

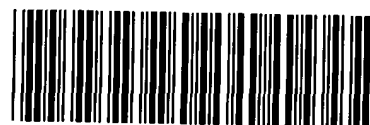
Company Registration No. 02719699

The Football Association Premier League Limited

Report and Financial Statements

For the year ended 31 July 2020

THURSDAY



AA1HS661

A07

01/04/2021

#128

COMPANIES HOUSE

The Football Association Premier League Limited
Company Registration No. 02719699

Report and financial statements 2020

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Corporate governance statement	6
Directors' responsibilities statement	9
Independent auditor's report	10
Profit and loss account	13
Balance sheet	14
Statement of changes in equity	15
Cash flow statement	16
Notes to the financial statements	17

The Football Association Premier League Limited
Company Registration No. 02719699

Report and financial statements 2020

Officers and professional advisers

Directors

G A Hoffman	Chairman (appointed 15 May 2020)
R J Masters	Chief Executive
C I Arney	Non-Executive Director (resigned 31 January 2021)
K S Beeston	Non-Executive Director

Company Secretary

K M Plumb

Chief Financial Officer

S R Christie

Registered Office

Brunel Building
57 North Wharf Road
London
W2 1HQ

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Auditor

Deloitte LLP
London
United Kingdom

The Football Association Premier League Limited
Company Registration No. 02719699

Strategic report

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

Principal activities and business review

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

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

Consistent with prior years, the Company uses foreign currency forward contracts to minimise the risk arising from foreign currency movements on cash flows available for distribution to the member clubs. This is seen as the equitable way to manage the business which has three clubs being promoted to and relegated from the League each year. The movement in fair value of these foreign currency forward contracts of £136.0m gain (2019: £232.9m loss) is taken to the profit and loss account resulting in a profit before tax of £144.1m (2019: loss £34.1m). However, these fair value movements are the valuation of the contracts at a point in time and do not form part of the funds available for club distribution due to their volatility. Therefore, the directors believe the presentation of the Underlying¹ results provide additional guidance to statutory measures to help understand the Company's performance and reflects the basis on which the Company makes payments to member clubs. The Company has recorded an Underlying¹ profit after tax of £196k (2019: profit £413k) in the year. Statutory profit after tax for the year is £116.2m (2019: loss £41.7m) attributable to £116.0m of currency remeasurements.

The period under review is the first year of a three-year cycle of broadcasting and other commercial rights contracts. Underlying turnover has fallen by 9%, which is largely due to rebates payable to broadcasters following a suspension of play during the season caused by the COVID-19 pandemic. Statutory turnover has decreased by 13% with the additional 4% decrease attributable to foreign exchange movements. Cost of sales has fallen by 10% accordingly as a result of reduced fee payments to clubs. The cash impact on club payments has been deferred resulting in a debtor recognised on the balance sheet representing cash advances to clubs. A corresponding creditor has also been recognised reflecting rebates still to be made from future payments from broadcasters. Operating expenses have also decreased by 2% reflecting cost cutting measures undertaken by management and the enforced curtailment of Premier League activities such as international fan events and youth academy games programmes, due to social distancing rules. The Company did not place any employees on furlough and has not taken any other opt-in government support that was offered in response to the pandemic. A full analysis appears in note 4 to the accounts.

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

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

During the year, Richard Masters was appointed Chief Executive following his interim appointment in the prior year. The Company also appointed Gary Hoffman as Chairman to bring the Board of Directors to full complement.

During the year, the Company successfully relocated office premises. The COVID-19 pandemic introduced new challenges to office-based working with the national lockdown resulting in the temporary closure of the premises. The Company has followed government guidance and adapted its office premises prior to reopening to allow restricted capacity with effective social distancing measures in place.

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

The Football Association Premier League Limited
Company Registration No. 02719699

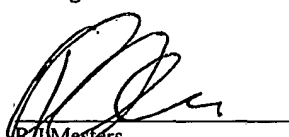
Strategic report (continued)

Principal risks and uncertainties

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

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

Approved by the Board of Directors
and signed on behalf of the Board on 19 March 2021


R. Masters
Director

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2020.

Information set out in the Strategic report

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

Charitable and other contributions

During the year the Company made charitable donations of £72.1m (2019: £76.8m), principally to football related charities.

Additionally, the Company contributed £132.7m (2019: £129.8m) towards wider football support and other good causes.

Dividends

The directors do not recommend the payment of a dividend for the year (2019: £nil).

Directors

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

Directors' duties - s172 Companies Act 2006

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

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

The culture and values promoted by the directors create a focus across the business on observing and maintaining the highest standards of business conduct in promoting the short, medium and long-term success of the Company.

The narratives in the corporate governance statement on page 7 highlight how the directors have observed these principles and engaged with shareholders, employees, commercial partners and other stakeholders in decision-making and in promoting the short, medium and long-term success of the Company.

Going Concern

The directors are satisfied with the business prospects of the Company for the foreseeable future given the existence of broadcasting and commercial rights contracts for the next two years. The Company's negotiated rebate position with broadcasters secured a stable cash flow for the foreseeable future as detailed on page 17.

Environment

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

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

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' report

Energy and carbon reporting

GHG emissions and energy usage

GHG emissions and energy usage data for period 1 August 2019 to 31 July 2020	
	UK and offshore
	2020
Emissions from combustion of gas (Scope 1 – tonnes of CO ₂ e)	5.7
Emissions from electricity purchased for own use, including for the purposes of transport (Scope 2 – tonnes of CO ₂ e)	96.4
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3 – tonnes of CO ₂ e)	55.8
Total gross CO₂e based on above	157.9
Energy consumption used to calculate emissions – kwh	665,672
Energy consumption used to calculate emissions per employee – kwh	3,986

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

During the year to 31 July 2020, the Company has moved to new office premises within a BREAAAM rated 'excellent' building. Reducing the Company's carbon footprint was part of the decision-making process for selecting the new office location. The relocation has resulted in improvements to the Company's emissions levels and will continue to improve in the coming year.

Employees

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

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal communications. Employees or Senior Managers are regularly consulted on a wide range of matters affecting their current and future interests. In addition, certain employees can receive a discretionary bonus related to their performance.

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

Audit and Remuneration committee

In accordance with best practice, but in keeping with the size and nature of the organisation, the Premier League Board has established an independent Audit and Remuneration Committee with specific written terms of reference which deal with its authority and duties. It meets at least twice a year with the Chief Financial Officer and with the external auditor attending by invitation. The Committee oversees the monitoring of the adequacy of the Company's internal controls, accounting policies and financial reporting. It provides a forum through which the Company's external auditor may report to the Board.

The Committee also agrees the remuneration and terms and conditions of employment of senior management. Such remuneration consists of a package of basic salary, benefits and bonuses which are linked to corporate and individual performance achievements.

The Committee presently comprises Bruce Buck (Chairman), Susan Whelan, Mike Garlick, Claudia Arney (non-executive director) and Kevin Beeston (non-executive director).

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' report

Disclosure of information

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

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

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

Events since the Balance Sheet date

Post balance sheet events have been disclosed at note 19.

Auditor

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

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



K M Plumb
Secretary

19 March 2021

The Football Association Premier League Limited
Company Registration No. 02719699

Corporate governance statement

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

The Company is currently undertaking a full Governance Review using specialist external input. This review should be completed by May 2021 and the current intention, subject to consultation, is to adopt the Wates Principles moving forward. Until that time, we have sought below to transpose the existing governance arrangements into the six Wates Principles to best demonstrate our current good governance practices.

The Wates Principles are voluntary and provide a framework for the Premier League Board to monitor corporate governance of the Company and determine where governance standards can be raised to a higher level across the business. We believe this, in turn, will result in better engagement with our stakeholder base and ultimately build trust with our clubs, colleagues, partners and supporters. The governance framework will also provide the right environment for the Board to make high quality and resilient decisions for the long-term success of the Premier League.

Principle One: Purpose and leadership

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

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

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

Principle Two: Board composition

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

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

Recommendations of a material financial nature will reach Shareholders via consultation with the Audit and Remuneration Committee ("A&R") which is formed of representatives from three Shareholder clubs and independent non-executive directors.

Principle Three: Director responsibilities

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

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

The Football Association Premier League Limited
Company Registration No. 02719699

Corporate governance statement

Principle Four: Opportunity and risk

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

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

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

Principle Five: Remuneration

The Board will evaluate performance of executive members of the business and propose its recommendations to the A&R for approval.

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

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

Principle Six: Stakeholder relationship and engagement

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

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

The Football Association Premier League Limited
Company Registration No. 02719699

Directors' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent, subject to any material departures disclosed and explained in the financial statements;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the company's affairs as at 31 July 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 20.

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

Basis for opinion

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

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

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

Other information (continued)

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

We have nothing to report in respect of these matters.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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



Jeremy Black ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
19 March 2021

The Football Association Premier League Limited
Company Registration No. 02719699

Profit and loss account
For the year ended 31 July 2020

		Underlying 2020 £'000	Currency Remeasurements ⁽¹⁾ 2020 £'000	Total 2020 £'000	Underlying 2019 £'000	Currency Remeasurements ⁽¹⁾ 2019 £'000	Total 2019 £'000
Continuing operations	Notes						
Turnover	1, 3	2,859,822	24,243	2,884,065	3,150,961	146,235	3,297,196
Cost of sales		(2,590,352)	-	(2,590,352)	(2,883,964)	-	(2,883,964)
Gross profit		269,470	24,243	293,713	266,997	146,235	413,232
Operating expenses	4	(275,018)	-	(275,018)	(280,916)	-	(280,916)
Operating (loss)/profit		(5,548)	24,243	18,695	(13,919)	146,235	132,316
Fair value movement in derivative financial instruments and foreign exchange gains/(losses)	5	-	113,647	113,647	-	(185,812)	(185,812)
Finance income		11,734	-	11,734	19,437	-	19,437
Profit/(loss) before taxation	5	6,186	137,890	144,076	5,518	(39,577)	(34,059)
Tax on profit/(loss)	7	(5,990)	(21,905)	(27,895)	(5,105)	(2,515)	(7,620)
Profit/(loss) after taxation	20	196	115,985	116,181	413	(42,092)	(41,679)

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

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

As the Company has not adopted hedge accounting under Sections 11 and 12 of FRS 102, total turnover presented is £24.2m higher (2019: £146.2m higher) than Underlying turnover. This is due to the difference between foreign currency denominated broadcasting income being translated at the spot rate on the date of receipt for total turnover and to the forward contract rate for Underlying turnover. This remeasurement is recognised as a reclassification between Turnover and foreign exchange gains/(losses).

Fair value movement in derivative financial instruments and foreign exchange gains/(losses) predominantly relates to the movement in fair value of derivative financial instruments, creating a £136.0m gain, (2019: £232.9m loss) which is offset by a net loss in other foreign exchange rate movements of £22.3m (2019: £47.1m gain). This offsetting net loss (2019: net gain) represents the revaluation of monetary assets and liabilities (cash, debtors and deferred income) to spot rate at the balance sheet date whereas the Underlying results include the monetary assets and liabilities revalued to the forward contract rate (note 17).

The tax charge of £21.9m (2019: £2.5m charge) arises due to the reduction in deferred tax asset recognised in relation to the adjustments noted above.

The Football Association Premier League Limited
Company Registration No. 02719699

Balance sheet
As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Tangible fixed assets	8	6,763	1,077
Fixed asset investments	9	-	-
Derivative financial instruments	17	13,473	194
Total non-current assets		20,236	1,271
Current assets			
Trade debtors and other receivables	11	1,316,728	837,255
Cash at bank and in hand		922,144	1,558,247
Deferred tax asset	10	6,224	27,842
Derivative financial instruments	17	16,648	821
		2,261,744	2,424,165
Creditors due within one year			
Trade creditors and other payables	12	(339,280)	(180,296)
Derivative financial instruments	17	(26,890)	(94,482)
Deferred income		(1,722,980)	(1,803,733)
		(2,089,150)	(2,078,511)
Net current assets		172,594	345,654
Creditors due in more than one year			
Derivative financial instruments	17	(36,237)	(125,416)
Deferred income		(198,199)	(379,296)
		(234,436)	(504,712)
Net liabilities		(41,606)	(157,787)
Equity			
Called up share capital	14	-	-
Retained earnings		(41,606)	(157,787)
Shareholders' deficit		(41,606)	(157,787)

These financial statements were approved by the Board of Directors on 19 March 2021.

Signed on behalf of the Board of Directors



R J Masters
Director

The Football Association Premier League Limited
Company Registration No. 02719699

Statement of changes in equity
For the year ended 31 July 2020

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 August 2018	-	(116,108)	(116,108)
Loss for the financial year	-	(41,679)	(41,679)
At 31 July 2019	-	(157,787)	(157,787)
Profit for the financial year	-	116,181	115,384
At 31 July 2020	-	(41,606)	(42,403)

The underlying retained earnings of the Company is £932k (2019: £736k) (note 20).

The Football Association Premier League Limited
Company Registration No. 02719699

Cash flow statement
For the year ended 31 July 2020

	Note	2020 £'000	2019 £'000
Net cash outflow from operating activities	15	(619,199)	(211,432)
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,962)	(492)
Interest received		11,734	19,437
Net cash flows from investing activities		<u>4,772</u>	<u>18,945</u>
Net decrease in cash and cash equivalents		<u>(614,427)</u>	<u>(192,487)</u>
Cash and cash equivalents at beginning of year		1,558,247	1,703,649
Effect of foreign exchange rate changes		<u>(21,676)</u>	<u>47,085</u>
Cash and cash equivalents at end of year		<u><u>922,144</u></u>	<u><u>1,558,247</u></u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements
For the year ended 31 July 2020

1. Accounting policies

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

General information and basis of accounting

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

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

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

Going concern

The directors have considered the financial position, resources and revenue streams of the Company. The Company has considerable financial resources and has a full portfolio of broadcasting and commercial contracts in place for broadcasting rights income for seasons 2020/21 and 2021/22. These facts, along with its operating cost structure and basis for payments to clubs means that the Company is well placed to manage its business risks successfully. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. The directors note that the Company has net liabilities of £41.61m at 31 July 2020 (2019: £157.8m). However, this is predominantly driven by the recognition of the fair value liability in derivative financial instruments which will unwind on maturity. Furthermore, the significant deferred income balance of £1,921.2m (2019: £2,183.0m) reflects advanced cash receipts which supports the Company's liquidity position over the going concern period.

Turnover

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

Joint ventures and associates

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

Pension costs

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

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

1. Accounting policies (continued)

Operating lease arrangements

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

Finance income

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

Taxation

Corporation tax payable is provided at amounts expected to be paid using the tax rates and laws that have been substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Government grants

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

Tangible fixed assets

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

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

Investments

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

Foreign currency

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

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

1. Accounting policies (continued)

Financial assets and liabilities

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

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

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

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

Derivative financial instruments

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

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

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The directors do not consider there to be any key estimates. However, they have made a critical judgement in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

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

The COVID-19 pandemic caused a suspension in play between March and June 2020 which resulted in rebates due to some broadcasters, all of which were recognised in the current year.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

3. Turnover

Turnover derives from the activities of managing The Football Association Premier League and is all derived from the sale of broadcasting and commercial sponsorship rights. Turnover arises in the United Kingdom, other than £1,352.2m (2019: £1,398.4m) which arises from the sale of audio-visual rights to worldwide broadcasters for worldwide transmission. All of the Company's assets are held in the United Kingdom.

4. Operating expenses

	2020 £'000	2019 £'000
<i>Charitable activities</i>		
Football Foundation	10,300	17,300
PFA charitable activities	23,040	25,000
Other charitable	38,761	34,522
	<u>72,101</u>	<u>76,822</u>
<i>Wider football support/Good causes</i>		
Football stadia improvement fund	9,500	6,500
Other wider football support	11,818	13,372
Football League Solidarity, Youth Development and Community	111,425	109,910
	<u>132,743</u>	<u>129,782</u>
<i>Other</i>		
Administrative expenses	70,174	74,312
	<u>275,018</u>	<u>280,916</u>

5. Profit/(loss) on ordinary activities before taxation

	2020 £'000	2019 £'000
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting):		
Auditor's remuneration		
- fees for the audit of financial statements	72	64
- taxation compliance services	11	11
- other taxation advisory services	48	22
- other non-audit services	11	59
Depreciation on owned assets	1,276	1,125
Operating lease rentals – hire of other assets	2,133	1,202
Government grants	(3,331)	(1,423)
Fair value (gain)/loss on derivative financial instruments	(135,974)	232,897
Other losses/(gains) on foreign exchange	22,327	(47,085)

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

6. Staff numbers and costs

	2020	2019
	£'000	£'000
Employee costs (including directors) during the year:		
Wages and salaries	15,644	20,500
Social security costs	2,609	2,638
Other pension costs	1,407	1,145
	<u>19,660</u>	<u>24,283</u>

Average monthly number of persons (including directors) employed by the Company during the year

No.	No.
<u>167</u>	<u>158</u>

Directors' remuneration:

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

	£'000	£'000
Emoluments	1,816	4,362
Compensation for End of Service	-	2,000
	<u>1,816</u>	<u>6,362</u>

Directors' remuneration is included within employee costs.

The above amounts for directors' remuneration include the following in respect of the highest paid director:
Emoluments

£'000	£'000
<u>1,295</u>	<u>3,591</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

7. Tax on profit on ordinary activities

	2020 £'000	2019 £'000
Current tax		
UK corporation tax charge for the period at 19% (2019: 19.0%)	3,264	-
Double tax relief	(3,264)	-
	-	-
Foreign tax		
Withholding tax deducted at source	6,277	5,447
Total current taxation charge	6,277	5,447
Deferred tax		
Origination and reversal of timing differences	21,618	2,173
Total deferred taxation charge	21,618	2,173
Total tax charge on profit/(loss) on ordinary activities	27,895	7,620

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

	2020 £'000	2019 £'000
Profit/(loss) on ordinary activities before tax	144,076	(34,059)
Tax at 19.0% (2019: 19.0%)	27,374	(6,471)
Effects of:		
- Expenses not deductible for tax purposes	79	185
- Effect of tax rate changes on deferred tax balances	(2,571)	3,000
- Foreign tax suffered net of double tax relief	3,013	4,412
- Effect of excess charitable donations not deductible for tax purposes	-	6,494
Total tax charge for period	27,895	7,620

Finance Bill 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 31 July 2019 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occur and the Corporation Tax Rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year-end.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

8. Tangible fixed assets

	Short-term leasehold improvements £'000	Office furniture and equipment £'000	Total £'000
Cost			
At 1 August 2019	2,137	2,869	5,006
Additions	6,006	956	6,962
Disposals	(2,137)	(1,611)	(3,748)
At 31 July 2020	6,006	2,214	8,220
Accumulated depreciation			
At 1 August 2019	1,957	1,972	3,929
Charge for the year	554	722	1,276
Disposals	(2,137)	(1,611)	(3,748)
At 31 July 2020	374	1,083	1,457
Net book value			
At 31 July 2020	5,632	1,131	6,763
At 31 July 2019	180	897	1,077

9. Fixed asset investments

Subsidiary undertakings

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

Joint ventures

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

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

9. Fixed asset investments (continued)

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

	£'000	
Share of net assets		
At 1 August 2019		11
Share of results (see below)		(750)
At 31 July 2020		<u>(739)</u>
	2020	2019
	£'000	£'000
Company share of results		
Turnover	<u>7,113</u>	<u>7,370</u>
Operating loss	(755)	(8)
Interest receivable and similar income	5	8
Taxation	<u>-</u>	<u>(1)</u>
Result after taxation	<u>(750)</u>	<u>(1)</u>
Company share of:		
Net assets	<u>(739)</u>	<u>11</u>

Associates

Investment in associate represents a one third holding in Professional Game Match Officials Limited, a venture between The Football Association Premier League Limited, The Football Association Limited and The Football League Limited. The venture was formed for the provision of referees and refereeing services to The Football Association, The Football Association Premier League Limited and The Football League Limited.

The Football Association Premier League Limited has provided a guarantee in respect of the liabilities of Professional Game Match Officials Limited to a sum not exceeding £1.

Professional Game Match Officials Limited is registered at Wembley Stadium, Wembley, Middlesex, HA9 0WS and trades from Brunel Building, 57 North Wharf Road, London, W2 1HQ.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

9. Fixed asset investments (continued)

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

	£'000
Share of net assets	
At 1 August 2019	248
Share of results (see below)	35
At 31 July 2020	<u>283</u>

	2020 £'000	2019 £'000
Company share of results		
Turnover	<u>7,565</u>	<u>6,794</u>
Operating profit before taxation	25	14
Interest receivable and similar income	10	8
Taxation	<u>-</u>	<u>-</u>
Result after taxation	<u>35</u>	<u>22</u>
Company share of:		
Net assets	<u>283</u>	<u>248</u>

Amounts are based on the latest available draft financial statements of the associate company and are accurate at the time of approving these accounts. The adjustment for timing differences relates to adjustments in the associate company's financial statements after the approval of the Company's accounts.

10. Deferred tax

	2020 £'000	2019 £'000
Balance at start of year	27,842	30,015
Debit to profit and loss account (note 7)	<u>(21,618)</u>	<u>(2,173)</u>
Balance at end of year	<u>6,224</u>	<u>27,842</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

10. Deferred tax (continued)

	2020 £'000	2019 £'000
Depreciation in excess of capital allowances	1,101	814
Timing differences on derivative financial instruments	5,123	27,028
Balance at end of year	<u>6,224</u>	<u>27,842</u>

A deferred tax asset of £1.1m has been recognised at 31 July 2020 (2019: £0.8m) where depreciation charged is in excess of capital allowances claimed on qualifying assets. The directors are of the opinion, based on historical and forecast trading, that it is more likely than not that there will be suitable profits in the future financial years against which the future capital allowances may be claimed.

A deferred tax asset of £5.1m has been recognised at 31 July 2020 (2019: £27.0m) in relation to the net fair value loss of derivative financial instruments of £33.0m (2019: £218.9m) of which £29.0m (2019: £157.8m) has been disregarded in the computation of current tax. This will unwind as the derivative financial instruments mature.

Deferred taxation is provided for at rates expected to apply when the timing differences reverse, based on current tax rates and law. The main UK corporation tax rate will remain at 19% as announced in the March 2020 Budget and therefore the deferred tax balances carried forward reflect these rates.

During the year beginning 1 August 2020, the net reversal of deferred tax assets and liabilities is expected to decrease the corporation tax charge for the year by £110k. This is due to the reversal of timing differences expected within the next 12 months.

11. Trade debtors and other receivables

	2020 £'000	2019 £'000
Trade debtors	252,102	55,480
Amounts owed by joint venture	65	227
Other taxes and social security	35,179	30,091
Other debtors	235,185	484
Prepayments	775,967	728,816
Accrued income	18,230	22,157
	<u>1,316,728</u>	<u>837,255</u>

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

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

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

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

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

12. Trade creditors and other payables

	2020 £'000	2019 £'000
Trade creditors	163	39
Other taxes and social security	1,218	2,704
Other creditors	292,044	99,091
Accruals	45,855	78,462
	<u>339,280</u>	<u>180,296</u>

In addition to the Professional Game Youth Fund and club transfer fees awaiting onward transmission, other creditors include rebates relating to season 2019/20 which will be paid to broadcasters after 31 July 2020.

13. Commitments under operating leases

At 31 July 2020 the Company had total future commitments under non-cancellable operating leases in respect of land and buildings as set out below:

	2020 £'000	2019 £'000
Within one year	1,299	1,728
Between two and five years	3,475	4,624
	<u>4,774</u>	<u>6,352</u>

14. Called up share capital

	2020	2019
Authorised		
99 Ordinary shares of £1 each	99	99
1 Preference share of £1	1	1
	<u>100</u>	<u>100</u>
Called up, allotted and fully paid		
20 Ordinary shares of £1 each	20	20
1 Preference share of £1	1	1
	<u>21</u>	<u>21</u>

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

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

15. Reconciliation of operating profit to net cash (outflow)/inflow from operating activities

	2020	2019
	£'000	£'000
Operating profit	18,695	132,316
Adjustment for:		
Depreciation	1,276	1,125
Net cash movement from derivative contracts	(50,554)	(187,577)
Operating cash flow before movement in working capital	(30,583)	(54,136)
(Increase)/decrease in debtors	(479,474)	84,508
Decrease in creditors	(102,865)	(236,357)
Cash generated by operations	(612,922)	(205,985)
Tax paid	(6,277)	(5,447)
Net cash outflow from operating activities	(619,199)	(211,432)

16. Financial instruments

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

	2020	2019
	£'000	£'000
Financial assets		
Cash and cash equivalents	922,144	1,558,247
Trade debtors and other receivables	487,314	55,776
Derivative financial assets	30,121	1,015
	<u>1,439,579</u>	<u>1,615,038</u>
Financial liabilities		
Trade payables and other payables	292,207	99,130
Derivative financial liabilities	63,127	219,898
	<u>355,334</u>	<u>319,028</u>

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

	2020	2019
	£'000	£'000
Interest income and expense		
Total interest income for financial assets at amortised cost	<u>11,734</u>	<u>19,437</u>
Fair value gains and losses		
On financial assets measured at fair value through profit or (loss)	<u>135,974</u>	<u>(232,897)</u>

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

17. Derivative financial instruments

	Due within one year		Due after one year	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Derivatives accounted for at fair value through profit and loss				
Assets				
Forward foreign currency contracts	16,648	821	13,473	194
	<u>16,648</u>	<u>821</u>	<u>13,473</u>	<u>194</u>
Liabilities				
Forward foreign currency contracts	26,890	94,482	36,237	125,416
	<u>26,890</u>	<u>94,482</u>	<u>36,237</u>	<u>125,416</u>

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

Forward foreign currency contracts

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

Outstanding contracts	Average contractual exchange rate		Notional Value		Net Fair Value (Liabilities)/Assets	
	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000
Due within one year						
Euros	1.0951	1.0951	266,667	266,667	3,105	(119)
US Dollars	1.3308	1.3523	1,283,333	1,233,333	(13,347)	(93,543)
Due after one year						
Euros	1.0757	1.0951	1,016,667	533,333	13,009	(9,583)
US Dollars	1.3527	1.3578	1,833,333	1,816,667	(35,773)	(115,638)
					<u>(33,006)</u>	<u>(218,883)</u>

The Company has entered into contracts to supply overseas broadcasters. The Company has entered into forward foreign currency contracts to manage the risk arising from foreign currency movements on cash flows available for distribution to member clubs. The contracts are measured at fair value through the profit and loss. A gain of £135.9m (2019: £232.9m loss) was recognised during the year.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

18. Related party transactions

By the Company's nature and in accordance with its rules, The Football Association Premier League Limited enters into a number of transactions in the normal course of business with its member clubs and with The Football Association Limited. Cost of sales, as reported in the profit and loss account, represents amounts payable to the member clubs of the FA Premier League totalling £2,280,759k (2019: £2,543,370k), of which £750k (2019: £34,712k) was outstanding at the year end. An amount of £177,500k (2019: £nil) has been recognised within other debtors relating to the member clubs' share of the broadcaster rebates which are repayable on demand. An advance payment of £720,072k (2019: £627,462k) relating to the next financial year was made to member clubs prior to the year end which has been recognised as a prepayment.

Transactions with the Football Association Limited totalled £750k (2019: £750k) within turnover and £4k (2019: £5k) within operating expenses, of which £nil (2019: £nil) is outstanding at the year end.

Transactions between the Company and its joint venture Football DataCo Limited include £980k (2019: £3,568k) within turnover. Accrued income of £230k (2019: £818k) is outstanding at the year end. A debtor of £65k (2019: £227k) is outstanding in relation to expenses paid by the Company on behalf of Football DataCo Limited which will be recovered after the year end.

Mr R J Masters served as a director of Football DataCo Limited until 8 January 2020. He received no remuneration from Football DataCo Limited for his services in the current or prior year.

Transactions between the Company and its associate Professional Game Match Officials Limited include £12,997k (2019: £10,366k) within operating expenses. A creditor of £nil (2019: £nil) is outstanding at the year end. A debtor of £231k (2019: £177k) is outstanding in relation to expenses paid on behalf of the Company by Professional Game Match Official Limited which will be settled after the year end.

The total remuneration for key management personnel, being the Board of Directors, for the period totalled £1,816k (2019: £6,362k), being remuneration disclosed in note 6.

19. Post Balance Sheet Events

In December 2020, the Company announced COVID-19-related financial support for EFL clubs. A fund of £50m in the form of a grant (£30m) and monitored loans (£20m) was agreed for League One and Two clubs. The Company also committed to fund the interest and fees (up to a cap of £15m) associated with the EFL securing a three-year commercial loan facility in respect of Championship clubs. There is no impact on the current year financial results.

Following the year end certain litigation commenced against the Premier League in relation to a Club related issue. The Premier League does not consider that it has any liability in relation to this matter.

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

20. Supplementary information

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

Underlying Profit and loss account
For year ended 31 July 2020

	2020	2019
	£'000	£'000
Continuing operations		
Company turnover	2,859,822	3,150,961
Cost of sales	(2,590,352)	(2,883,964)
Gross profit	269,470	266,997
Operating expenses	(275,018)	(280,916)
Operating loss	(5,548)	(13,919)
Interest receivable	11,734	19,437
Profit on ordinary activities before taxation	6,186	5,518
Tax on profit on ordinary activities	(5,990)	(5,105)
Profit on ordinary activities after taxation	196	413

The Football Association Premier League Limited
Company Registration No. 02719699

Notes to the financial statements (continued)
For the year ended 31 July 2020

20. Supplementary information (continued)

Underlying Balance sheet
At 31 July 2020

	2020 £'000	2019 £'000
Non-current assets		
Tangible fixed assets	6,763	1,077
Investments	-	-
Total non-current assets	<u>6,763</u>	<u>1,077</u>
Current assets		
Trade debtors and other receivables	1,318,765	837,681
Cash at bank and in hand	914,802	1,503,964
	<u>2,233,567</u>	<u>2,341,645</u>
Creditors due within one year		
Trade creditors and other payables	(339,280)	(180,296)
Deferred income	(1,701,919)	(1,782,394)
Net current assets	<u>192,368</u>	<u>378,955</u>
Creditors due after one year		
Deferred income	(198,199)	(379,296)
Net assets	<u>932</u>	<u>736</u>
Equity		
Called up share capital	-	-
Retained earnings	932	736
Total equity	<u>932</u>	<u>736</u>