



21
/22

FINANCIAL REVIEW



CHAIRMAN'S REVIEW

The 2021/22 campaign saw the club finish in 12th place in its ninth consecutive season in the top flight, and was unquestionably another one of progression after a major restructure of the playing squad and Patrick Vieira's first year in charge.

Each of the new players acquired had an enormous impact in their first season: Joachim Anderson, Marc Guehi, Michael Olise, Osdonne Edouard and Will Hughes, with Jean Phillipe-Mateta making his loan permanent during the term, as well as the significant contribution of loanee Conor Gallagher who would go on to win the club's Player of the Year Award.

The league campaign ended with 48 points, and a positive goal difference of +4: an excellent return, with much to build on. Home wins over Spurs, Arsenal and Manchester United, and away wins at champions Manchester City, were the pick of the results and will live long in the memory.

A trip to Wembley for the FA Cup semi-final was yet another marker of progression, but sadly we were overcome by then Club World Champions Chelsea.

England called up three Palace players during the March international break, with Guehi, Gallagher and Tyrick Mitchell all selected for Gareth Southgate's squad – further contributing to the widely-held view that the club is attracting and developing the brightest young talent in the land.

The season will also go down in Palace history as a pivotal year for our Academy – not just in terms of the stunning facility our young players develop and thrive in every day, but also the performance of the teams who continue to succeed at the highest level despite only achieving EPPP Category 1 status a few years ago.

Our Academy also became a focal point of a six-part, behind-the-scenes documentary series that aired on Channel 4 to critical acclaim, with 18 players and several staff followed for a whole season which showed viewers how an elite Academy operates – with all contributors doing the club proud.

Elsewhere, we marked the club's 160th anniversary during the season following independent research confirmed its inception in 1861.

Turning to financial matters, turnover grew to £160m, a new high as we bounced back from the tough financial years during the Covid pandemic. And with all areas fully open for 22/23 and growth in Premier League revenues, we expect significant improvement on that figure next year.

Just as importantly, we were able to reduce operating expenses to £143.3m compared to £154.8m on a 12 month like-for-like basis for 20/21. This reduction was largely driven by reduced squad wages from releasing out of contract players and acquiring new squad assets on lower wages. This continues to be a key

pillar of our strategy to be financially sustainable, using the investment in both the Academy and targeted acquisitions of the right profile of talent to keep wage costs under control and drive EBITDA growth.

It is fitting to thank all of my colleagues who worked tirelessly to take us forward at such a crucial time following nearly two years of interruptions and restrictions from the pandemic.

With fans back in the stadium, a new shareholder, new investment which we put to good use to invest so considerably, an exciting new manager and many new faces on the pitch, there was definitely a feeling of positive change, optimism and energy surrounding the club.

The club is in the best shape it's been in since I joined in 2010 – on the field in terms of our squad quality and depth, as well as off the field financially, giving us the best possible chance of pushing on. Our attention is now fully focused on completing the new Main Stand development which will help us become even more competitive in the Premier League and hopefully push closer towards European qualification places by closing the revenue gap to those above us.



Steve Parish
Chairman



PALACE FOR LIFE FOUNDATION

The 2021/22 season saw a return to near-normality after two years of Covid disruption, and our programmes supporting young south Londoners continued to grow.

We engaged more than 15,000 young people through work in our programme areas of Pathways and Learning, Primary Education, Community Engagement, Football Development and Disability Sport.

The relaxation of Covid rules allowed players the chance to meet our participants, with stars Tyrick Mitchell, Nathan Ferguson, Leigh Nichol and Conor Gallagher out meeting young people in the community.

Our Down's Syndrome football team, The DS Eagles, were invited to the first-team training ground by Patrick Vieira to be coached by his staff and meet the first team players, before taking part in a penalty shootout against Jack Butland.

We have continued to accelerate our engagement with groups under-represented in football including the

local Asian community, women and girls and people with disabilities.

Throughout the 2021-22 season we achieved a number of successes across our programme areas:

- The Primary Schools department restarted its PE, Primary Stars, and after-school clubs in 38 schools following a disrupted two years. They also hosted the Legacy for Zaian tournament at the Crystal Palace F.C. Academy for secondary schools in Croydon, in memory of a 15-year-old young man who tragically lost his life to knife crime.
- We opened 12 girls-only Wildcats football centres and hubs, with more than 150 participants attending.
- The Pathways and Learning department launched its social mobility program, "GAME ON!" which provided more than 50 young people with workshops, masterclasses, work experience opportunities,

and personalised support to help them reach their goals.

- We delivered targeted interventions in custody suites, schools and community settings to more than 300 young people and partnered with Advantage Mentoring and the NHS to mentor young people with mental health challenges.
- The Community Engagement team, Football Development team, and Disability Sports team organised various sporting events for young south Londoners, engaging more than 750 participants, using the top-class facilities at the club's Academy and Selhurst Park. They also hosted the London Premier League Kicks 15-year celebration, refugee and Cut it Out anti-knife crime tournaments.
- We grew our Get Involved Asian engagement programme, and organised the Club's first Ramadan Iftar event with more than 100 people from the local community coming together to break fast.

We remain dedicated to growing our programmes and supporting as many young people in south London as we can, and I'd like to thank everyone who continues to help this to happen: our volunteers, our fundraisers, our colleagues at CPFC, our trustees and our staff.



Mike Summers
CEO Palace for Life Foundation

**MADE IN
SOUTH
LONDON**

TRANSFORM YOUNG SOUTH LONDON LIVES

Crime and violence statistics concerningly showed that young people in our area face significant dangers and challenges. We know that south London is a diverse community with hundreds of thousands of talented young people who will contribute so much to the future of our neighbourhood, if only they are given an opportunity. In the face of these statistics we launched *Made in South London*, our campaign to raise £1 million to help steer thousands more young people towards a better path through our tried and tested programmes.



PALACE ACADEMY

After achieving Category 1 status last season, Crystal Palace's state of the art Academy was formally opened by England manager and Academy graduate, Gareth Southgate, in October 2021. The site has continued to develop since, with the final wing of the complex - which includes a huge medical rehabilitation gym and swimming pool complex - set to open in 2023.

The Academy was the focus of a Channel 4 Documentary series Football Dreams: The Academy, charting the progress of several players aged eight to 18 on their journeys to becoming a professional footballer, supported by our staff. Whilst not covered in the series, the club launched a pioneering role in player-care, specifically expanding into offering

an after-care programme for players released between the ages of 18-23.

On the pitch, Dave Cooper's Under-15s side won the Floodlit Cup South, with a 1-0 victory against Watford in front of a crowd at Selhurst Park. This saw them progress to the National Final, where they narrowly lost out to Sunderland in extra-time.

Rob Quinn took the reins as Under-18s manager, taking over from Paddy McCarthy who made the step up to lead the Under-23s. In his first season at the helm, Quinn guided the young Eagles to a third-place finish, with notable victories including a 5-0 thumping of Arsenal, a 6-1 win over Aston Villa, and a 2-4 victory away at Tottenham Hotspur.

Following promotion to the Premier League 2 Division 1, the

highest level of domestic Academy football, Palace's U23s went toe-to-toe with the best Academies and young talent in the country. McCarthy's side registered an impressive fifth-place finish, recording three consecutive wins against Chelsea, Liverpool and Manchester United.

Two of Palace's Academy prospects progressed to the first-team, with Jesurun Rak-Sakyi and Tayo Adaramola making their debuts against Chelsea and Hartlepool United respectively.

Meanwhile, Luke Dreher, Danny Imray, Jacob Montes, Jake O'Brien, Sion Spence, Rob Street, James Taylor and Dylan Thiselton all gained valuable experience out on loan domestically and in Europe.

INTERNATIONAL REPRESENTATION

Under-23s	
Tayo Adaramola	Republic of Ireland
Scott Banks	Scotland
Jake O'Brien	Republic of Ireland
Killian Phillips	Republic of Ireland
Jesurun Rak-Sakyi	England
Ollie Webber	Northern Ireland
Jack Wells-Morrison	England
Joe Whitworth	England

Under-18s	
Victor Akinwale	England
Jake Grante	Republic of Ireland
Jadan Raymond	Wales
Kaden Rodney	England
Laurie Shala	Kosovo





AS THE SOUL OF PALACE RETURNS THE TERRACES COME ALIVE

FINANCIAL REVIEW

The Board considers the following key performance indicators to give the most relevant indicators of business performance.

	2022	2021
Final league position	12th	14th
TV matches	16	14
	(£'000's)	(£'000's)
Turnover	159,999	134,383
Total player wage costs	101,034	112,256
Player wage costs/turnover	63%	84%
Operating expenses (excluding depreciation, amortisation and impairment)	(143,293)	(143,969)
Operating profit/(loss) before depreciation and amortisation (EBITDA)	16,706	(9,586)
(Loss) before tax	(24,229)	(40,261)
Net Liabilities	(33,447)	(89,368)

FINANCIAL PERFORMANCE

While the 21/22 accounts represent a return to a 'normal' 12 month trading period the comparatives reflect an 11 month financial year. This period was adjusted to take account of the extended 19/20 season and resulting 13 month trading period in 19/20 to complete the fixtures following a delay caused by the Covid-19 pandemic. While there is no significant impact on Turnover from the accounting period length, as a full season's fixtures and Premier League revenue are included in both periods, there was a negative impact on 20/21 results from games being played largely behind closed doors to the tune of £15.5m.

