629)	7,455	442	22,979
(545)	(63)	380	2,850	(13,370)	(7,662)	(5,708)	(5,160)	189	406	921	(5,400)	178	388	12,232

n/a means not available or not applicable.

Source: Company/Group financial statements; Deloitte analysis.

Table 3: Women's Super League clubs' financial information – 2022/23

Club	Year end	2023 League position	2023 Revenue £'000	2023 Wage costs £'000	2023 Operating result £'000	2023 Pre-tax result £'000	2023 Net assets/ liabilities £'000	2023 Net funds/ debt £'000	2023 Facilities spend £'000	2023 Average league attendance
Arsenal	May 23	3	10,997	6,228	271	(81)	(1,033)	(459)	59	16,976
Aston Villa	May 23	5	4,161	2,378	n/d	n/d	(1,372)	(1,517)	-	3,832
Brighton & Hove Albion	Jun 23	11	876	2,435	(3,660)	(3,668)	(13,409)	(13,417)	-	3,166
Chelsea	Jun 23	1	8,820	6,073	(3,728)	(4,112)	(11,721)	(11,623)	-	5,969
Everton	Jun 23	6	2,766	2,309	(1,142)	(1,333)	(1,933)	(2,926)	553	3,474
Leicester City	Jun 23	10	694	n/d	(3,910)	(3,942)	(8,538)	(8,496)	26	2,920
Liverpool	May 23	7	3,650	2,070	148	100	(560)	(438)	10	4,890
Manchester City	Jun 23	4	4,991	5,076	(2,297)	(2,136)	1,662	2,533	49	10,699
Manchester United	Jun 23	2	6,999	3,446	161	(90)	1,060	3,794	-	8,022
Reading	Jun 23	12	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2,012
Tottenham Hotspur	Jun 23	9	2,260	2,536	(3,051)	(3,076)	(6,181)	(6,319)	-	3,866
West Ham United	May 23	8	1,295	1,502	n/d	n/d	(3,271)	n/a	-	1,563

Notes:
Average attendances relate to home league matches of each club (excluding domestic and international cup matches and friendlies) in the 2022/23 season.

n/a means not available or not applicable.

Source: Company/Group financial statements; Deloitte analysis.

Table 4: League One clubs' financial information – 2021/22 and 2022/23

Season	2023 Revenue £m	2022 Revenue £m	2022/23 Percentage change %	2023 Wage costs £m	2022 Wage costs £m	2022/23 Percentage change %	2023 Operating loss £m	2022 Operating loss £m	2023 Pre-tax loss £m	2022 Pre-tax loss £m	2023 Average league attend.	2022 Average league attend.
Total	236	216	9%	192	164	17%	(101)	(44)	(121)	(52)		
Average club	9.8	9.0	9%	8.0	6.8	17%	(4.2)	(1.8)	(5.0)	(2.2)	10,642	10,109

Notes:
1. Barnsley – Pre-tax result for 2021/22 includes exceptional costs of £3m in respect of the purchase of the club and Oakwell stadium.
2. Bolton Wanderers – Pre-tax result for 2021/22 includes exceptional credit of £8.1m in respect of waiver of intercompany loans.
3. Derby County – Pre-tax result for 2022/23 includes exceptional cost of £19.7m in respect of impairment of purchased goodwill.

Source: Company/Group financial statements; English Football League; Deloitte analysis.

Table 5: League Two clubs' financial information – 2021/22 and 2022/23

Season	2023 Revenue £m	2022 Revenue £m	2022/23 Percentage change %	2023 Wage costs £m	2022 Wage costs £m	2022/23 Percentage change %	2023 Operating loss £m	2022 Operating loss £m	2023 Pre-tax loss £m	2022 Pre-tax loss £m	2023 Average league attend.	2022 Average league attend.
Total	131	129	1%	96	68	41%	(35)	(27)	(37)	(23)		
Average club	5.4	5.4	1%	4.0	2.8	41%	(1.4)	(1.1)	(1.5)	(1.0)	5,842	4,996

Source: Company/Group financial statements; English Football League; Deloitte analysis.

BASIS OF PREPARATION

Sources of information
The financial results and financial position of English football clubs for 2022/23, and comparisons between them, has been based on figures extracted from the latest available company or group statutory financial statements in respect of each club – which were either sent to us by the club or obtained from Companies House. In general, if available to us, the figures are extracted from the annual financial statements of the legal entity registered in the United Kingdom which is at, or closest to, the 'top' of the ownership structure in respect of each club. For Women's Super League clubs we use available financial statements of the entity for the women's football activities. The vast majority of English clubs have an annual financial reporting period ending in May, June or July.

If financial statements were not available to us for all clubs in a division, then aggregate divisional totals have been estimated for comparison purposes (from year to year or between divisions). Some clubs changed their accounting reference date in 2023 such that not all reporting periods are 12 months. We have made some adjustments to these figures for inclusion in the divisional totals.

The financial results and financial position of clubs in various non-English leagues, and comparisons between them, has been based on figures extracted from the company or group financial statements in respect of each club, or from information provided to us by national associations/leagues.

This publication contains a variety of information derived from publicly available or other direct sources, other than financial statements. We have not performed any verification work or audited any of the financial information contained in the financial statements or other sources in respect of each club for the purpose of this publication.

Comparability
Clubs are not wholly consistent with each other in the way they record and classify financial transactions. In some cases, we have made adjustments to a club's figures to enable, in our view, a more meaningful comparison of the football business on a club-by-club basis and over time.

Some differences between clubs, or over time, may arise due to different commercial arrangements and how the transactions are recorded in the financial statements (for example, in respect of merchandising and hospitality arrangements), due to different financial reporting perimeters in respect of a club, and/ or due to different ways in which accounting practice is applied such that the same type of transaction might be recorded in different ways.

Each club's financial information has been prepared on the basis of national accounting practices or International Financial Reporting Standards ("IFRS"). The financial results of some clubs have changed, or may in the future change, due to the change in basis of accounting practice. In some cases, these changes may be significant.

The number of clubs in the top division of each country can vary over time. In respect of the 'big five' leagues for 2022/23, each division had 20 clubs except for Germany (18 clubs). For 2023/24, both Germany and France had 18 clubs. All three divisions of the English Football League had 24 clubs, whilst the Women's Super League had 12 clubs for 2022/23.

The figures for some comparative years have been re-stated compared to previous editions of this report due to changes in estimates arising from additional information available to us and/or due to restatement by clubs of their annual financial statements. The sum of the different components of each chart may not sum to the totals due to rounding.

Financial projections
Our projected results are based on a combination of upcoming figures known to us (for example, central distributions to clubs) and other, in our view, reasonable assumptions.

In relation to estimates and projections, actual results are likely to be different from those projected because events and circumstances frequently do not occur as expected, and those differences may be material. Deloitte can give no assurance as to whether, or how closely, the actual results ultimately achieved will correspond to those projected and no reliance should be placed on such projections.

Key terms
Revenue includes matchday, broadcast, sponsorship and commercial revenues. Revenue excludes player transfer and loan fees, VAT and other sales related taxes.

Matchday revenue is largely derived from gate receipts (including general admission and premium tickets). Broadcast revenue includes distributions received from participation in domestic league and cups and from European club competitions. Unless sponsorship revenue is separately disclosed, commercial revenue includes sponsorship, merchandising and other commercial operations. Where identifiable from a club's disclosures, distributions received in respect of central commercial revenues are included in commercial revenue, or otherwise included in broadcast revenue.

Wage costs includes wages, salaries, signing-on fees, bonuses, termination payments, social security contributions and other employee benefit expenses. Unless otherwise stated, wage costs are the total for all employees (including, players, technical and administrative employees). Where identified in the financial statements, for some clubs, exceptional costs relating to staff have been added to wage costs. Operating profit/loss is the net of revenue less wage costs and other operating costs, excluding amortisation and impairment of player registrations and other intangible assets, profit/loss on player disposals, certain disclosed exceptional items, and finance income/costs.

Pre-tax profit/loss is the operating result plus/minus amortisation and impairment of player registrations and other intangible assets, profit/loss on player disposals, certain disclosed exceptional items, and finance income/ costs.

Under UK GAAP and IFRS, the costs to a club of acquiring a player's registration from another club should be capitalised on the balance sheet within intangible fixed assets and subsequently amortised to zero residual value over the period of the respective player's contract with the club. The potential market value of 'home-grown' players is excluded from intangible fixed assets as there is no acquisition cost. Amortisation of player registrations is as disclosed in a club's accounts, increased by any provisions for impairment of the value of players' registrations.

Net debt/funds is as disclosed in financial statements (where shown) or is an aggregation of certain figures from the balance sheet. The net debt/ funds figure in the financial statements has been adjusted in some cases to aid comparability, such as the inclusion of related party debt. Net debt/funds includes net cash/ bank borrowings, other loans, and soft loans. Bank borrowings is debt advanced by lenders in the form of term loans, overdrafts or hybrid products, net of any positive cash balance. Other loans includes securitisation and player finance monies, bonds and convertible loan stock, intercompany loans and loans from related parties that are not otherwise soft loans. Soft loans includes amounts from related parties with no interest charged.

Exchange rates
For the purpose of the international analysis and comparisons we have converted the figures for 2022/23 into euros using the average exchange rate for the year ending 30 June 2023 (£1 = €1.15); for years prior to 2022/23 comparative figures as extracted from previous editions of this report; and the figures for years since 2022/23 converted into euros using the average exchange rate for the 10 months ending 30 April 2024 (£1 = €1.17).

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