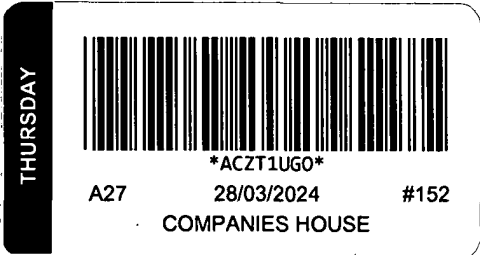


**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 June 2023**
for
CPFC Limited



CPFC Limited

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CPFC Limited

Company Information for the Year Ended 30 June 2023

DIRECTORS:

S Parish
D S Blitzer
J J Harris
J C Textor

SECRETARY:

S O'Loughlin

REGISTERED OFFICE:

Selhurst Park Stadium
Holmesdale Road
London
Greater London
SE25 6PU

REGISTERED NUMBER:

07270793 (England and Wales)

AUDITORS:

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

CPFC Limited

Strategic Report for the Year Ended 30 June 2023

The directors present their strategic report for the year ended 30 June 2023.

OVERVIEW

In some ways it is hard to believe, but the 2022/23 season represented a record-extending 10th consecutive campaign in the top-flight for Crystal Palace - with the dramatic play-off win in 2013 still clear in everyone's memories.

Cementing the good work carried out since then, the climax to the season saw Crystal Palace finish in its highest league position since the 2017/2018 season: a well-deserved mid-table finish in 11th place, with 45 points.

With the departure of Patrick Vieira as manager in March 2023 after an extended run of poor results, the Club welcomed Roy Hodgson back to manage the team for the remainder of the season. The squad showed a quick, positive turnaround following Roy's return, winning three consecutive games including a pivotal 5-1 victory away at Leeds United. The Club achieved an impressive 18 points from the final 10 games with Roy at the helm.

It is fitting that we thank and pay tribute to Patrick who worked tirelessly for more than a year-and-a-half in south London, and reiterate our best wishes to his future success in the game.

After a major overhaul in the previous closed season, the changes at the start 22/23 were less significant, although we bade farewell to long-standing and highly valued players Martin Kelly, Christian Benteke and Cheikhou Kouyaté after a total of eight, six and four years of service respectively. We welcomed Sam Johnstone, Cheick Doucouré, Chris Richards and Naouirou Ahamada. All players settled in well; notably, Cheick became a regular member of the starting XI and went on to earn the club's 'Player of the Season' award, such was his impressive, instant and consistent impact.

Elsewhere, Johnstone, Eberechi Eze and Marc Guéhi all received England call-ups, whilst Richards secured more international caps with the USA, and Joachim Andersen continued to impress for Denmark. Jordan Ayew remained a key performer for Ghana, while Doucouré did the same with Mali.

At the end of 2022/23, we said goodbye to long-serving Club servants in James McArthur, captain Luka Milivojevic, and Academy graduate Wilfried Zaha. James, Luka and Wilfried made an enormous impact in their years at Selhurst Park. We would not be the club we are today without them.

We've reported in previous years about the major investment into our Academy site and by the time of completion in spring 2024, this will represent more than £30 million of funds via our shareholders.

Our Academy continues to grow from strength to strength under our EPPP Category 1 status and this is evident in the progress of Joe Whitworth, who has been at the club since the age of 13 and made his Premier League debut at 19 years old, becoming Palace's youngest-ever Premier League goalkeeper in the process. David Ozoh made his debut to become Palace's youngest-ever Premier League player at just 17-years-old.

The Under-21s secured a fourth-place finish in Premier League 2, and the Under-18s finished third in the U18 Premier League. The U21s also reached the final of the Premier League International Cup, but unfortunately fell at the final hurdle in extra-time against Jong PSV at Selhurst Park.

Several players enjoyed highly productive loan spells, notably Jesurun Rak-Sakyi, whose year at Charlton Athletic in the Championship earned him the club's Player of the Year award and a nomination for EFL League One Young Player of the Season. These returns continue to demonstrate the talent the new Academy is able to capture and nurture, with the ultimate aim of the strongest players contributing to the first-team.

The Club also acquired the ownership of Crystal Palace Women, whereby a new entity, CPFC (Women) Limited, was incorporated. The Women's team have also demonstrated progress, following significant investment in the staff, playing squad and infrastructure. The team secured fifth place in the Women's Championship in 22/23, and at the time of writing, promotion to the Women's Super League is a very real possibility in 23/24.

With additional investor funding secured, the Main Stand project is moving forward, with hopes for construction to begin ahead of the start of the 24/25 season.

The Club has made huge strides in the last decade in the Premier League, and with continued support from all our stakeholders we can look forward to a very exciting future.

CPFC Limited

Strategic Report for the Year Ended 30 June 2023

FINANCIAL PERFORMANCE

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

Average league attendance	2023 23,493	2022 24,222
Final league position	11th	12th
TV matches	14	16
	£'000	£'000
Turnover	179,518	159,999
Player wage costs	(101,040)	(101,034)
Player wage costs / turnover ratio	56%	63%
Operating expenses (excluding depreciation and amortisation)	(156,101)	(143,294)
Operating profit before depreciation and amortisation("EBITDA")	23,417	16,705
(Loss) before tax	(27,186)	(24,174)
Intangible assets	104,396	89,585
Net (liabilities)	(64,152)	(36,966)

FINANCIAL REVIEW

For the Club to achieve nearly £180m in turnover, up 12.2% on last year, is an historic result reflecting not only a higher league finish but growth in commercial revenue across the board. The majority of the increase comes via the improvement in Premier League distributions as 22/23 represented the first year of a new TV cycle. But also, our own commercial revenue grew £4m, as sponsorship, ticketing and merchandising all enjoyed healthy improvements in revenue, reflecting the strong product we have built over a number of years.

To achieve a higher league placing while keeping the squad wage bill flat is very positive financially, and helped contribute to a 40% increase in EBITDA, evidenced by the fact squad wages were at 56% of revenue, down from 63% the year before. Also, the increase in Intangible Assets reflects the investment in the squad, and it is very pleasing that alongside the improvement in trading results we see a significant improvement in the playing assets the Club now has at its disposal, something which is a key part of the Club's development strategy.

EBITDA would have been even higher were it not for the economic backdrop the Club faced, in relation to inflationary pressures on all areas of the business, especially in areas such as the Academy where the Club's new facilities are now fully operational. Expenses also reflect the costs of changing manager during the season and bringing CPFC Women's team into the group of companies with the investment needed to build a properly integrated team pushing for WSL promotion.

The final piece in the Club's strategic plan is to invest in Selhurst park, principally the main stand, to allow us to capitalise on the positive momentum in the business and build a sustainable Premier League Club. We of course need to continue to build on the good work with the squad and the Academy to ensure the Club moves forward on all fronts at the same time. To do this with sensible and measured investment in such a competitive environment is no mean feat, but we are confident we have a strong plan for the future of the Club, we need to continue to execute it well.

PRINCIPAL RISKS AND UNCERTAINTIES

All our planning takes into account cashflow risk, credit risk and liquidity risk. The group uses a mixture of shareholder equity and short to long-term debt finance to ensure that sufficient funds are available for ongoing operations. The planning for Premier League and Championship scenarios have significant implications on core revenue and the club ensures it keeps within the guidelines issued by the Premier League on cost control.

CPFC Limited

Strategic Report for the Year Ended 30 June 2023

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 requires Directors to report on how they have taken into consideration the interests of stakeholders and other matters in their decision making. The Directors recognise their responsibility to act in a way which promotes the success of the Company for all stakeholders, and regularly reviews the club's performance and engagement with all stakeholders through frequent meetings. Naturally, it is imperative that the club also abides by relevant Premier League, UEFA, F.A. regulations, including Financial Fair Play.

With the unique nature of the business and the way it interacts with the community, the Board continue to use all the various mechanisms at its disposal, such as its official charity partner the Palace for Life Foundation and the Academy, alongside the club's own initiatives to make a positive difference.

- The Board are acutely aware, especially during the challenging economic circumstances for businesses and individuals we've seen in recent years, of the responsibility it has to engage with fans and stakeholders through its decision making. To that end, the club established a new Fan Advisory Board (FAB), with its first meeting to be held in winter 2023. The formation of the FAB further reinforces our commitment to meaningful engagement with supporters on key topics that affect them - such as the matchday experience - to help inform our decision-making process on a range of non-playing matters.

- The FAB will include senior club staff, including the club's nominated Board-level official, and a Chair. Club officials will join a number of supporter representatives from a range of existing groups, including one representative from each of the following: The Disabled Supporters' Association, Crystal Palace Independent Supporters' Association, Proud and Palace; the Holmesdale Fanatics; and the CPFC Women's Supporters' Association. In addition, votes were cast to elect representatives from each of the following groups: Season Ticket holders, Gold Members, International Members, premium hospitality guests, and away match attendees.

- We also support various league-wide initiatives such as No Room for Racism, Rainbow Laces, Black History Month in addition to nationwide initiatives such as LGBTQ+ History Month and International Women's Day. We continually invest in internal and external activations ensuring community, fan and staff engagement at all levels.

- Academy investment continued apace, offering numerous development opportunities for the 220 young people in age-group squads, but also for wider community use of our world-class facilities. The Board recognises its responsibility that comes with a high-performance academy environment and its duty of care to all players within it and to those that have been released from it. We continued to run a wide-ranging care programme for Academy players aged 18-23 to include those that are released from the club, with a Player Care Officer working with affected players for an extended period of time.

- Palace for Life Foundation, the club's charity, engaged with more than 16,000 young people through its various pillars of work, providing them with opportunities and support to thrive, with some notable achievements outlined below.

- In education, the Foundation deliver a number of informative programmes in more than 100 schools, stimulating nearly 8,000 young minds in the process. Elsewhere, more young people received a qualification thanks to training and employment courses, as well a rise in those taking part in group and one-to-one mentoring.

- Its Community Engagement programmes saw thousands of participants take part in a variety of free sporting activities - including the continued success of Get Involved, a community initiative for its local Asian population. Community Soccer Schools were expanded to reach 1,500 participants, as well as 950 taking part in Player Development Centres.

- The Disability Sport programme continued to thrive, including the Down's Syndrome Eagles and Powerchair Football teams, with the latter crowned champions of their league last season.

ON BEHALF OF THE BOARD:

S. Parish
.....
S Parish - Director

Date: 2nd February 2024
.....

CPFC Limited

Report of the Directors for the Year Ended 30 June 2023

The directors present their report with the financial statements of the Company for the year ended 30 June 2023.

PRINCIPAL ACTIVITY

The principal activity of the Company in the period under review was that of the operation of a professional football club.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2023 (Nil: 30 June 2022).

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2022 to the date of this report.

S Parish
D S Blitzler
J J Harris
J C Textor

EMPLOYEES

It is the Company's policy to ensure that no employee or job applicant is treated less favourably than another on the grounds of religion, sexual orientation, disability, race, creed, colour, nationality, ethnic or national origins, sex or marital status.

Applications for employment by disabled persons are always fully considered bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. 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.

Continued close attention is paid to the health and safety of employees while at work and all employees are provided with appropriate training.

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the benefit of all directors of the Company.

DISCLOSURE IN THE STRATEGIC REPORT

Information in connection with Future Developments together with certain employment and business relationship disclosures are not included within this Report of the Directors as they are instead included within the Strategic Report on pages 2 to 4 under S414c(11).

FINANCIAL INSTRUMENT RISK MANAGEMENT

The main financial risks associated with the Company's activities are credit risk and liquidity and cash flow risks. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The Company's policy in respect of credit risk is to require appropriate credit checks on the relevant parties before sales are made.

The Company's policy in respect of liquidity and cash flow risk is to maintain a mixture of third party and related party finance and readily accessible bank deposit accounts to ensure the Company has sufficient funds for operations.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

CPFC Limited

Report of the Directors for the Year Ended 30 June 2023

AUDITORS

The auditors, RSM UK Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

S. Parish
.....
S Parish - Director

Date: 2nd February 2024
.....

CPFC Limited

Statement of Directors' Responsibilities for the Year Ended 30 June 2023

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 Financial Reporting Standard 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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.

Report of the Independent Auditors to the Members of CPFC Limited

Opinion

We have audited the financial statements of CPFC Limited (the 'Company') for the year ended 30 June 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of CPFC Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, 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 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.

Auditors' 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 a Report of the Auditors 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.

Report of the Independent Auditors to the Members of CPFC Limited

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, completion of a financial statements disclosure checklist and reviewing the tax computations prepared by external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are the Premier League's Profit and Sustainability Rules (PSR). We performed audit procedures to check the Company's PSR calculations and to inquire of management whether any non-compliance has occurred or is expected to occur in the foreseeable future.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing a sample of journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and reviewing, challenging and corroborating accounting judgements and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of CPFC Limited

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 a Report of the Auditors 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.

Richard Coates

RICHARD COATES (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: 07/02/2024

CPFC Limited

Statement of Comprehensive Income for the Year Ended 30 June 2023

	Notes	2023 £000	2022 £000
TURNOVER	3	179,518	159,999
Operating expenses before depreciation & amortisation		(156,101)	(143,294)
OPERATING PROFIT BEFORE DEPRECIATION & AMORTISATION		<u>23,417</u>	<u>16,705</u>
Depreciation		(2,496)	(2,340)
OPERATING PROFIT BEFORE AMORTISATION		<u>20,921</u>	<u>14,365</u>
Amortisation		(40,487)	(34,151)
OPERATING LOSS BEFORE PROFIT ON DISPOSAL OF FIXED ASSETS		<u>(19,566)</u>	<u>(19,786)</u>
Profit on disposal of players		331	-
Profit on disposal of plant & machinery		29	-
OPERATING LOSS		<u>(19,206)</u>	<u>(19,786)</u>
Interest receivable		763	18
Interest payable and similar charges	7	(7,806)	(4,406)
Foreign exchange losses		(937)	-
LOSS BEFORE TAXATION		<u>(27,186)</u>	<u>(24,174)</u>
Taxation	8	-	-
LOSS AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(27,186)</u></u>	<u><u>(24,174)</u></u>

The notes form part of these financial statements

CPFC Limited (Registered number: 07270793)

Statement of Financial Position

30 June 2023

	Notes	£'000	2023 £'000	2022 £'000
FIXED ASSETS				
Intangible assets	9		104,396	89,585
Tangible assets	10		<u>35,808</u>	<u>28,680</u>
			140,204	118,265
CURRENT ASSETS				
Stocks	12	629		356
Debtors	13	14,868		6,377
Cash at bank and in hand		<u>21,429</u>		<u>8,048</u>
		36,926		14,781
CREDITORS				
Amounts falling due within one year	14	<u>198,426</u>		<u>130,050</u>
NET CURRENT LIABILITIES			<u>(161,500)</u>	<u>(115,269)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(21,296)	2,996
CREDITORS				
Amounts falling due after more than one year	15		(32,240)	(34,668)
PROVISIONS FOR LIABILITIES				
	17		<u>(10,616)</u>	<u>(5,294)</u>
NET LIABILITIES			<u>(64,152)</u>	<u>(36,966)</u>
CAPITAL AND RESERVES				
Called up share capital	18		92,410	92,410
Retained earnings	19		<u>(156,562)</u>	<u>(129,376)</u>
SHAREHOLDERS' FUNDS			<u>(64,152)</u>	<u>(36,966)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 2nd February 2024 and were signed on its behalf by:

S. Parish

.....
S Parish - Director

CPFC Limited

Statement of Changes in Equity for the Year Ended 30 June 2023

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2021	12,260	(105,202)	(92,942)
Changes in equity			
Issue of share capital	80,150	-	80,150
Total comprehensive loss	<u>-</u>	<u>(24,174)</u>	<u>(24,174)</u>
Balance at 30 June 2022	<u>92,410</u>	<u>(129,376)</u>	<u>(36,966)</u>
Changes in equity			
Total comprehensive loss	<u>-</u>	<u>(27,186)</u>	<u>(27,186)</u>
Balance at 30 June 2023	<u>92,410</u>	<u>(156,562)</u>	<u>(64,152)</u>

CPFC Limited

Notes to the Financial Statements for the Year Ended 30 June 2023

1. STATUTORY INFORMATION

CPFC Limited ("the Company") is a private company limited by shares and is registered, domiciled and incorporated in England. The address of the Company's registered office and principal place of business is Selhurst Park Stadium, Holmesdale Road, London SE25 6PU.

The Company's principal activities are disclosed in the Report of the Directors and the nature of operations are disclosed in the Strategic Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

These financial statements present information about the Company as an individual undertaking and not about its Group, as the Company has taken advantage of the exemptions within the Companies Act as it is included in the consolidated financial statements of Palace Holdco UK Limited, which are available from its registered office of Selhurst Park Stadium, Holmesdale Road, London, SE25 6PU.

These financial statements are presented in sterling which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Financial Reporting Standard 102 - reduced disclosure exemptions

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosures requirements:

- Section 7. "Statement of Cash Flows" - Presentation of a Statement of Cash Flow and related notes and disclosures

The financial statements of the Company are consolidated in the financial statements of CPFC 2010 Limited, whose consolidated financial statements are available from its registered office, Selhurst Park Stadium, Holmesdale Road, London SE25 6PU.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key areas of accounting estimation relate to the Company's intangible fixed assets, especially in respect of the timing and quantum of recognising a provision for future fees that may be payable under transfer agreements and in respect of the impairment review. The accounting policies for these areas are as set out below.

Going concern

The directors have considered the Company's current financial position and its cash flow requirements for the period to 30 June 2025. The directors have also considered the current financial position of the group headed by Palace Holdco UK Limited and reviewed its cash flow forecasts for the period to 30 June 2025, which include the capital call explained in note 26 to these financial statements and the impact of relegation at the end of the 23/24 season. The Company has received a letter of support from Palace Holdco UK Limited, the ultimate parent company, covering the period to 30 June 2025. The directors are confident that the Company will be able to meet its liabilities as they fall due for the period to at least 30 June 2025 and consequently have prepared the financial statements on the going concern basis.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

2. ACCOUNTING POLICIES - continued

Turnover

Turnover represents income receivable from football and related commercial activities, exclusive of VAT.

Gate receipts and other match day revenue are recognised as the games are played. Revenue derived from season tickets is credited to income in the period to which it relates. Amounts received in advance are credited to deferred income in the statement of financial position.

The club receives central distributions from the Premier League. These distributions are recognised evenly over the course of the financial period. Merit awards are accounted for only when known at the end of the football season. The fixed element of broadcasting revenue is recognised over the duration of the football season whilst fees received for live coverage or highlights are recognised when earned.

Sponsorship, advertising and similar commercial income is recognised over the duration of the respective contracts. Amounts received in advance are credited to deferred income in the statement of financial position. Conferencing and banqueting receipts are recognised at the time of the event with deposits held in the statement of financial position as deferred income until then or until they are refunded, whichever is the earlier.

Intangible fixed assets - player registrations

Payments made to third parties in order to acquire a player's registration, including agents' fees and transfer fee levies, are capitalised at cost. The cost is then amortised on a straight-line basis over the period of the player's contract.

Under the conditions of certain transfer agreements, further fees will be payable in the event of the players concerned making a certain number of first team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional fees are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur. The additional costs are capitalised and amortised as set out above.

The Company performs an impairment review on player registrations if adverse events indicate that the amortised carrying value of its intangible assets may not be recoverable. Whilst no individual player can be separated from the income generating unit, which is represented by the playing squad and football club as a whole, there may be certain circumstances where a player is removed from the income generating unit. If such circumstances arise, individual player registrations are written down for impairment where the carrying value exceeds the directors' estimate of fair value less any costs to sell.

Fees receivable from other football clubs on the transfer of players' registrations together with associated costs, are dealt with through profit and loss in the accounting period in which the agreement to transfer the player's registration takes place.

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Freehold buildings	2% Straight Line
Freehold property improvements	20% Straight Line
Leasehold property improvements	4% Straight Line
Plant and machinery	20% Straight Line
Fixtures, fittings and equipment	20% Straight Line
Motor vehicles	20% Straight Line

Assets under construction are stated at cost. These assets are not depreciated until they are available for use.

Stocks

Stock is valued at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving items.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

The Company has applied the provisions of Sections 11 and 12 of FRS 102, in full, to all of its financial instruments. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade and other debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade and other creditors

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Hire purchase and leasing commitments

An asset and corresponding liability are recognised for leasing agreements that transfer to the Company substantially all of the risks and rewards incidental to ownership ("finance leases"). The amount capitalised is the fair value of the leased asset or, if lower, the present value of the minimum lease payments payable during the lease term, both determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability. Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to profit or loss in the period to which they relate.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made as to the amount of the obligation.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

3. TURNOVER

The turnover of the Company for the period has been derived from its principal activity, wholly undertaken in the United Kingdom.

	2023	2022
	£000	£000
Broadcasting	141,059	126,490
Sponsorship and advertising	14,510	11,642
Gate receipts	12,344	11,462
Other commercial activities	8,840	8,706
Other income	2,765	1,699
	<u>179,518</u>	<u>159,999</u>

Broadcasting - revenue as a result of the FA Premier League broadcasting distributions, all cup competitions and radio broadcasting rights.

Sponsorship and advertising - revenue from all our sponsors, partnerships and other advertisement deals.

Gate receipts - revenue as a result of match day ticket sales, membership income, cup competitions and preseason ticket sales.

Other commercial activities - revenue generated from corporate hospitality, merchandise sales, catering and non-match day events.

Other income - revenue from players loaned out, fees for commercial contracts, rental income and all other income.

4. OPERATING EXPENSES

	2023	2022
	£000	£000
Amortisation of player registrations	40,487	34,151
Depreciation of tangible fixed assets	2,496	2,340
Staff costs (see note 6)	129,720	123,835
Other operating charges	26,381	19,459
Total operating expenses	<u>199,084</u>	<u>179,785</u>

5. AUDITORS' REMUNERATION

Fees payable to the auditors for the statutory audit were £65,000 (2022: £55,000) and non-audit services were £52,500 (2022: £19,325), of which £12,500 (2022: £11,500) were for audit-related assurance services and £40,000 (2022: £7,825) was for tax compliance and advisory services.

6. EMPLOYEES AND DIRECTORS

	2023	2022
	£'000	£'000
Wages and salaries	113,346	108,701
Social security costs	16,165	14,955
Other pension costs	<u>209</u>	<u>179</u>
	<u>129,720</u>	<u>123,835</u>

The directors received remuneration based on performance of the team, player sales and investment into the Club, of £2,157,000 during the year (2022: £1,700,000). This all related to the highest paid director. The majority of this amount relates to an unpaid bonus which along with the prior years has subsequently been reinvested back into the Club along with significant incremental funds from the same director pursuant to the capital call referenced in the post balance sheet events. No director received pension benefits during the year (2022: Nil).

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

6. EMPLOYEES AND DIRECTORS - continued

The average number of employees (including directors) during the year was as follows:

	2023	2022
Players, managers and coaches	184	157
Administration and commercial	<u>129</u>	<u>138</u>
	<u>313</u>	<u>295</u>

In addition to the disclosure above, the average number of match day and casual staff employed by the Company was approximately 771 during the year (2022: 731).

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£'000	£'000
Interest and other charges	3,546	2,525
Loan interest	<u>4,260</u>	<u>1,881</u>
	<u>7,806</u>	<u>4,406</u>

Interest and other charges primarily comprises of borrowing arrangement fees and interest paid in relation to the bank loans and advances under funding agreements explained in note 14. It also includes interest paid on finance leases totalling £58,000 (2022: £43,000).

Loan interest primarily comprises of borrowing arrangement fees and interest paid in relation to the loan to CPFC 2010 Limited (see note 23), whose interest is recharged to this company. Loan interest also includes £379,200 (2022: £388,000) in relation to the academy project due to Palace Holdco UK Limited, the ultimate parent company, based on a fixed rate unsecured loan note issued by Palace Holdco UK Limited and then loaned to this Company at the same interest rate.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

8. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is the same as the standard rate of corporation tax in the UK.

	2023 £'000	2022 £'000
Loss before tax	<u>(27,186)</u>	<u>(24,174)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 20.5% (2022 - 19%)	(5,573)	(4,593)
Effects of:		
Expenses not deductible for tax purposes	143	61
Fixed asset permanent differences	178	193
Losses carried forward	5,191	4,570
Reversal of other timing differences	61	(231)
	<u> </u>	<u> </u>
Total tax charge	<u> </u>	<u> </u>

The Company has tax losses carried forward as at 30 June 2023 of approximately £160,000,000 (2022: £135,000,000). A deferred tax asset of £40,000,000 (2022: £33,750,000) has not been recognised in respect of the losses due to the uncertainty as to the timing of future taxable profits.

9. INTANGIBLE FIXED ASSETS

	Player registrations £'000
COST	
At 1 July 2022	233,017
Additions	56,078
Disposals	(52,217)
Reversal of contingents	(780)
	<u> </u>
At 30 June 2023	<u>236,098</u>
AMORTISATION	
At 1 July 2022	143,432
Amortisation for year	40,487
Eliminated on disposal	(52,217)
	<u> </u>
At 30 June 2023	<u>131,702</u>
NET BOOK VALUE	
At 30 June 2023	<u>104,396</u>
At 30 June 2022	<u>89,585</u>

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

10. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Assets under construction £'000	Long leasehold £'000
COST			
At 1 July 2022	4,088	2,992	20,143
Additions	912	5,002	1,471
Disposals	(109)	-	-
Reclassification/transfer	-	48	(48)
At 30 June 2023	<u>4,891</u>	<u>8,042</u>	<u>21,566</u>
DEPRECIATION			
At 1 July 2022	1,119	-	823
Charge for year	404	-	839
Eliminated on disposal	(109)	-	-
At 30 June 2023	<u>1,414</u>	<u>-</u>	<u>1,662</u>
NET BOOK VALUE			
At 30 June 2023	<u>3,477</u>	<u>8,042</u>	<u>19,904</u>
At 30 June 2022	<u>2,969</u>	<u>2,992</u>	<u>19,320</u>

	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Totals £'000
COST				
At 1 July 2022	13,924	3,670	278	45,095
Additions	1,900	325	62	9,672
Disposals	(9,783)	(2,583)	(22)	(12,497)
Reclassification/transfer	-	-	-	-
At 30 June 2023	<u>6,041</u>	<u>1,412</u>	<u>318</u>	<u>42,270</u>
DEPRECIATION				
At 1 July 2022	11,222	3,080	171	16,415
Charge for year	954	262	37	2,496
Eliminated on disposal	(9,735)	(2,583)	(22)	(12,449)
At 30 June 2023	<u>2,441</u>	<u>759</u>	<u>186</u>	<u>6,462</u>
NET BOOK VALUE				
At 30 June 2023	<u>3,600</u>	<u>653</u>	<u>132</u>	<u>35,808</u>
At 30 June 2022	<u>2,702</u>	<u>590</u>	<u>107</u>	<u>28,680</u>

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

10. TANGIBLE FIXED ASSETS - continued

Freehold land and buildings includes £1,413,377 (2022: £1,413,377) of land that is not depreciated. The net book value of tangible fixed assets includes £1,277,000 (2022: £1,544,000) in respect of assets held under finance leases. This includes tangible fixed assets with a net book value of £926,000 (2022: £1,244,000) which are held under leases in the name of CPFC 2010 Limited.

During the year under review, leasehold property improvements of £48,000 were transferred to assets under construction. Asset under construction balance as at 30 June 23 relate to the Main Stand redevelopment project and the Academy project.

11. FIXED ASSET INVESTMENTS

The company holds more than 20% of the equity (and no other share or loan capital) of the following undertakings:

Subsidiary undertakings	Class of holding	Proportion directly held	Proportion indirectly held	Nature of business
CPFC (Women) Limited	Ordinary	100%	-	Football Club

12. STOCKS

	2023 £'000	2022 £'000
Stocks	<u>629</u>	<u>356</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade debtors	5,917	829
Amounts owed by group undertakings	1,830	1,883
Other debtors	2,029	1,504
Accrued income	3,446	533
Prepayments	<u>1,646</u>	<u>1,628</u>
	<u>14,868</u>	<u>6,377</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Bank loans	13,309	5,642
Advances under funding agreement	42,745	39,446
Finance leases (see note 16)	77	70
Trade creditors	3,434	2,403
Amounts owed to group undertakings	66,853	28,709
Social security and other taxes	7,608	7,198
VAT	7,919	5,107
Other creditors	3,049	3,723
Football transfer creditors	20,770	11,196
Accruals	14,871	13,338
Deferred income	<u>17,791</u>	<u>13,218</u>
	<u>198,426</u>	<u>130,050</u>

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Following the acquisition of a player during the prior period, future transfer fees payable to the selling club were financed during the year under review. At the balance sheet date this amounted to £7,667,000 (2022: £nil) which is included within bank loans. Subsequent to the year end, this loan has been repaid in full.

Following the acquisition of a player during the prior period, the selling club assigned the debtor to a bank and subsequently the Company revisited payment terms. At the balance sheet date this amounted to £5,642,000 (2022: £5,642,000) which is included within bank loans. Subsequent to the year end, this loan has been repaid in full.

The advances under funding agreement comprises of amounts advanced to the Company which is secured on central funds due from the Premier League. Subsequent to the period end, the funding agreement has been renewed and extended.

The finance lease and hire purchase liabilities are secured on the related tangible fixed assets.

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£'000	£'000
Finance leases (see note 16)	208	171
Amounts owed to group undertakings	7,655	7,655
Other creditors	2,942	1,585
Football transfer creditors	20,935	24,106
Deferred income	<u>500</u>	<u>1,151</u>
	<u>32,240</u>	<u>34,668</u>

The finance lease and hire purchase liabilities are secured on the related tangible fixed assets. All finance lease and hire purchase liabilities fall due for payment within 5 years.

The amounts owed to group undertakings comprises a loan of £7,655,000 from Palace Holdco UK Limited and is interest bearing at 5% repayable 14th January 2040.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2023	2022
	£'000	£'000
Net obligations repayable:		
Within one year	77	70
Between one and five years	<u>208</u>	<u>171</u>
	<u>285</u>	<u>241</u>
	Non-cancellable operating leases	
	2023	2022
	£'000	£'000
Within one year	575	575
Between one and five years	2,300	2,300
In more than five years	<u>17,855</u>	<u>18,430</u>
	<u>20,730</u>	<u>21,305</u>

The non-cancellable operating leases all relate to long-term leasehold property at the academy site.

17. PROVISIONS FOR LIABILITIES

	Player registrations
	£'000
Balance at 1 July 2022	5,294
Provided during year	9,480
Utilised during year	(3,378)
Reversed in period	<u>(780)</u>
Balance at 30 June 2023	<u>10,616</u>

Under the conditions of certain transfer agreements, further fees will be payable in the event of the players concerned making a certain number of first team appearances or on the occurrence of certain other specified future events. The above provision relates to additional fees that will probably fall due for payment under these transfer agreements.

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £'000	2022 £'000
92,410,000	Ordinary	£1	<u>92,410</u>	<u>92,410</u>

The Company's ordinary shares carry no right to fixed income and each carry the right to vote at general meetings of the Company.

The profit and loss account reserve comprises cumulative profit and loss less distributions to owners.

19. RESERVES

	Retained earnings £'000
At 1 July 2022	(129,376)
Deficit for the year	<u>(27,186)</u>
At 30 June 2023	<u>(156,562)</u>

20. PENSION COMMITMENTS

The Company contributes to defined contribution pension schemes. The assets of the schemes are held in independently administered funds. The pension cost charge for the year of £209,000 (2022: £179,000) represents contributions payable by the Company. Contributions totalling £38,000 (2022: £56,000) were payable at the year end and are included in other creditors.

21. ULTIMATE PARENT COMPANY

The immediate parent company is CPFC 2010 Limited and the ultimate parent company is Palace Holdco UK Limited.

The smallest group in which the results of the Company are consolidated is that headed by CPFC 2010 Limited and the largest group in which the results of the Company are consolidated is that headed by Palace Holdco UK Limited. Consolidated accounts for these companies are available from their registered office, Selhurst Park Stadium, Holmesdale Road, London SE25 6PU.

22. CONTINGENT TRANSFER FEES

The estimated commitment for additional transfer fees payable in respect of future possible events (mainly appearances) amounts to £25,007,000 (2022: £14,583,000). These amounts have not been included in the financial statements as it is not probable that a liability will arise.

23. CONTINGENT LIABILITIES

During the year, CPFC 2010 Limited, the immediate parent company, received further loan advances of £12,000,000 which is secured on the company's assets. The loan is repayable over 4 years and the year end balance was £35,850,000 (2022: £27,750,000).

24. CAPITAL COMMITMENTS

At the period end, the Company had capital commitments totalling £4,825,000 in relation to the academy project (2022: £7,508,000).

CPFC Limited

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

25. RELATED PARTY DISCLOSURES

During the year £nil (2022: £45,000) was charged by VMM Ltd, a company controlled by S Parish (a director), in respect of services provided to the Company. The amounts owed to VMM Ltd, excluding VAT, as at 30 June 2023 was £nil (2022: £nil).

During the year £156,000 (2022: £156,000) was charged by Smoke & Mirrors Group Limited, a company controlled by S Parish (a director), for rent payable under a tenancy agreement that can be terminated by giving six months' notice. The amounts owed to Smoke & Mirrors Group Limited, excluding VAT, as at 30 June 2023 was £nil (2022: £nil).

During the year, the Company loaned two players to RWD Molenbeek, a football club controlled by J Textor (a director), and as part of these arrangements £75,000 (2022: £nil) was charged by the Company to RWD Molenbeek for a contingent fee payable under the terms of a loan agreement. The amounts owed by RWD Molenbeek as at 30 June 2023 was £75,000 (2022: £nil).

During the year the Company signed a sponsorship agreement for £nil with Facebank Inc (2022: £975,000), a company that has common directorship with J Textor (a director). The amounts owed by Facebank Inc as at 30 June 2023 was £15,000 (2022: £15,000).

26. POST BALANCE SHEET EVENTS

After the period end, the Company contracted for the purchase of a number of players. The cost (excluding any contingent amounts) of these transfers was £58,939,000 (2022: £37,980,000).

Subsequent to the year end, the directors have provided loans to the group of £12m and on 16 January 2024 approved a £45m equity fundraise via a capital call from existing shareholders with an option for additional equity investment from new shareholders. The capital call proceeds are due for receipt in January and February 2024.