RANGERS INTERNATIONAL FOOTBALL CLUB PLC
Annual Report 2022

Contents

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Business Review

Chairman's Report

It is an honour and, once again, a privilege to present my report as Chairman of Rangers Football Club.

The past year has provided many highs and lows, along with challenges both on and off the park, but ultimately, I believe we are continuing to grow stronger as a Club.

This time last year, I repeated my belief from 2015 when this current Board took control of the Club, that this would be a 10-year recovery project. While there have been moments in the last year that have exceeded both my own and the Board's expectations (with specific reference to the Europa League run to the final) we cannot, and will not, stand still and continue to have so much more to do.

Assisting us on that path are our strong executive team and talented staff both at Ibrox and at the Rangers Training Centre. Rangers was created by four pioneers, and it should be and is the aim of every single employee of the Club to continue in that spirit.

Beginning on the pitch, we appointed Giovanni van Bronckhorst as our football manager last November. As well as delivering us the Scottish Cup for the first time in 13 years he also, as I touched on earlier, gave the Club a thrilling European journey where we came within a kick of winning only our second European trophy.

This season, under Gio's leadership, he and the players returned us to the UEFA Champions League for the first time in 12 years by navigating two difficult qualifying rounds in August.

Our 'player trading model' is something your Board mention on a number of occasions. On joining the Club, Ross Wilson, our Sporting Director, was mandated by the Board to build a modern football department. Player trading success was essential to this, as it is a key revenue stream for the majority of European clubs. We are pleased that in the last twelve months, we have achieved two club record sales through our player recruitment and player development processes.

Academy graduate Nathan Patterson departed in January, with Everton paying what was a record fee for the Club. That was surpassed in the summer when Calvin Bassey, whom we had signed for a compensation fee to Leicester City, was sold to Ajax. The summer transfer window also saw Joe Aribo depart to Southampton.

Our Academy continues to perform strongly, with Leon King the latest Academy graduate to make the breakthrough to become a regular fixture in the first team matchday squad. Encouragingly, fourteen players from the Academy have made appearances for the first team since the start of season 2021/22.

The introduction of our B team into the Lowland League has been a fantastic success with the team being challenged week-in, week-out. Additionally, qualification of our first team for the UEFA Champions League Group Stages opened the door for our under-19s to feature in the UEFA Youth League group stages for the first time.

Our women's football operation is something the Board are very passionate about. Led by Amy McDonald and Malky Thomson, the Club won our first SWPL title in May, and were exceptionally unlucky not to qualify for the UEFA Women's Champions League group stage after a valiant effort against Benfica in qualifying.

Our entire football operation, led by Ross Wilson, now operates in a world-class environment at the Rangers Training Centre. The Board is committed to further improvements to ensure we retain a facility among the very best in the UK.

Off the field, and allied to performance on the pitch, we have continued to make enormous strides.

I am delighted to be reporting a Club record turnover of £86.8m for the year to 30 June 2022. From this revenue, we returned an Operating Profit of £5.9m which represents an improvement of £27.6m on last year's operating loss. This demonstrates the success and progress achieved over the last 12 months.

During the year to 30 June 2022, we have raised new equity of £10.1m and taken on new debt of £3.6m to strengthen our financial position.

Building on the strong financial results in the year to 30 June 2022 and performance in the subsequent period, I am confident the Club will report a positive Net Profit for season 2022/23.

I outline highlights of our commercial operations, led by James Bisgrove, later in my report. However, I feel it important to highlight the record commercial revenue of £28.4m included in the total income figure for the year to 30 June 2022. This figure eclipses a previous high of £15.2m.

2021/22 saw us install a new hybrid pitch and undersoil heating system at Ibrox, and I am sure you will all agree we now have by far the best playing surface in the country.

We have been very open in the past about the need to significantly improve our disabled facilities. We will be delighted to present a plan of action, to ensure we deliver the standard of facilities deserved by Rangers supporters, at our upcoming AGM.

In the Boardroom, we have been delighted to welcome George Taylor on to our Board. Meanwhile, Barry Scott resigned to focus on his other business commitments and we wish him well in these endeavours.

Our remarkable Rangers Charity Foundation celebrated its 20th anniversary in October 2022. The Foundation continues to undertake phenomenal work in the Govan community, Glasgow and beyond, made possible by the generosity of the Rangers support.

Business Review (continued)

Chairman's Report (continued)

Elsewhere, the Rangers Youth Development Company continue to raise outstanding sums of money for our Academy, with their many products remaining hugely popular with our supporters.

As I end my report, it is customary to pay tribute to those who have left us in the last year. My friend, and indeed, a friend to so many at the Club, kitman Jimmy Bell suddenly left us in May. The emotional tribute to him ahead of our win over Leipzig in the Europa League semi-final will stay with me forever.

We have also sadly lost Andy Goram, Davie Wilson, Graham Fyfe, and Jimmy Millar. We are also just over a year on now from the passing of Walter Smith, and the Club are delighted to have commissioned a statue of Walter to honour his phenomenal achievements across two spells at the Club.

Each and every one of those gentlemen will never be forgotten.

Douglas Park, Chairman

4 November 2022

Business Review (continued)

Football Manager's Review

It is an honour to be addressing you today as the manager of Rangers Football Club as I write for the first time in the annual report.

Just under a year ago, I was approached to be the manager of this great football club and institution, and having had such a special time here as a player, it was a decision that was very easy for me. I have been fortunate to have featured in some of the biggest matches in world football, to have played at some of the most famous stadiums and have won so many prizes, but my time in Glasgow always retained a special place in my heart. Yes, we had a very good team in a very good moment when I was here previously, but it was the warmth of the people and the incredible backing – unmatched almost anywhere else in world football – from you, our supporters, that made Rangers such a special place. And in the last 12 months, all the memories of the past have come flooding back as we have created new memories with some truly unbelievable days and nights both at home and abroad.

Forefront to that has been some of the astonishing European nights we have had. To firstly come in and defeat Sparta Prague to qualify for the knockout stages was a very early target, and one that was very important for us as a club and I was delighted to achieve that. What was to follow though was down to not only some outstanding work from my staff and my players, but a belief that ran right through the club that we were onto something special. To beat Dortmund over two legs was a fantastic achievement when you consider their power and stature within the game. Red Star were a very different challenge, and a really strong and experienced European opponent, but we showed great mental strength away in Belgrade when we were up against it to get ourselves through. Against Braga, we had it all to do at Ibrox, and while we were excellent on the night, there is no doubt the atmosphere played a massive role both for us and the opposition. And then there was Leipzig.

Again, we had it all to do, and coming into that second leg, we had to deal with the loss of our beloved kitman, Jimmy, just two days before the match.

What followed was one of the most emotional nights of my career as again, my players and staff delivered in front of the loudest noise I have ever heard in my life, and I have no doubt Jimmy was watching down on us cheering us on in his own unique way.

To take 100,000 supporters to Seville at 13 days' notice just shows the incredible power this club has, and every single one who travelled must be commended for the outstanding way in which they enjoyed themselves. I just wish we could have got ourselves over the line that night, but it wasn't to be.

At the end of the day, Rangers is about winning, and I was so pleased for everyone associated with the club that just three days after Seville, we defeated Hearts to win the Scottish Cup for the first time in 13 years.

This new season saw us enter the market early to strengthen the squad in order to be ready to navigate the Champions League qualifiers and reach the Group Stage for the first time in 12 years.

Of course, we were all delighted to successfully get there, and I was particularly pleased with the courage and determination shown by our players over two difficult ties with PSV. Given we had moved early in the market, it was pleasing to see some of our summer recruits scoring the goals that took us there – Colak, Tillman and Lawrence. Along with our Sporting Director, Ross Wilson, I will never stop striving to make us better. Ross is focused on developing the whole football side of the club from our youngest academy team and we work closely together to ensure the first team keeps progressing as our number one focus, not only on the pitch but also in the facilities and infrastructure.

Qualifying for the Champions League was the last major milestone in the Club's footballing 'recovery', and while there is no doubt it has been a difficult challenge for us, I believe we will be better for these, tough experiences in the seasons to come.

I want to again put on record my sincere thanks to you, our shareholders and supporters, for the backing you give us both on and off the pitch. Everything we do, we do to try and make you proud.

This is one of the truly great football clubs in the world, and I am incredibly proud to be its manager.

Giovanni van Bronckhorst, Manager

4 November 2022

Business Review (continued)

Operational Report

Overview

The year under review was an important one, as the Club celebrated its 150th Anniversary. Events were held across the year, including a Weekend of Legends, where significant amounts were raised for charity as teams of Rangers and World Legends played a match in front of 40,000 fans, and enjoyed a gala dinner. At the home match against Aberdeen in March, an extensive Fan Village was unveiled to celebrate our history, and a commemorative Gallant Pioneers strip was worn before the game.

The Club was also hosted at formal functions during the year, both at Dover House in London, hosted by the Secretary of State for Scotland, and at a civic reception at City Chambers in Glasgow, hosted by Glasgow City Council. Both events celebrated the history and place that the Club holds in Glasgow and the wider society.

On the pitch, the team had an outstanding season in Europe, reaching the final of the UEFA Europa League for the first time since 2008, and the fifth European final in the Club's history. Although there was huge disappointment in losing to Eintracht Frankfurt, the run to that point was exciting for everyone associated with the Club. Competing with and beating top-level clubs like Borussia Dortmund, Red Star Belgrade, Braga and RB Leipzig was an exceptional achievement, and shows the progression of the squad this year. This was even more commendable given the change in management team in November. The new manager's first match, winning at home to Sparta Prague in the Group Stages, ensured that the team's knock-out run was possible.

Domestically, after losing a semi-final in the Premier Sports League Cup, the team were very pleased to win the Scottish Cup for the first time since 2009, ending a long season with silverware at Hampden. In the league, we were disappointed to finish second in the SPFL Premiership, particularly after our European endeavours over recent years contributed to the Scottish co-efficient rewarding the league winners with passage straight in to the UEFA Champions League group stages..

In light of that, since the year end we were delighted that the team was able to qualify through the play-off rounds, ultimately beating PSV Eindhoven to put the Club back in the UEFA Champions League group stages for the first time in twelve years. This achievement was testament to the squad planning during the summer of the Manager, Ross Wilson and the whole football department. In achieving this long-stated goal, it marks another important step in the Club's recent history, and is one that fans and Board can rightly be proud of.

As a business, one of the key factors this year was of course the receding of COVID-19, and the removal of associated restrictions, which heavily influenced the landscape in previous years. We were able to operate at full stadium capacity for most of the season once we were through an initial period of restrictions during pre-season and the first home league game. However we then had to cope with one more disruption for our home match on Boxing Day and a short period of further winter restrictions, including the SPFL's decision to move the winter break.

That certainty provided by a more normalised trading environment allowed the Board to continue with their plans to invest in the Club. These results show an investment of over £24m in the playing squad over these last two years, and a further investment of over £10m in the stadium and the surrounding footprint, whether that be via our development at New Edmiston House, or developing new hospitality suites for fans in Club 72 or the Blue Sky Lounge.

The Board have stated clearly that the business is built on four pillars of revenue; ticket income, commercial income, European football, and player trading. It was pleasing to everyone at the Club that the hard work put in to the squad, and also to the Academy, allowed that final part to bear fruit in the year, with the sale of Nathan Patterson to Everton in January. Subsequent to the year end, we have also made further sales, notably Calvin Bassey and Joe Aribo. This trading model is vital for the success of the Club, and we wish all of these players well.

Women's football

In addition to the success of the Men's team in the year, our Women's team also had an exceptional year. The Club has invested heavily in the women's and girls' structure, which is now a fully integrated part of the set-up at the Training Ground. The first team won the SWPL Premier League for the first time, going unbeaten throughout their campaign, winning 25 out of 27 fixtures and scoring 97 goals in the process. This success has meant that the team also qualified for the UEFA Womens Champions League for the first time. Since the year end, the team managed to progress through the first round of playoff matches, before losing to strong opposition in Benfica in the second round. Everyone involved in the team recognises that they have now set a tremendous standard for themselves from which to progress.

The development of the Women's game has been rapid, and this year we have seen the team play a number of home fixtures at Ibrox in front of large crowds. They have also created record levels of fan engagement, social media presence and commercial revenues. We thank our partners for the women's department of BioWave, DCP and TGI Fridays, who are all continuing to support the work being done.

This first team success flows down to the younger age groups, and we are already seeing girls progress through the Academy, to sign professional contracts, and play for the first team.

In addition to this, the Club knows it is vital to continue this development, and with this in mind are part of the ECA Women's Football Working Group, playing a prominent role in shaping the game.

Business Review (continued)

Operational Report (continued)

Youth football

The progression of players through to the first team continues to be the ultimate aim of the Academy. A major development in the year under review was participating in the Scottish Lowland League, after the SLFL allowed us to enter a 'B' Team in that competition. This innovative move allowed the emerging talent at the club to participate in senior men's football. After finishing second in the division, while playing highly competitive fixtures, including an Ibrox home Old Firm match against Celtic 'B' in front of 9,000 fans, we were pleased to see our invitation continue in to the coming season.

For the 2021/22 season, Carrick Packaging continued as our Main Partner of the Academy, with their logo appearing on the front of all shirts for Academy and Development team matches, including UEFA Youth League games. We are very pleased that they have extended this agreement.

The Academy was very proud that ten players represented the first team during the season. In the last league game of the season at Tynecastle, seven players were included in a squad that recorded a convincing victory, and then further to that, three of those players made the squad for the UEFA Europa League final in Seville. That experience is invaluable for those players.

The knock-on effect of that player development is that other clubs are attracted to our best talent. The Academy must have a sustainable model in its own right, whether that is providing players to the first team, or by generating player sale income. The sale of Nathan Patterson, who had been with the Club since the age of 8, is tangible credit to the work being done by those in the Academy.

At the younger age groups, the U18s won the national cup and finished 2nd in their league. Having won the league the previous year, they again participated in the UEFA Youth League, winning ties against the champions of Sweden and Bulgaria, before losing to Seville. This achievement marked the furthest any Scottish team has reached in the competition.

Commercial and other operations

Away from the pitch, the Commercial operation generated record levels of revenue in the year. Not only were they able to capitalise on fans returning to the Stadium, but the innovations put in place over recent years were clear to see. The commercial department were also heavily involved in maximising the impact and reach of the 150th Anniversary celebrations, particularly the Weekend of Legends and the new Fan Villages on matchdays, which supporters have enjoyed.

The Club's online presence continues to grow, with 39.7m hits on the club website, and nearly 3m followers across our social media platforms. As we came out of COVID-19, there was still an opportunity to broadcast some home matches via RTV. The channel covered 157 matches across men's, women's and 'B' teams – 93 of them live to a global audience. The quality of product being offered contributed to a sixth successive year of subscription revenue increase.

Our kit and retail partnership with Castore had its second year, which saw the launch of three 2021/22 first team strips, plus a heritage edition Gallant Pioneers strip to commemorate the Club's anniversary, as well as a special Legends strip as worn by the players at that charity match. There was the further opportunity to release the first 2022/23 strip in conjunction with our final in Seville. All of the products have been well-received by the fans, and the partnership goes from strength to strength. As we develop Edmiston House, the new flagship store created there will add to the four existing retail stores to enhance the offering even further for the fans, and we look forward to continuing to work with Castore.

The construction of New Edmiston House began in October 2021, and is scheduled to be completed in December 2022. This will be a key facility for the next generation of the Club. It will generate revenue through fan activities, conference and concert space, and attract new visitors for a museum and tours. The uptake of supporters packages, offering exclusive benefits to supporters, as well as premium Founder and Patron packages, has been a great support to the building of this exciting new venture.

The Club was glad to stage its first on-pitch concert for nearly twenty years, when it hosted Harry Styles in June for his first ever Stadium show. As we engage with promoters in advance of New Edmiston House opening, it was great to have such a successful show at Ibrox.

A key development in June after the concert, was a change of in-house caterer at the Stadium, with Levy UK joining us as partners in a venture which ensures that the majority of profit from these activities stays with the Club. The innovation and quality of product they can bring to all areas of the Club, including matchdays in Hospitality and the Kiosks, on non-matchdays in the Restaurant and New Edmiston House, in providing meeting and conference spaces, and in feeding the players at the Training Ground, will be vital in Ibrox being seen as a fantastic venue for sport and entertainment. We look forward to developing our new partnership with them.

The installation of Levy UK has coincided nicely, not only with the opening of New Edmiston House, but with the development work being done across the Hospitality suites. Club 72 was renovated and opened as a casual matchday hospitality offering, and has proven to be successful. The Forrest Precision Executive Lounge was created as a more exclusive offering, and the end result has again been popular.

Business Review (continued)

Operational Report (continued)

Commercial and other operations (continued)

The biggest project though is in the Blue Sky Lounge, where work started in June and is expected to open before the end of the year. This state-of-the-art multi-purpose lounge will boast panoramic views of Ibrox. It has allowed the Club to add three additional rows of seats at the back of the Sandy Jardine Stand, which will add 352 premium and 117 general access seats, as well as providing a world-class hospitality offering, and a new permanent location for our Restaurant.

None of this activity would be possible without the loyal support of our Club Partners. The business was delighted to welcome new deals with several partners, such as BOXT, Vitality, Socomec, TGI Fridays and EA Sports. They join a stable of existing partners, such as SEKO, Kindred Group, Utilita, Tennents, Carrick Packaging, NordVPN, Douglas Laing, Cadbury and Coca-Cola, who all extended their commercial deals.

Supporter relations

One aspect which the Board identified as being critical, was the improvement of fan and customer communication channels. This work is ongoing. In the year, the Club installed a new Customer Service department, which acts as a first point of contact for external queries to the Club. Since November 2021, the team has resolved 120,000 queries, which highlights how important an area this is. The 'Ask Rangers' platform has been introduced on the website, to provide FAQs and guidance on key subjects.

This department will continue to have key performance targets - to reply quickly to queries, and to resolve them successfully. Through this, and by utilising the Club's existing social media platforms, we aim to pass information quickly to fans, to help them enjoy the match, and to enjoy using Ibrox safely. To complement this, our Supporter Liaison Officer meets with our recognised supporter groups on a regular basis and attends all matches to assist as a point of contact with all fans, both at the Stadium and online before or after the event.

The season saw the second full year of the MyGers membership scheme. By the end of the season, over 40,000 members enjoyed exclusive benefits such as a welcome gift, ticketing priority, discounts and speciality experiences. As part of the scheme, members earn MyGers Loyalty Points, which rewards supporters for activities like match attendance and purchases of club products such as tickets and RTV subscriptions. The scheme will continue to evolve and be reviewed as it continues, but it is already one of the largest membership schemes in the UK.

The team again received wonderful support from the fans for the 2021/22 season, with over 45,000 season tickets sold, and over 1,400 hospitality season tickets sold. The support received, particularly on the European nights, will live long in the memory of fans and players alike.

The Club continues to give its full backing to its 'Everyone Anyone' campaign, which aims to promote diversity and inclusion, and show Rangers as a modern football club through which fans can come together and support a common cause of equality and understanding. Rangers is for everyone and anyone and this campaign will send a clear message of zero tolerance to all forms of discrimination, on and off the pitch. The Club was also happy to receive excellent audit feedback on the in-depth nature of our Diversity and Inclusion work. Additionally, we work hard on our Child Wellbeing and Protection procedures. Having employed a full-time Child Wellbeing Officer, excellent procedures and policies have been put in place.

Community and charity

The courses run by the Soccer Schools are another important way of expanding the reach of the Club. We now have three official international partnerships, with Orange County in USA, Bengaluru in India, and Hamburg in Germany. We were also excited to launch further strategic partnerships with All India Football Federation, Hong Kong Football Club, and with the opening of a Rangers Soccer Academy in Abu Dhabi.

For the most part of the year under review, we were still largely unable to operate our international tours and camps, as travel remained challenging. However, domestically, nearly 2,000 coaching sessions and education courses were delivered across Scotland and Northern Ireland once restrictions eased, engaging with over 15,000 participants. The Soccer Schools' aim is to become one of the biggest club partnership programmes in world football, expanding throughout Europe, Asia, Oceania and North America, promoting high quality football education courses and spreading the word about our Club.

The Club continues to be a responsible employer and business partner, and to improve in these respects wherever possible. Our Equality and Diversity Statement, as well as our latest Gender Pay Gap report, are available on the Club's website.

The Rangers Charity Foundation continues to be a key partner on behalf of the Rangers Family, delivering community programmes, education and employability programmes to both young and old alike. In the year, the Foundation reached over 8,000 people, and assisted a range of local and national charities. It reached the landmark of having donated £6m over its lifetime – an incredible achievement. This contact with the community goes largely under the radar, but is a vitally important aspect of the Club.

Since the year end, the Foundation has established a lease with Glasgow City Council to operate the Ibrox Community Complex, which sits opposite the Stadium on Edmiston Drive. Over the coming years, the development of this facility will be a further important connection between the Foundation, the Club and its local people.

Full details of the Foundation's work can be found in its own Annual Report.

Business Review (continued)

Finance Report

The year under review, as compared to the previous year, was positively impacted by the easing of COVID-19 restrictions and, after August, a full Stadium. This, coincided with our progression to the UEFA Europa League final, player trading, and also a very strong commercial performance, allowed us to achieve an Operating Profit of £5.9m. This is a key performance target for the business, before interest and exceptional items are taken in to account.

The company also achieved a record revenue level for the year, up to £86.8m, a rise of 82%. This was driven by three key factors; the loyal support of the fans with over 45,000 season tickets and over 1,400 seasonal hospitality places sold; the run to the UEFA Europa League Final in Seville, which generated £30.5m across UEFA prize monies and matchdays; and finally a record £28.4m generated by the Commercial business.

Alongside these trading results, we have had some one-off items. We saw a record player sale for the Club , with the transfer of Nathan Patterson to Everton, which contributed to a player trading profit of £11.2m. The Board are pleased to see the player trading model come to fruition, and further sales since the year end, notably of Calvin Bassey and Joe Aribo, further reflects that. We also charged £6.1m in non-recurring costs, which includes settlement of litigations and contract termination costs.

The financial performance, coupled with new investment received last year, allowed the Board to again invest heavily in the Men's and Women's squads, and the Stadium. A squad investment of £7.5m in the year under review, adds to the £16.8m in the previous year and was supplemented further by £15.0m since the year end, in the summer transfer window. Further to that, £10.6m has been invested in the Stadium, Training Ground and New Edmiston House over the past two year period.

Due to this squad and infrastructure investment, the business incurred player amortisation and depreciation of £13.9m. This contributed to the overall net loss for the year of £0.9m.

During the year, 41.3 million shares were issued, converting £5.8m of shareholder loans to equity, and raising a further £4.3m in cash.

The Board are committed to their sustainable business model. With UEFA having this year replaced the previous Financial Fair Play rules with new Financial Sustainability Regulations, these will introduce more focus on costs and squad spending and trading controls. The Club is well positioned to take these on board and continue to comply with all regulations.

Douglas Park, Chairman
4 November 2022

Strategic Report

About Rangers International Football Club plc (the "Company", "RIFC", "RIFC plc" and including its Subsidiaries, the "Group"), and Rangers Football Club (the "Club")

Rangers Football Club, formed in Scotland in 1872, is one of the world's most successful clubs, having won 55 League titles, 34 Scottish Cups, 27 League Cups and the European Cup Winners' Cup in 1972. The Club's loyal and sizeable supporter base, both in Scotland and around the world, enables the Club to boast one of the highest percentages of season ticket holders in the UK. Playing at the 50,817-seater Ibrox Stadium and benefitting from the world class 37 acre Rangers Training Centre, Rangers have been a leading force in Scottish football for decades. This world class stadium, training infrastructure and a loyal and passionate global fanbase provide an excellent foundation for the Company.

The Club finished second in the SPFL (Scottish Professional Football League) Premiership in season 2021/22. The history, facilities and ambition of the Club are such that the Club remains a desirable destination for foreign and domestic players alike. The first team squad is managed by Giovanni van Bronckhorst.

The Directors, in preparing this Strategic Report, have complied with s414A to E of the Companies Act 2006.

This Strategic Report has been prepared for Rangers International Football Club plc and its subsidiary undertakings (the Group) as a whole and therefore gives greater emphasis to those matters which are significant to the Group when viewed as a whole.

Directors Duties

Section 172(1) of the Companies Act 2006 requires the Directors of the Group, to act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole. Amongst other matters, the Board have considered the following:-

- The likely consequences of any decisions in the long-term;
  - The Directors meet regularly to establish and drive the long-term direction of the Group
  - Note 20 details the Groups' risk management and objectives
- The interests of the Company's employees;
  - As outlined in the Directors Report, the Group places considerable value on the involvement of its employees in the business and aims to keep employees well-informed on matters affecting them as employees and the wider Group.
- The impact of the Company's operations on the community and environment;
  - The Group has policies in place to remove or minimise any possible adverse impact of the Group's operations on the wider community and environment. The Group commits to adhere to and where possible go beyond all relevant legislation that seeks to protect the community and environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
  - The Group seeks to ensure that it operates on an ethical and fair basis in a manner that helps foster agreeable relationships with its customers, suppliers and the wider business community. The Group considers and takes steps where possible to mitigate and reduce the impact of adverse factors that may place unacceptable strain on valued business relationships. Aligned with this the Group strives to set sector leading standards and achieve a reputation for a high degree of professional business conduct starting with employees through to suppliers, customer, shareholders and the wider community both locally and beyond.
- The need to act fairly as between shareholders of the Company.

The Group seeks to ensure that it operates on an ethical and fair basis in a manner that helps foster agreeable relationships with its customers, suppliers and the wider business community. The Group considers and takes steps where possible to mitigate and reduce the impact of adverse factors that may place unacceptable strain on valued business relationships. Aligned with this the Group strives to set sector leading standards and achieve a reputation for a high degree of professional business conduct starting with employees through to suppliers, customer, shareholders and the wider community both locally and beyond.

Likewise, the Group has policies in place to remove or minimise any possible adverse impact of the Group's operations on the wider community and environment.

Strategic Report (continued)

Consolidated Results of Operations

REVENUE

The table below sets out the Group's revenue during the year:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Gate receipts and hospitality	41,901	18,239
Commercial partnerships and sponsorships	7,304	4,708
Broadcasting rights	7,199	7,659
Retail and other commercial activities	9,894	5,768
UEFA prize money and solidarity	17,300	11,196
Other revenue	3,251	176
Total revenue	**86,849**	**47,746**

Revenue for the year ended 30 June 2022 totalled £86.9 million. Of this total, gate receipts and hospitality income contributed £41.9 million. During the year, the Club played nineteen home league matches, three home cup matches, nine home European ties and three home friendlies (2021: nineteen home league matches, three home cup matches, six home European ties and two home friendlies). No revenue is recognised in respect of away fixtures except for a small share of ticket revenue from away cup matches.

An increase to turnover of £39.1 million is driven by playing matches largely in front of crowds, following COVID restrictions in the prior year, and a strong run to the final of the UEFA Europa League. Despite initially missing out on UEFA Champions League qualification in the early part of the season, prize monies eventually increased by £6.1m, to £17.3 million (2021: £11.2 million). Season ticket income of £17.4 million was recognised during the year to 30 June 2022 based on sales of 45,600 season tickets (2021: £17.0 million from 44,957).

Broadcasting revenues were boosted by Sky continuing to share some of the broadcast rights to home league matches as a result of fans being kept out of Stadia as we came out of the pandemic.

Commercial partnerships and sponsorship income of £7.3m, and Retail and other commercial activities of £9.9m recognised during the year to 30 June 2022 includes revenue earned from agreements with the Club's sponsors and commercial partners, as well as the sale of matchday publications.

Retail income of £5.5 million is included and relates to this season's merchandising arrangements.

Other revenue includes income from teabars, security and non-stadium football activity.

OPERATING EXPENDITURE

RIFC has incurred the following operating expenses during the year:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Staff costs	54,804	47,690
Other operating charges	28,363	14,408
Short-term leases	153	113
Depreciation of property, plant and equipment	2,124	1,678
Amortisation of trademarks & other intangibles	17	17
Amortisation and impairment of players' registrations	11,822	10,616
Auditor's remuneration	90	82
Total operating expenses	**97,373**	**74,604**

Player costs are RIFC's most significant expenditure, including £37.8 million (2021: £33.5 million) in respect of the first team playing squad. First team player salary costs are contractual and each player's salary is unique.

Other operating charges include overheads and matchday costs, such as policing, stewarding and pitch costs.

Strategic Report (continued)

CASH FLOW

The main sources of income for RIFC and its subsidiaries are season ticket sales, other match related revenue, commercial income and proceeds from the sale of players' registrations.

Cash payments primarily consist of the player and staff wages, direct costs and the payment of player transfer fees payable in respect of acquired players.

The following table shows information regarding RIFC's cash flows for the year to 30 June 2022.

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Net cash used in operating activities	15,284	(7,203)
Net cash used in investing activities	(18,248)	(21,428)
Net cash from financing activities	12,784	20,770
Net (decrease)/increase in cash and cash equivalents	**9,820**	**(7,861)**

There was a net cash inflow of £15.3 million from operating activities compared to an ouflow of £7.2 million in the prior year. Net cash outflow on investing activities amounted to £18.2 million, compared to £21.4 million in the prior year.

Included within financing activities is the net receipt of bank loans and loans from investors totaling £9.1 million in addition to £4.3 million raised by a share issue. These balances were used to fund the Club's working capital requirements.

KEY PERFORMANCE MEASURES

RIFC uses a number of key performance measures in its business, including statutory measures, such as revenue and operating profit/(loss), before and after player trading. The most significant non statutory measures used include the wages/turnover ratio and season ticket sales. Key non-financial measures include on-pitch performance and attendance. The table below shows some KPIs for the year to 30 June 2022.

	Year ended 30 June 2022	Year ended 30 June 2021
Total revenue (£'000s)	86,849	47,746
Operating profit/(loss) (£'000s)	5,854	(21,751)
Operational EBITDA (£'000s)*	8,648	(11,163)
First Team Wages/Turnover ratio	44%	70%
Number of games played (total)	71	59
Number of games played (SPFL home)	19	19
Number of games played (SPFL away)	19	19
Number of games played (Cup home)	3	3
Number of games played (Cup away)	5	2
Number of games played (Euro home)	9	6
Number of games played (Euro away)	10	7
Number of other games (Friendlies home)	3	2
Number of other games (Friendlies away)	3	1
Number of season tickets sold	45,600	44,957
Season ticket sales (£'000s)	17,443	16,986
Average season ticket price ex. VAT (£)	383	378
Average attendance (league home matches)	45,314	0

**Operational EBITDA (earnings before interest, tax, depreciation and amortisation) is the Group's Operating profit / (loss) from the year adjusted for any non-recurring, depreciation, amortisation and financial items not already shown below this line.*

Strategic Report (continued)

CURRENT TRADING AND PROSPECTS

Last season, the Club's men's first team finished 2nd in the SPFL Premiership. In addition, the Club reached the semi-final of the Premier Sports League Cup and won the William Hill Scottish Cup. In the current season, at the time of writing the Club sits in 2nd place in the Premiership. Having reached the Final of last season's UEFA Europa League, they qualified through the playoff rounds for the UEFA Champions League in the current season, exiting at this stage.

The women's first team won the SWPL Premier League, and played this current season in the 1st and 2nd Rounds of the UEFA Women's Champions League.

RISKS AND UNCERTAINTIES

The Board sets out below the principal risks and uncertainties that it considers to be associated with the running of a professional football club. Due to the nature of professional football there are many risks and inherent uncertainties. These risks are regularly reviewed by executive management. Each risk when identified is analysed to determine the likelihood of the risk occurring, the potential impact it may have on the Group if it did occur, and the steps that have been or should be taken to reduce the likelihood of occurrence and mitigate any potential impact. Management personnel are responsible for managing these risks and the required steps to be taken are subject to direction and on-going review by executive management and Directors.

The Directors consider that the principal risks to the performance of the business fall under the following headings:

Future funding

Building a team to challenge for the SPFL Premiership and compete in European competition requires continued investment for success in these areas to generate a significant contribution to the revenues and cash flows of the Club. Due to the cycle of trading revenues, from time to time the Group requires funding support from its investors. Funding is provided by way of a secured term loan facility and a revolving credit facility. The current and future financial position of the Group, its cash flows and liquidity position have been reviewed by the Directors. Based on these forecasts the board are satisfied that the club has adequate working capital and undrawn facilities to meet its forecast cash requirements.

Litigation

The Group operates at risk of litigation procedures from third parties, which are dealt with as they arise and on an individual basis. The key litigations to which the Group are party are identified later in this report alongside other pre-existing claims.

Retail revenue

The sale of replica strips in the year ended was the second year of our Castore manufacturing deal. Following our agreement with our Retail and Manufacturing partner, the Club is better able to make use of its stadium megastore, a new online platform, and the intention for additional stores going forward.

Season ticket revenues

Significant revenue is earned from the sale of season tickets. Current economic conditions can affect supporters' available income and there is a risk that the season ticket sales may fall. As well as the level of supporter engagement, the quality on the pitch, the standard of matchday entertainment, the level of success from the previous season, the level of opposition, together with pricing all have an effect on the decision to buy. Many of these factors are beyond the control of the Group.

Matchday attendances

Substantial income is derived from matchday ticket sales and the sale of various products and services on match days, including hospitality, catering and programmes. Worse than expected results and inclement weather, especially during the winter months can lead to a drop in attendances.

Broadcasting contracts and football competitions

The SPFL sells domestic broadcasting rights centrally. The Club currently competes in the SPFL Premiership, and the SPFL provide revenue streams to the Group. The Club also competes in European competition and UEFA provide revenue streams to the Club in these circumstances. The future level of revenue is not contractually guaranteed and is subject to influence from third parties.

Player transfer market and wages

The football club is subject to two transfer windows within the year. The unpredictable nature of these, with players able to move relatively freely, despite their contracts and many clubs looking to buy players with comparative skills, means that all clubs cannot guarantee that they will retain or add to the squad to meet their requirements. The short transfer window can also have an inflationary effect on prices or alternatively drive selling prices down. Player wages are subject to influence from competing clubs, particularly in those leagues with lucrative media contracts, significantly exceeding those available in smaller domestic markets. Consequently, all transactions are affected by a series of variable factors which result in the market being unpredictable.

Strategic Report (continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Group's business the financial risk that the Directors consider particularly relevant to the Group is cash flow risk. The Group addresses cash flow risk by carefully managing its working capital inflows and outflows. The Group manages its working capital inflows and outflows to minimise any material foreign exchange risk. The Group does not enter into complex financial instruments for speculative purposes. Further information is provided in note 20 to the financial statements.

GOING CONCERN

The Board of Directors ("the Board") are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business. In satisfaction of this responsibility the Board has considered the Group's ability to meet its liabilities as they fall due.

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The Strategic Report also describes how the Group manages its capital, its liquidity risk and its exposure to credit risk.

The Group meets its day to day working capital requirements through existing cash facilities, bank loans, investor loans, and leases.

During the year under review the Club entered into formal loan agreement with the certain investors providing a secured loan facility available to 31 July 2028. Subsequent to the year end and in addition to the term loan, a revolving credit facility has been agreed to provide a more efficient and cost effective funding mechanism to the Club.

Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity. The Board acknowledges that there is a level of uncertainty in the general economic environment which may Impact the trading position of its customers and suppliers.

The Board has undertaken a recent and thorough review of the Group's forecasts and the associated risks. These forecasts extend for a period beyond one year from the date of approval of these financial statements. The extent of this review reflected the current economic environment, the Club's current and projected trading and position in Scottish football. These forecasts have been prepared for a range of possible scenarios with sensitivity analysis applied to the key revenue streams and costs. Based on these forecasts the board are satisfied that the club has adequate working capital and undrawn facilities to meet its forecast cash requirements.

Key assumptions in respect of the Group's forecasts are discussed within note 1 to the financial statements.

The Board of Directors believe that there is a reasonable expectation that the Group will at all times have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this report and the statutory financial statements.

Strategic Report (continued)

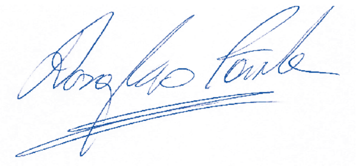
LIQUIDITY AND CAPITAL RESOURCES

The RIFC Group maintains cash to fund the daily cash requirements of its business.

As at 30 June 2022, there are loans with investors amounting to £12.2 million, other commercial loans of £3.4 million, whilst the Group also has lease agreements totalling £1.4 million.

As at 30 June 2022, the Group held £13.1 million within cash and bank balances.

Approved by the Board and signed on its behalf by:



Douglas Park, Chairman
4 November 2022

Directors' Report

The Directors present their report on the affairs of the Group together with the financial statements and Auditor's Report for the year ended 30 June 2022.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Group continue to be the operation of a professional football club in Scotland together with related commercial activities. A review of the Group's business, an indication of the likely future developments of its business and a description of the principal risks and uncertainties facing the Group are contained in the Business Review on pages 5 to 11, and the Strategic Report.

STRATEGIC REPORT

As the Company and its principal subsidiaries are managed and controlled as a single entity, the review of business and future developments, which is set out in the Strategic Report on pages 12 to 17, reflects the performance of the Group. A separate review of the Company would not be meaningful and is therefore not presented.

ENVIRONMENTAL MATTERS AND EMPLOYEE MATTERS

The Company aims to operate as a responsible employer. We seek to minimise the Group's impact on the environment and endeavour to achieve this through recycling and energy conservation wherever possible. We are also committed to maintaining a workplace of the highest standard and seek to do so by ensuring that we provide training programmes, appropriate remuneration and a positive working environment.

The Club has chosen to adopt the voluntary Living Wage rate as a minimum for employees over the age of 25.

RESULTS AND DIVIDENDS

The audited consolidated income statement for the year ended 30 June 2022 is set out on page 25. The Directors have not recommended the payment of a dividend (2021: nil).

DIRECTORS

The Directors serving throughout the year and to the date of this report were as follows:-

Name	Position	
Douglas Park	Chairman	
John Bennett	Vice-chairman	
Graeme Park	Non-exec Director	
Alastair Johnston	Non-exec Director	
Julian Juul Wolhardt	Non-exec Director	
Barry Scott	Non-exec Director	Resigned 11th October 2022
George Taylor	Non-exec Director	Appointed 26th July 2022

OTHER INFORMATION

The Directors have included other information, in accordance with S414(C) of the Companies Act 2006, within the Strategic Report, being information on the exposure to risks and uncertainties.

DIRECTORS' INDEMNITIES

The Group or Company has not made any qualifying third-party indemnity provisions for the benefit of its Directors during the period.

CHARITABLE AND POLITICAL DONATIONS

The Group made cash donations of £75k (2021: £80k) to international, UK-based and local charities during the period. The Group made no political donations during the year (2021: nil).

DISABLED EMPLOYEES

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

Directors' Report (continued)

EMPLOYEES CONSULTATION

The Group places considerable value on the involvement of its employees throughout the business. Employees are kept well-informed on matters affecting them as employees and on the various factors affecting the Group, such as performance. This is achieved by regular departmental meetings, email correspondence and intranet notices.

SUPPLIER PAYMENT POLICY

The Group's policy on payment of creditors is to negotiate payment terms when agreeing the terms of each transaction. In the majority of cases this involves payment within 30 days of the invoice date; however, where discounts are available it is generally the policy to pay earlier and benefit accordingly.

KEY PERFORMANCE INDICATORS

The Directors monitor the business based on a number of key performance measures, being both financial and football-related, as shown in the Strategic Report.

EVENTS SINCE THE END OF THE YEAR

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

ENERGY AND CARBON REPORTING

The Group has analysed its consumption of UK gas and energy as part of its obligations as an industrial user and emitter of CO2 greenhouse gases, and to reduce consumption and protect the environment. All new equipment purchases or stadium and facility upgrades are procured with energy reduction in mind. All existing infrastructure is under constant review to seek out opportunities for more power efficient alternatives, with the understanding that this will also reduce cost.

Recent improvements include the installation of solar panels on New Edmiston House, a rain-collection and irrigation system, and replacing gas boilers with inverter-driven heat pumps.

The total Kwh consumption across all our properties is 9,500,000 Kwh for the year ended 30 June 2022. This is split between electricity (4,700,000 Kwh) and Gas (4,800,000 Kwh). This converted into emissions in tonnes of carbon dioxide equivalent (CO2e) equates to 2,000 tonnes, which is a tonne per £28,000 of revenue in the year (2021: a tonne per £43,500 of revenue). The methodology used by the group to calculate UK energy CO2 emission was taken from the UK Government GHG Conversion Factors for Company Reporting advisory.

AUDITOR

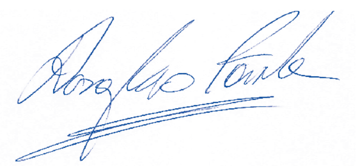
In the case of each of the persons who are Directors of the Company at the date when this report was approved:

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

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

A resolution to reappoint Azets Audit Services will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:



Douglas Park, Chairman
4 November 2022

Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, Directors' 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 chosen to prepare the Group and Parent Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the Directors must not approve the accounts 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, International Accounting Standard 1 requires that Directors:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether IFRS as adopted by the UK has been followed subject to any material departures disclosed or explained in the financial statements;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that the financial statements comply with the Companies Act 2006, and as regards the Group accounts, article 4 of the IAS Regulations. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Douglas Park, Chairman
4 November 2022

Corporate Governance Statement

CORPORATE GOVERNANCE

The Board of Rangers International Football Club plc are committed to maintaining principles of strong corporate governance and standards of good practice that are appropriate to the size of the Company and that meet the standards expected of the Company's shareholders and other stakeholders including fans, employees and suppliers.

THE BOARD OF DIRECTORS

The Board of Directors operates within the framework discussed below.

The Board meets quarterly to consider all aspects of the Company's activities. A formal schedule of matters reserved for the Board is maintained and includes overall strategy, approval of major capital expenditure and consideration of significant financial and operational matters. The Board currently consists of the Chairman, Vice-Chairman, four non-executive Directors and a company secretary.

OPERATIONAL BOARD

A separate operational Board functions within The Rangers Football Club Limited, and liaises directly with the RIFC plc Board. The operational Board consists of members of executive management and is responsible for implementing the Board's strategy and for monitoring the day to day operations of the Club.

INTERNAL CONTROL

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage the risk of failure to achieve the Company's strategic objectives. It cannot totally eliminate the risk of failure but will provide reasonable, although not absolute, assurance against material misstatement or loss.

The Company's key risk management processes and system of internal control procedures include the following:

MANAGEMENT CONTROL SYSTEMS

The Company continues to review and invest in IT software and infrastructure in anticipation of future growth and to ensure maximum funcionality and efficiency in its operations. Ticket, hospitality and event bookings are controlled and monitored by the Company's own bespoke booking software. Business-wide income and expenditure is controlled by in-house accounting systems.

These systems provide tight cash and cost controls, aid maximisation of attendance at matches and provide the necessary information for company management and the Board to effectively and efficiently run the business. The Company receives a large amount of its income in cash from its activities and the Directors have implemented rigorous cash control measures at each of its sites, particularly the Ticket Centre, which include: daily reconciliations of cash; daily monitoring of upcoming matches; use of safes; and regular reviews by company and department management.

PERFORMANCE MEASUREMENT

The Company's financial reporting procedures include detailed operational budgets for the year ahead and a five year plan, reviewed and approved by the Board. Performance is monitored throughout the year through monthly reporting of results versus budget, and key performance indicators. Relevant action is then taken including the preparation of updated forecasts for the year.

Independent auditor's report to the members of Rangers International Football Club plc

OPINION

We have audited the financial statements of Rangers International Football Club plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2022 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2022, and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group and parent 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.

OPINION 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.

Independent auditor's report to the members of Rangers International Football Club plc (continued)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 20, 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 group and the parent 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 group or the parent 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 is available on the FRC's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Independent auditor's report to the members of Rangers International Football Club plc (continued)

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD (CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Azets Audit Services

Greig McKnight (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditors
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

4 November 2022

Consolidated Income Statement
For the year ended 30 June 2022

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
REVENUE	2	**86,849**	**47,746**
Operating expenses	3	(85,551)	(63,988)
		1,298	(16,242)
Other operating income	3	5,208	3,383
OPERATING PROFIT/(LOSS) BEFORE PLAYER REGISTRATION TRANSACTIONS		**6,506**	**(12,859)**
Amortisation and impairment of player registrations	3	(11,822)	(10,616)
Profit on disposal of player registrations	3	11,170	1,724
OPERATING PROFIT/(LOSS)		**5,854**	**(21,751)**
Non-recurring costs	28	(6,070)	-
Finance costs	7	(1,973)	(2,997)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(2,189)**	**(24,748)**
Taxation	8	1,270	595
LOSS FOR THE YEAR		**(919)**	**(24,153)**
Loss for the year attributable to:			
Owners of the Company		(919)	(24,153)
Non-controlling interests		-	
		(919)	**(24,153)**
Basic and diluted earnings per ordinary share	29	(0.22p)	(7.30p)

All profits and losses are derived from continuing operations.

The notes on pages 31 to 60 form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2022

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
LOSS FOR THE YEAR		**(919)**	**(24,153)**
Deferred tax relating to components of other comprehensive income	8	-	(1,871)
Other comprehensive income for the year		-	(1,871)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(919)**	**(26,024)**
Total comprehensive loss for the year attributable to:			
Owners of the Company		(919)	(26,024)
Non-controlling interests		-	-
		(919)	(26,024)

Consolidated Balance Sheet

As at 30 June 2022

	Notes	2022 £'000	2021 £'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	53,130	49,468
Intangible assets	10	30,712	37,390
Trade and other receivables	13	3,463	-
Deferred tax asset	19	1,300	-
		88,605	86,858
CURRENT ASSETS			
Trade and other receivables	13	22,224	20,345
Cash and bank balances	14	13,085	3,265
		35,309	23,610
TOTAL ASSETS		**123,914**	**110,468**
CURRENT LIABILITIES			
Other loans	15	(4,136)	(5,724)
Trade and other payables	16	(21,192)	(27,421)
Lease liabilities	17	(431)	(570)
Deferred income	18	(28,037)	(25,014)
Provisions	28	(425)	(2,750)
		(54,221)	(61,479)
NET CURRENT LIABILITIES		**(18,912)**	**(37,869)**
NON-CURRENT LIABILITIES			
Other loans	15	(11,433)	(6,452)
Trade and other payables	16	(4,682)	(2,220)
Lease liabilities	17	(945)	(1,177)
Deferred income	18	(4,500)	(122)
Deferred tax liability	19	(7,083)	(7,178)
		(28,643)	(17,149)
TOTAL LIABILITIES		**(82,864)**	**(78,628)**
NET ASSETS		**41,050**	**31,840**
EQUITY			
Share capital	22	4,323	3,910
Share premium account	23	87,570	77,854
Merger reserve	23	12,960	12,960
Revaluation reserve	24	22,440	22,781
Retained earnings	25	(86,243)	(85,665)
TOTAL EQUITY		**41,050**	**31,840**

The financial statements of Rangers International Football Club plc (registered number SC437060) were approved by the Directors and authorised for issue on 4 November 2022. They were signed on its behalf by:

Douglas Park, Chairman

The notes on pages 31 to 60 form an integral part of these financial statements.

Company Balance Sheet

As at 30 June 2022

	Notes	2022 £'000	2021 £'000
NON-CURRENT ASSETS			
Investment in subsidiaries	11	53,535	53,255
CURRENT ASSETS			
Amounts due from subsidiary undertakings		11,832	5,093
TOTAL ASSETS		**65,367**	**58,348**
CURRENT LIABILITIES			
Other loans	15	(3,739)	(724)
Accruals		(207)	(190)
		(3,946)	(914)
NET CURRENT ASSETS		**7,886**	**4,179**
NON-CURRENT LIABILITIES			
Other loans	15	(8,439)	(4,526)
TOTAL LIABILITIES		**(12,385)**	**(5,440)**
NET ASSETS		**52,982**	**52,908**
EQUITY			
Share capital	22	4,323	3,910
Share premium account	23	87,570	77,854
Merger reserve	23	12,960	12,960
Retained earnings	25	(51,871)	(41,816)
TOTAL EQUITY		**52,982**	**52,908**

The financial statements of Rangers International Football Club plc (registered number SC437060) were approved by the Directors and authorised for issue on 4 November 2022. They were signed on its behalf by:

Douglas Park, Chairman

The notes on pages 31 to 60 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year to 30 June 2022

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Revaluation reserve £'000	Total equity £'000
As at 30 June 2020	**2,606**	**53,088**	**12,960**	**(61,874)**	**25,014**	**31,794**
Loss for the year to 30 June 2021	–	–	–	(24,153)	–	(24,153)
Deferred tax liability relating to components of other comprehensive income	–	–	–	–	(1,871)	(1,871)
Share issues	1,304	24,766	–	–	–	26,070
Transfer from revaluation reserve to retained earnings	–	–	–	453	(453)	–
Deferred tax liability on transfer from revaluation reserve to retained earnings	–	–	–	(91)	91	–
As at 30 June 2021	**3,910**	**77,854**	**12,960**	**(85,665)**	**22,781**	**31,840**
Loss for the year to 30 June 2022	–	–	–	(919)	–	(919)
Share issues	413	9,716	–	–	–	10,129
Transfer from revaluation reserve to retained earnings	–	–	–	453	(453)	–
Deferred tax liability on transfer from revaluation reserve to retained earnings	–	–	–	(112)	112	–
As at 30 June 2022	**4,323**	**87,570**	**12,960**	**(86,243)**	**22,440**	**41,050**

Company Statement of Changes in Equity

For the year to 30 June 2022

	Share capital £'000	Share premium £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
As at 30 June 2020	**2,606**	**53,088**	**12,960**	**(31,564)**	**37,090**
Loss for the year to 30 June 2021	–	–	–	(10,252)	(10,252)
Share issues	1,304	24,766	–	–	26,070
As at 30 June 2021	**3,910**	**77,854**	**12,960**	**(41,816)**	**52,908**
Loss for the year to 30 June 2022	–	–	–	(10,055)	(10,055)
Share issues	413	9,716	–	–	10,129
As at 30 June 2022	**4,323**	**87,570**	**12,960**	**(51,871)**	**52,982**

Consolidated Statement of Cash Flows

For the year to 30 June 2022

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
CASH USED IN OPERATIONS	26	**15,284**	**(7,203)**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of intangible assets		(15,905)	(19,896)
Purchase of property, plant and equipment		(6,678)	(2,386)
Proceeds from sale of intangible assets		5,202	1,770
Interest paid		(867)	(916)
NET CASH USED IN INVESTING ACTIVITIES		**(18,248)**	**(21,428)**
FINANCING ACTIVITIES:			
Share issues		4,282	-
Payment of lease finance liabilities		(642)	(515)
Loans received		23,700	29,660
Loans repaid		(14,556)	(8,375)
NET CASH INFLOW FROM FINANCING ACTIVITIES	26	**12,784**	**20,770**
Net (decrease)/increase in cash and cash equivalents		**9,820**	**(7,861)**
Cash and cash equivalents at the beginning of the period		3,265	11,126
Cash and cash equivalents at the end of the period		13,085	3,265
		9,820	**(7,861)**

Company Statement of Cash Flows

For the year to 30 June 2022

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
CASH USED IN OPERATIONS	26	**-**	**-**
CASH FLOWS FROM INVESTING ACTIVITIES:		**-**	**-**
CASH USED IN FINANCING ACTIVITIES:			
Proceeds from issue of shares		-	-
Loans received		22,150	26,460
Loans repaid		(8,550)	(5,500)
Funds passed to subsidiary		(13,600)	(20,960)
NET CASH INFLOW FROM FINANCING ACTIVITIES		**-**	**-**
Net (decrease)/increase in cash and cash equivalents		**-**	**-**
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		-	-
		-	**-**

Notes to the financial statements

1. ACCOUNTING POLICIES

GENERAL INFORMATION

Rangers International Football Club plc was incorporated in Scotland on 16 November 2012 as a public company with registration number SC437060.

The address of the registered office is Ibrox Stadium, 150 Edmiston Drive, Glasgow, G51 2XD. The nature of the Group's operations is that of a football club.

The financial information is presented in pounds sterling, the currency of the primary economic environment in which the Group operates, and is rounded to the nearest thousand (£'000). All activities of the Group are performed in the United Kingdom.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK, the IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING JUDGEMENTS

The following accounting policies have been identified by the Board as being the most significant to the statutory financial statements.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements are described further in significant accounting policies.

SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The Annual Report comprises the Strategic Report, Directors Report and the Annual Accounts. The Annual Accounts comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Parent Company Balance Sheet, Consolidated and Parent Company Statement of Cash Flows, Consolidated and Parent Company Statement of Changes in Equity, and note disclosures for the Group and Parent Company. The accounting year is the year to 30 June 2022. A separate Income Statement for the Parent Company has not been presented, as permitted by s408 of the Companies Act 2006.

Following a review of its financial statements, management have amended the presentation of the Consolidated Income Statement to include the profit / (loss) on player trading within the Operating Profit / (Loss). This change is expected to provide more reliable and relevant information to the users of financial statements, as player trading is considered to be a key part of the Group's operations. The change in presentation has no impact on the overall profit / (loss) for the year. Comparative amounts have also been reclassified to ensure comparability is not impaired.

The financial statements have been prepared on the historical cost basis, except where IFRS permits recognition at fair value, specifically in relation to the valuation of property.

The principal accounting policies adopted are set out below.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Going concern

The Board of Directors ("the Board") are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business. In satisfaction of this responsibility the Board have considered the Group's ability to meet its liabilities as they fall due.

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The Strategic Report also describes how the Group manages its capital, its liquidity risk and its exposure to credit risk.

The Group meets its day to day working capital requirements through existing cash facilities, bank loans, investor loans, and leases.

During the year under review the Club entered into formal loan agreement with the certain investors providing a secured loan facility available to 31 July 2028. Subsequent to the year end and in addition to the term loan, a revolving credit facility has been agreed to provide a more efficient and cost effective funding mechanism to the Club.

The Board has undertaken a recent and thorough review of the Group's forecasts and the associated risks. These forecasts extend for a period beyond one year from the date of approval of these financial statements. The extent of this review reflected the current economic environment, the Club's current and projected trading and position in Scottish football. These forecasts have been prepared for a range of possible scenarios with sensitivity analysis applied to the key revenue streams and costs.

The forecasts make key assumptions, based on information available to the Board, around:

- Football performance, the forecast assumes the Club will finish 1st or 2nd in the SPFL Premiership in 2022/23 and participate in the group stages of European competition in the season thereafter;
- Season ticket sales, the timing and amount of which are consistent with the Club's historic experience. The forecasts include an uplift in season ticket prices to reflect annual inflationary increases;
- Matchday income, which is projected to grow significantly as a result of lifting COVID-19 restrictions and improving footballing performance and success;
- Sponsorship, commercial and other non-matchday income;
- The amount and timing of cash flows from retail activities;
- The forecast overhead cost base of the Club;
- Payroll costs reflecting the 2022/23 squad size and composition in perspective to its assumptions around football performance;
- The quantum and timing of future transfer receivables and payables;
- The capital expenditure necessary to maintain and improve the stadium, training facility and general Ibrox vicinity including the development of New Edmiston House;
- The Group's ability to secure further debt or equity finance from investors to allow the Group to continue to meet its liabilities as they fall due.

The Board recognises that achievement of its forecast is critically dependent on a number of the key assumptions noted above.

Based on these forecasts the Board are satisfied that the club has adequate working capital and undrawn facilities to meet its forecast cash requirements.

In consideration of the above, the Board of Directors believe that there is a reasonable expectation that the Group will at all times have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this report and the statutory financial statements.

Consolidation

The consolidated accounts present the financial position, results, and cash flows for Rangers International Football Club plc and its subsidiaries as a combined entity.

Subsidiaries

The Group's consolidated accounts comprise the accounts of companies in which the Parent Company or subsidiaries have control.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Control

A company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to govern the financial and operating policies of the entity. A company loses control over an entity when it loses any of the above components. The loss of control can occur with or without a change in absolute or relative ownership levels.

Rangers Retail Limited was granted rights as part of the retail operations, distribution and IP licence agreement entered into with SDI Retail Services Limited on 21 June 2017 as may reasonably be required to effect the run off and cessation of that entity. SDI Retail Services Limited's A shares grant it twice as many voting rights on all financial matters including any day to day decisions in relation to carrying out the business in its ordinary course. As such, the Board maintain that the Group does not possess the ability to govern the financial and operating policies of Rangers Retail Limited, and therefore does not control the entity.

Rangers Retail Limited continues to be treated as an associate of the Group.

Associates

Associates are entities over which the Group has significant influence, but not control. The existence of significant influence by an entity is usually evidenced, amongst other aspects, by a holding of 20-50% of the voting rights, by representation on the Board of Directors or equivalent governing body of the investee, participation in the policy-making process and material transactions between the entity and the investee.

Investments in associates are initially recognised at cost.

Thereafter investments in associates are accounted for using the equity method of accounting, less any impairment losses. The Group's proportionate share of the after tax profits or losses is recognised in the Consolidated Income Statement in a separate line. This share adds to or reduces the value of the investment in the Consolidated Balance Sheet. Distributions (dividends) received reduce the carrying amount of the investment.

The equity method is used from the date that significant influence arises, to the date significant influence ceases.

The Group's share of a loss is not recognised where this would reduce the value of an investment beyond £nil.

Investments in associates are classified as non-current assets inclusive of any goodwill on acquisition and presented as one line items in the Consolidated Balance Sheet.

Assets and liabilities

An asset that is associated with the Group's normal operating cycle, held primarily for the purpose of being traded, expected to be realised within twelve months after the Balance Sheet date or is cash or cash equivalents (unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date) is classified as a current asset. All other assets are classified as non-current assets.

A liability is classified as current if it is expected to be settled in the Group's normal operating cycle, is held primarily for trading purposes and is due to be settled within twelve months after the statement of financial position date or the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date. All other liabilities are classified as non-current liabilities.

Financial instruments

Financial instruments are classified as debt or equity in accordance with their underlying economic reality. Costs directly attributable to the issue of debt are shown as a deduction from the debt issued. Interest, dividends, gains or losses related to a financial instrument that is classified as debt, will be presented as an expense or income in the Income Statement.

The Group has two main categories of financial instruments, which are trade and other receivables and other financial liabilities.

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Upon recognition, these assets are measured at fair value less directly related transaction expenses. In successive periods these are measured at amortised cost, and any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value less any allowance for credit losses. Amortised interest is recognised as income within the Consolidated Income Statement.

Where these are provided interest-free or below market rate, the market value on initial recognition is required to be estimated by discounting the loan amount to the present value of future payments using an equivalent rate of a similar instrument.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred. In successive periods these are measured at amortised cost. Any differences between the value on initial recognition and the value on redemption is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value. The amortisation of financial liabilities is recognised as an expense within the Consolidated Income Statement.

Other financial liabilities includes Other loans and Trade and other payables. Where these are provided interest-free or below market rate, the market value on initial recognition is required to be estimated by discounting the loan amount to the present value of future payments using an equivalent rate of a similar instrument.

The difference arising between the fair value of investor loans and the redemption value is deemed as a capital contribution and taken direct to equity.

Elimination of intra-Group transactions

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method, other than for The Rangers Football Club Ltd. The use of merger accounting was applied to the acquisition of The Rangers Football Club Ltd in 2012.

The cost of acquisition is the consideration given in exchange for control over the identifiable assets, liabilities and contingent liabilities of the acquired company. This consideration includes cash paid plus the fair value at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group.

Contingent consideration arrangements are included in the cost of acquisition at fair value.

Management judgement is required to assess facts and circumstances existing at the Balance Sheet date that indicate the ability to meet the conditions of the arrangements. The value of consideration is assessed in line with these judgements. Changes in the fair value of assets acquired, liabilities assumed and the value of contingent consideration that the Group recognises after the acquisition date as the result of additional information about facts and circumstances that existed at the acquisition date are considered measurement period adjustments. In accordance with IFRS 3, adjustments are recognised to the provisional amounts as if the accounting for the business combination had been completed at the acquisition date. Increases and decreases resulting from the above are recognised by means of an increase and decrease in goodwill. Comparative information for prior periods presented in the Financial Statements is amended as necessary.

Changes resulting from additional information in relation to circumstances occurring after the acquisition date are not measurement period adjustments. Changes that are not measurement period adjustments are recognised in the Income Statement in accordance with IAS 39.

Directly attributable transaction costs are expensed in the current period and reported within general and administration expenses unless these relate to the issue of debt or equity. Issue costs are taken directly against the debt or equity issued.

The acquired net assets, being the identifiable assets, liabilities and contingent liabilities are initially recognised at fair value.

Negative goodwill arising on acquisitions represents a gain on purchase. In accordance with IFRS 3 this constitutes an economic gain that is immediately recognised in the Income Statement.

Positive goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquired identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or group of units.

Where goodwill forms part of a cash generating unit (group of cash generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Cash and bank balances

Cash and bank balances in the Balance Sheet comprise cash at hand and in banks and short term deposits which without significant currency risk can be converted to cash within three months.

Impairment of financial instruments

An assessment is made at each Balance Sheet date as to whether there is any objective evidence of impairment. An asset is considered for impairment where events occur such as a reduction in anticipated future cashflows or a breach of contract. All losses from impairment are recognised as financial items in the Consolidated Income Statement.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, net of discounts, VAT and other sales-related tax.

Gate receipts and hospitality revenue is based on matches played throughout the season with revenue recognised when the performance obligation is satisfied (i.e. the respective game has been played).

Commercial partnerships and sponsorships revenue is recognised over the duration of the respective contracts. Where long-term partnership packages are sold, the revenue is recognised as the performance obligations connected to them are satisfied. Where there are multiple performance obligations attached to any package, the individual value of each element is estimated and taken as they are satisfied.

The fixed element of Broadcasting revenue is recognised over the duration of the football season whilst facility fees received for live coverage or highlights are taken when earned. Merit awards for league placing are accounted for on an accruals basis when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Retail and other commerical activities revenue comprises revenue generated by the promotion of the Rangers brand through contractual agreements with business partners. Where such agreements contain minimum guarantees in relation to specific football seasons, revenue is recognised in that respective football season. Where such agreements contain variable consideration, revenue is recognised as the performance obligations are met based on information available on the performance of that contract. Where such information is not available, management are required to make estimates and judgements on the performance of the underlying contracts. These estimates are based on historic experience and may differ from actual amounts receivable.

UEFA prize money relates to participation in the Europa League and is spread over the matches played in the competition whilst distributions relating to match performance are taken when earned. Delays to the UEFA Europa League due to COVID-19 in previous years, and impact on broadcasting schedules and competition format has resulted in a reduction of prize money available for distribution to participating clubs. As a result, UEFA prize money revenues have been reduced to reflect managements' best estimate of amounts receivable from this competition.

Other revenue includes income from teabars, security and non-stadium football activity.

Taxation

The tax expense / credit represents the sum of the tax currently payable / receivable and deferred tax. Taxable profits differ from net profit as reported in the income statement because they exclude items of income or expense that are taxable or deductible in other years and they further exclude items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the Balance Sheet date.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is charged or credited in the Income Statement or in the Statement of Other Comprehensive Income, where appropriate. The Group's deferred taxes are calculated using tax rates that have been substantively enacted by the Balance Sheet date that are expected to apply to the period when the reversal of the timing difference takes place. Where changes in tax rates occur that affect a deferred tax asset or liability relating to an item previously recognised in Other Comprehensive Income or direct to Equity, such changes are recognised within that applicable area. All other changes in tax rates are reflected within the Income Statement.

Deferred tax assets and liabilities require management judgement in determining such amounts to be recognised. In particular, significant judgement around the timing and quantum of future taxable income available is required when assessing the extent to which deferred tax assets should be recognised.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Brand intangible assets

The Group only carries brand intangible assets that have been acquired on the Consolidated Balance Sheet. Acquired brands are carried at cost, being estimated fair value on acquisition. Subject to an impairment review, no amortisation is charged on those brand intangible assets which the Board believes have an indefinite life on the basis that there is no foreseeable limit on the period of time for which the intangible asset is expected to generate cash flows.

The Group carries out an impairment review on the brand intangible assets, at least annually, or when a change in circumstances or situation indicates that those assets have suffered an impairment loss. Impairment is measured by comparing the carrying amount of an intangible asset with the 'recoverable amount', that is the higher of its fair value less costs to sell (FVLCS) and its value in use (VIU).

Player registrations

The costs associated with acquiring players' registrations, or extending their contracts, including agents' fees, are capitalised and amortised, in equal instalments, over the period of the respective players' contracts. Where players are acquired on deferred payment terms, these are deemed to be a financing transaction with a deemed interest rate applied. In such cases, the amount capitalised is the present value of future payments discounted using the deemed interest rate. When a contract life is renegotiated, the unamortised costs, together with the new costs relating to the contract extension, are amortised over the term of the new contract. Where the acquisition of a player registration involves a non-cash consideration, such as an exchange for another player registration, the transaction is accounted for using an estimate of market value for the non-cash consideration.

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 fees are accounted for when it becomes probable that the number of appearances will be achieved or the specified future events will occur. These additional costs are capitalised and amortised as above. Likewise, any additional assets that are realised after selling players are recognised as debtors when it becomes probable that the conditions in the sale agreement will be met.

Government assistance

The UK government offered a range of financial support packages to help companies during COVID-19. The Group benefited directly from this assistance in the form of payment deferrals for VAT, payment deferrals for employment taxes and the job retention scheme.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Grants received under the UK Governments' Job Retention Scheme are netted off against the related expense (i.e. payroll costs) so as to recognise in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Interest free loans received in the previous year from The Scottish Ministers, as part of the Premier Division Support Fund, are repayable over a period of 20 years. This loan is considered to be below market rate, with the difference between the fair value and book value being recorded as grant income in the prior year.

The difference between value on initial recognition and value on redemption is accounted for over the borrowing period by using the effective interest method, with the amortisation of this liability recognized as an expense within the Consolidated Income Statement.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible and intangible assets excluding goodwill

The Group assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Impairment losses recognised with respect to CGUs are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell (FVLCS) and its value in use (VIU). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

Impairment losses are reported separately in the Consolidated Income Statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

The best evidence of FVLCS is the value obtained from an active market or binding sale agreement. Where neither exists, FVLCS is based on the best information available to reflect the amount the Company could receive for the CGU in an arm's length transaction. In determining FVLCS, fair value has been measured using the Income approach, in accordance with IFRS 13, and is categorised into level 3 in the fair value hierarchy as the inputs include unobservable inputs. Under this approach, the expected future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or group of assets.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. A previously recognised impairment loss is reversed only if there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the Consolidated Income Statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are not amortised but are instead subject to an annual impairment review. The Group considers its Brand to have indefinite useful life. Furthermore, the Group tests its tangible and intangible assets for impairment more frequently if there are indicators that the assets could be impaired.

Impairment testing procedures

The impairment test is carried out using the Income approach by assessing the net present value of future expected cash flows (on the basis of the continued operation of the cash generating unit) and comparing this to the carrying amount of net assets held by the cash generating unit.

If the carrying amount of net assets is higher than the calculated net present value then the assets are considered to be impaired.

The expected cash flow is based on the Group's forecasted results and margins, including the necessary capital expenditure to meet anticipated performance. The assumptions used represent Management's best estimate and are based on past experience and internal information held by the Group. Given that the calculations for recoverable amounts require the use of estimates and assumptions, it is possible that the assumptions may change, which may impact the carrying value of the CGU and result in impairment.

Key assumptions

Football team performance - short term (1)	Finish in top-2 of SPFL Premiership
Football team performance - medium to long term (1)	Predictions of expected football results beyond season 2023/24 i.e. league placings, cup progressions, matchday attendance, and future European participation.
Cash generating unit (2)	Football club operations
Budget period (3)	5 years
Discount rate (4)	13% pre tax
Growth rate (5)	1.7%
UEFA Club Competitions revenue distribution system (6)	Revenue available to Scottish clubs from future UEFA competitions to be at least equal to that available from the current cycle

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Key assumptions (continued)

(1) The assumptions utilised in the model involve key judgements in respect of football performance in the short, medium and long term. The Directors are satisfied over the robustness of these assumptions.

(2) The Group considers that the only cash generating unit is the operation of the football club. All income, costs and associated cash flows from retail operations are included in the impairment review.

Individual player registrations are included within the cash generating unit unless there are certain circumstances arising which would exclude them from the playing squad (such as sustaining a significant long term injury or not being part of the first team managers plans). In such circumstances, the players are unlikely to contribute to the future economic benefits of the cash generating unit and, as such, the carrying value of the player is removed from the cash generating unit. This is then assessed for impairment in isolation against the Group's best estimate of the player's fair value less any costs to sell. If the Group considers that impairment has occurred, a provision is made as appropriate.

(3) The basis for the expected cash flow are the confirmed budgets for 2022/23 & 2023/24 and the cash flow forecasts for the next three years after. Expected cash flows are calculated using a weighted average of possible outcomes based on football team performance.

(4) In management's judgement, a discount rate of 13% reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted. The discount rate used in the prior year was 13%.

(5) The growth rate utilised is based on expected inflationary growth in the UK beyond the period of forecasting. The growth rate used in the prior year was 1.8%.

(6) The financial distributions available from UEFA competitions in the forecast period are based on distributions available from the current UEFA cycle. The competitions available, and the entry point used, in the forecast period beyond the 2023/24 competition are to be determined by future Scottish club coefficient rankings. As these stand, the winner of the Scottish Premiership will gain direct entry to the UEFA Champions League with the team finishing 2nd entering the 3rd qualifying round of that tournament. Failure to progress through the UEFA Champions League qualifying rounds would, as a minimum, result in entry to the UEFA Europa League. The financial distributions available from the 2023/24 competitions have not yet been released, therefore in management's judgement the most appropriate estimate of future distributions are those available in the current cycle.

Indications of impairment

As part of the impairment testing, a sensitivity analysis was performed with changes (both positive and negative) to Domestic and European football related performance, player salaries and transfers, retail revenue, discount rate and growth rate. These are considered by the Group to be the key unobservable inputs which would impact the valuation model significantly. The weighted average results from the sensitivity analysis were then taken to determine the estimated net present value of the cash generating unit.

The impairment testing did not result in the identification of impairment losses.

The valuation model showed headroom of approximately £2.9m. The valuation model by its nature is based upon uncertain assumptions and whilst the Group has a degree of expertise in these assumptions they are subject to change.

Interrelationships exist between all unobservable inputs. For example, a reduction in football related performance could impact the value of player costs or commercial and sponsorship income.

Critical sensitivities

Sensitivity applied	*Critical value – resulting in impairment charge*
Domestic and European football performance	A reduction in forecast European income by 2.22%
Discount factor	An increase in discount rate to 13.90%.
Player costs & transfers	An increase in the annual player salary costs by 1.54% above those projected in the cash flows.
	An increase in the annual transfer spend by 4.83% above those projected in the cash flows.
	A decrease in the annual transfer receipts by 2.36% below those projected in the cash flows.
Retail revenue	A reduction in forecast annual retail revenue by 7.86%.
Growth rate	A reduction in growth rate to 0.29%.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Land and buildings held for use in operations, or for administrative purposes, are stated in the Balance Sheet at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the Balance Sheet date.

At the date of revaluation, the Group estimates the fair value of the cash-generating unit (CGU) to which Land and buildings belong. The best evidence of fair value is the value obtained from an active market or binding sale agreement. Where neither exists, fair value is based on the best information available to reflect the amount the Group could receive for the CGU in an arm's length transaction.

Fair value has been measured using the Income approach, in accordance with IFRS 13, and is categorised into level 3 in the fair value hierarchy as the inputs include unobservable inputs. Under this approach, the expected future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or group of assets.

Further details with regard to the cash flow model used can be found within the Impairment testing section above. Relatively small changes in the assumptions could have a significant impact on the valuation of the CGU. For example, a reduction in discount rate applied, by 1%, would increase the value of the CGU by £6.1m.

The fair value of the CGU is allocated pro rata across the individual assets within the CGU, including Land and buildings. Management then perform a review of the individual fair values and consider whether this allocation is reflective of the current condition of the assets in question. Where they consider that the fair value allocated does not reflect the true condition of the assets, judgement is applied to correct this allocation to a more appropriate basis.

Any revaluation increase arising on the revaluation of Land and buildings to fair value is credited to the properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense. Under such circumstances, the increase is credited to the Income Statement to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such Land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to the Income Statement. On the subsequent sale or scrappage of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. There is also an annual transfer from revaluation reserve to retained earnings relating to annual depreciation.

Freehold land is not depreciated. Leasehold property is depreciated over the term of the lease. Other fixed assets are depreciated on a straight-line basis at annual rates appropriate to their estimated useful lives as follows:

Freehold properties 1.33%

General plant and equipment 2.5% – 33%

The Group capitalises costs in relation to an asset when an economic benefit from the asset is considered probable. Assets under the course of construction are carried at cost and include professional fees. Depreciation commences when the assets are ready for their intended use.

Provisions, contingent assets and liabilities

The Group recognises a provision when at the balance sheet date a present obligation exists, legal or constructive, as a result of a past event and it is probable that a settlement of that obligation will be paid and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimates required to settle that obligation, at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where appropriate, management take independent expert advice to determine the quantum and expected timing associated with settling provisions.

A contingent asset is not recognised in the Financial Statements but is disclosed when a possible asset arises from past events whose existence will be confirmed only by uncertain future events not wholly within the control of the entity and the inflow of economic benefits is assessed as probable at the Balance Sheet date.

A contingent liability is not recognised in the Financial Statements but is disclosed when an obligation arises from past events whose existence will be confirmed only by uncertain future events not wholly within the control of the entity; or an obligation arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Segmental accounting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Directors to allocate resources to the segments and to assess their performance. The Directors have concluded that in the year to 30 June 2022 the Group has only operated in one segment, namely the operation of a football club, and therefore no operating segment note has been prepared.

Notes to the financial statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

Leasing

For any new contracts the Group assess whether the contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the lease commencement date, the entity recognises a lease liability (being the present value of lease payments that are not paid at that date using the interest rate implicit in the lease) and a right of use asset (measured at cost, being the lease liability adjusted for any lease payments made in advance, any incentives received and initial direct costs incurred.) The Group has decided not to apply the new leasing standard to player registration loan agreements as permitted by paragraph 4 of IFRS 16 and as such, continues to apply IAS 38 to these arrangements.

The right of use asset is depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The lease liability is made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantees and payments arising from options reasonably certain to be exercised.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Insurance claims

The Group recognises income from insurance claims where it has an insurance contract under which it can make a claim for compensation and the loss event that creates a right for the group to assert a claim at the reporting date has occurred and the claim is not disputed by the insurer. The amount of income is recognised when an amount receivable is known or can be estimated with reasonable certainty.

Adoption of new and revised Standards

There were no IFRS standards or IFRIC interpretations adopted for the first time in these financial statements that had a material impact on the Group's financial statements.

At the date of authorisation of these financial statements, there are no standards nor interpretations which were in issue but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Research and development credit

Research and development tax credits are recognised on a systematic basis as the business recognises the costs for which the tax credits are intended to incentivise, and only to the extent that the Directors are satisfied, based on previous claims and/or professional advice, that amounts will be recoverable.

2. REVENUE

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Gate receipts and hospitality	41,901	18,239
Commercial partnerships and sponsorships	7,304	4,708
Broadcasting rights	7,199	7,659
Retail and other commercial activities	9,894	5,768
UEFA prize money and solidarity	17,300	11,196
Other revenue	3,251	176
Total revenue	**86,849**	**47,746**

Notes to the financial statements (continued)

3. LOSS FOR THE YEAR

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Loss for the year has been arrived at after charging / (crediting):-			
Staff costs	5	54,804	47,690
Other operating charges		28,363	14,408
Short-term leases		153	113
Depreciation and impairment of property, plant and equipment	9	2,124	1,678
Amortisation of trademarks & other intangibles	10	17	17
Auditor's remuneration	4	90	82
Other operating expenses		**85,551**	**63,988**
Revenue grants		(455)	(2,133)
Insurance claims		(503)	(1,250)
Compensation income		(4,250)	-
Other operating income		**(5,208)**	**(3,383)**
Amortisation of player registrations	10	11,822	10,616
Gain on sale of player registrations	10	(11,170)	(1,724)
Total net result from player transfers and amortisation		**652**	**8,892**

Other operating charges includes overheads, and matchday costs, such as policing, stewarding and pitch costs.

Included within revenue grants in the prior year was the difference between the fair value and book value of the Premier Division Support Fund, amounting to £1.3m.

Compensation income relates to amounts received following the departure of the previous football management team.

4. AUDITOR'S REMUNERATION

The analysis of auditor's remuneration is as follows:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Fees payable to the company's auditor for the audit of the Company's annual accounts:		
Audit of the Consolidated and Company's financial statements	50	42
Audit of the Company's subsidiaries	40	40
Total audit fees	**90**	**82**
Fees payable to the company's auditor for other services to the Group:		
Audit-related assurance services	12	12
Other tax advisory and compliance services	13	13
Other services	5	5
Total non-audit fees	**30**	**30**

No services were provided pursuant to contingent fee arrangements.

Notes to the financial statements (continued)

5. STAFF NUMBERS AND COSTS

The average monthly number of full-time employees (including executive Directors) was made up as follows:

	Year ended 30 June 2022 Number	Year ended 30 June 2021 Number
Football players	95	98
Others	190	170
Total	**285**	**268**

In addition, the Group employed an average of 487 part-time employees during the year (2021: 446), to assist on matchdays or other events.

The aggregate remuneration comprised:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Wages, salaries and benefits	48,437	42,084
Social security costs	6,016	5,307
Other pension costs - defined contribution plans	351	299
Total staff costs	**54,804**	**47,690**

6. DIRECTORS' EMOLUMENTS

	Salary and Payroll Benefits £	Bonus £	Pensions £	Benefit in kind £	Year to 30 June 2022 £	Year to 30 June 2021 £
Non-Executive						
Douglas Park	-	-	-	-	-	-
John Bennett	-	-	-	-	-	-
Graeme Park	-	-	-	-	-	-
Alastair Johnston	-	-	-	-	-	-
Julian Juul Wolhardt	-	-	-	-	-	-
Barry Scott	-	-	-	-	-	-
George Taylor	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**
Key management personnel	**1,097,091**	**125,000**	**22,141**	**5,573**	**1,249,805**	**1,352,522**

Key management personnel are, in addition to the Board of Directors, employees that have been or are part of the management of RIFC plc Group and have had substantial influence in important decision-making processes for the Group.

Management representatives have individual contracts that regulate salaries, bonuses, post-employment benefits and termination benefits. They were remunerated from The Rangers Football Club Limited throughout the year to 30 June 2022.

Notes to the financial statements (continued)

7. FINANCE COSTS AND OTHER CHARGES

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Finance costs		
Interest payable on lease finance agreements	124	54
Other interest	744	863
Interest received	(1)	(1)
Notional interest on deferred player receivables	(418)	(16)
Notional interest on deferred player payables	995	2,097
Notional interest on deferred other payables	529	-
Total finance costs	1,973	2,997
Total finance costs and other charges	**1,973**	**2,997**

All finance costs and other charges relate to financial assets or financial liabilities held at amortised cost

Notes to the financial statements (continued)

8. TAXATION

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Tax charged to the Income Statement:		
Current tax	-	(500)
Deferred tax (note 19)		
Origination and reversal of temporary differences	(95)	(95)
Tax losses carried forward	(1,175)	-
	(1,270)	**(595)**
Tax charged to Other Comprehensive income:		
Deferred tax (note 19)		
Deferred tax rate change on opening balances	-	1,871
Total tax charged in the year	**(1,270)**	**1,276**

The credit for the year can be reconciled to the loss per the Income Statement as follows:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Continuing Operations		
(Loss)/profit on ordinary activities before tax	(2,189)	(24,748)
Tax at the UK corporation tax rate of 19% (2021: 19%)	(416)	(4,702)
Tax effect of expenses that are not deductible in determining taxable profit	321	81
Tax effect of income not taxable in determining taxable profit	-	15
Tax losses unutilised and other temporary differences not recognised	498	4,511
Tax losses carried forward	(1,175)	-
R&D Tax credits	-	(500)
Tax expense / (credit) for the year	**(1,270)**	**(595)**

Current tax is calculated at 19% of the estimated taxable profit / (loss) for the year (2021 – 19%). Finance Act 2021 was 'substantively enacted' on 24 May 2021. This increased the main rate of corporation tax applicable to 25% from 1 April 2023, replacing the 20% rate previously effective from that date. The closing deferred tax assets and liabilities have been calculated in accordance with the rates substantively enacted at the Balance Sheet date, that are expected to apply when the reversal of the timing difference takes place.

Notes to the financial statements (continued)

9. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

Group	Freehold properties £'000	Assets Under Contruction £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation				
Cost or valuation at 1 July 2020	43,718	-	14,014	57,732
Assets transferred	-	124	(124)	-
Additions	-	819	3,976	4,795
Disposals	-	-	(1,661)	(1,661)
Cost or valuation at 1 July 2021	43,718	943	16,205	60,866
Additions	-	3,098	2,688	5,786
Disposals	(823)	-	-	(823)
At 30 June 2022	**42,895**	**4,041**	**18,893**	**65,829**
Accumulated depreciation				
At 1 July 2020	4,680	-	6,701	11,381
Charge for the period to 30 June 2021	527	-	1,151	1,678
Eliminated on disposal	-	-	(1,661)	(1,661)
At 1 July 2021	5,207	-	6,191	11,398
Charge for the period to 30 June 2022	529	-	1,595	2,124
Eliminated on disposal	(823)	-	-	(823)
At 30 June 2022	**4,913**	**-**	**7,786**	**12,699**
Net book value				
At 30 June 2022	**37,982**	**4,041**	**11,107**	**53,130**
At 30 June 2021	38,511	943	10,014	49,468
At 30 June 2020	39,038	-	7,313	46,351

Details of the right-of-use assets held under lease can be found in note 17.

On 30 June 2022 the Directors valued the Freehold Properties, comprising Ibrox Stadium and the Training Centre at Fair value. Fair value has been measured using the Income approach, in accordance with IFRS 13, and is categorised into level 3 in the fair value hierarchy as the inputs include unobservable inputs.

The discounted cash flow model and Income approach that was used in the impairment review has been used to determine the fair value of CGU including the properties. Further details in respect of the key assumptions, estimates and sensitivities in this assessment can be found in note 1 to these financial statements.

Whilst the cash flow model indicated that the CGU had a fair value in excess of carrying value by approximately £2.9m, it was concluded that this excess did not relate to Freehold properties. As such, there has been no revaluation adjustment in the current year as the carrying value is deemed to be equivalent to its fair value.

Impairment tests for specific fixed assets are performed when there are indications of impairment. Where these assets do not form part of the overall CGU of Football operations, they are assessed in isolation.

Notes to the financial statements (continued)

10. INTANGIBLE ASSETS

Group	Player Registrations £'000	Brand £'000	Website & Media Design £'000	Total £'000
Cost:				
Cost or valuation at 1 July 2020	25,312	16,090	–	41,402
Additions	16,837	23	73	16,933
Disposals	(2,784)	–	–	(2,784)
Cost or valuation at 1 July 2021	39,365	16,113	73	55,551
Additions	7,534	3	1	7,538
Disposals	(6,111)	–	–	(6,111)
At 30 June 2022	**40,788**	**16,116**	**74**	**56,978**
Amortisation:				
At 1 July 2020	9,990	15	–	10,005
Charge for period to 30 June 2021	10,616	2	15	10,633
Provision for impairment	–	–	–	–
Eliminated on disposal	(2,477)	–	–	(2,477)
At 1 July 2021	18,129	17	15	18,161
Charge for period to 30 June 2022	11,822	2	15	11,839
Provision for impairment	–	–	–	–
Eliminated on disposal	(3,734)	–	–	(3,734)
At 30 June 2022	**26,217**	**19**	**30**	**26,266**
Net book value				
At 30 June 2022	**14,571**	**16,097**	**44**	**30,712**
At 30 June 2021	21,236	16,096	58	37,390
At 30 June 2020	15,322	16,075	–	31,397

The profit on disposal of player registrations amounted to £11,170,000 (2021: £1,724,000). This amount relates to players sold or released from their contracts.

The Group has 8 player registrations with individual carrying values of over £500,000 representing 73% of the 2022 net book value of player registrations. The average amortisation period remaining for those players is 23 months.

In the prior year the Group had 8 player registrations with individual carrying values of over £500,000 representing 83% of the 2021 net book value of player registrations. The average amortisation period was 29 months.

Notes to the financial statements (continued)

11. INVESTMENTS IN SUBSIDIARIES

Company	Investment in shares £'000	Capital contribution £'000	Total £'000
Cost or valuation at 1 July 2020	13,296	64,254	77,550
Additions	-	15,705	15,705
Disposals	-	-	-
Cost or valuation at 1 July 2021	13,296	79,959	93,255
Additions	-	9,880	9,880
Disposals	-	-	-
Cost or valuation at 30 June 2022	**13,296**	**89,839**	**103,135**
Impairment			
At 1 July 2020	-	30,000	30,000
Provision for impairment	-	10,000	10,000
At 30 June 2021	-	40,000	40,000
Provision for impairment	-	9,600	9,600
At 30 June 2022	-	49,600	49,600
Net book value			
At 30 June 2022	**13,296**	**40,239**	**53,535**
At 30 June 2021	13,296	39,959	53,255
At 30 June 2020	13,296	34,254	47,550

The Company's subsidiary undertakings are The Rangers Football Club Ltd, the main activity of which is the operation of a professional football club, New Edmiston House Limited, which is developing a conference and event facility, and Rangers Media Limited, which is a company operating the production and content of media services for the Club. All of these companies are owned 100%.

As a result of the losses sustained by The Rangers Football Club Ltd, the carrying value of Rangers International Football Club plc's investment in that entity was subjected to an impairment review. This impairment review utilised the same cash flow model and assumptions referred to within the Impairment testing section of the accounting policies. This impairment has been assigned to the capital contributions made to The Rangers Football Club Limited and will be eliminated from the group results.

The Rangers Football Club Ltd holds further investments in the following companies:

Name of company	Holding	Proportion of Shares Held	Nature of Business
Garrion Security Services Ltd	Ordinary Shares	100%	Security

These companies are all registered in the United Kingdom. Their principal place of business is Ibrox Stadium, 150 Edmiston Drive, Glasgow, G51 2XD.

Notes to the financial statements (continued)

12. INTERESTS IN ASSOCIATES

Group	£'000
Cost and Net Book Value at 1 July 2021 and 30 June 2022	-

Rangers Retail Limited is a non-trading entity. All of its operations were previously discontinued and no financial results have been presented as a result.

The Group's investment value represents its share of the net assets of Rangers Retail Limited at 30th June 2022. Although the company has ceased trading it has still to be formally wound up. Upon conclusion of the winding up of the company, a small dividend may be paid.

The Group holds 25.5 % of the voting rights in the company as a result of the previously reported share allotment error. Rangers Retail Limited and its shareholders recognise that this should be corrected to 51%.

Rangers Retail Limited's principal place of business is Unit A Brook Park East, Shirebrook, NG20 8RY. Its financial reporting date is 20 June.

As set out in note 1, the Board of Directors consider that they do not control the entity. As such, they consider that, the investment in Rangers Retail Limited represents an investment in an associate, and have applied the equity method of accounting. Rangers Retail Limited is not a publicly quoted company and as such, no quoted market price is available.

13. TRADE AND OTHER RECEIVABLES

	2022 £'000	2021 £'000
Group		
Trade receivables	16,716	12,536
Other receivables	846	693
Prepayments and accrued income	4,662	7,116
Total trade and other receivables	**22,224**	**20,345**

	2022 £'000	2021 £'000
Non-current assets		
Trade receivables	3,463	-
Total trade and other receivables	**3,463**	**-**

	2022 £'000	2021 £'000
Ageing of past due but not impaired trade receivables:		
31-60 days	318	-
61-90 days	268	39
91-120 days	290	577
120+ days	-	2,278
	876	2,894

Included within Trade and other receivables are the following Player registration receivables:	2022 £'000	2021 £'000
Receivables due within one year	4,466	300
Receivables due more than one year	4,179	-
Notional interest effect on deferred payments	(1,003)	-
Carrying value of player registration receivables	7,642	300

Trade receivables includes £3,695,000 (2021: £7,213,000) in respect of season tickets that are paid by supporters using deferred payment plans or merchant services.

The Directors consider the carrying amount of trade and other receivables to be approximate to their fair value.

Notes to the financial statements (continued)

14. CASH AND BANK BALANCES

	2022 £'000	2021 £'000
Group		
Balances with banks	13,026	3,222
Cash on hand	59	43
Total cash and bank balances	**13,085**	**3,265**

15. OTHER LOANS

Current liabilities	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Investor loans at amortised cost	3,739	5,724	3,739	724
Other loans – Bank loans	264	-	-	-
Other loans – Premier Division Support Fund	133	-	-	-
Total other loans	**4,136**	**5,724**	**3,739**	**724**

Non-current liabilities	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Investor loans at amortised cost	8,439	4,526	8,439	4,526
Other loans – Bank loans	1,105	-	-	-
Other loans – Premier Division Support Fund	1,889	1,926	-	-
Total other loans	**11,433**	**6,452**	**8,439**	**4,526**

Analysis of loans 2022	Loans £'000	Effect of discounting using effective interest rate method £'000	Amortised cost £'000
Group			
Investor loans repayable by instalments	12,178	-	12,178
Other loans – Bank loans	1,369	-	1,369
Other loans – Premier Division Support Fund	3,200	(1,178)	2,022
	16,747	(1,178)	15,569

Analysis of loans 2021	Loans £'000	Effect of discounting using effective interest rate method £'000	Amortised cost £'000
Group			
Investor loans repayable by instalments	5,250	-	5,250
Investor loans repayable – October 2021	5,000	-	5,000
Other loans – Premier Division Support Fund	3,200	(1,274)	1,926
	13,450	(1,274)	12,176

Notes to the financial statements (continued)

15. OTHER LOANS (CONTINUED)

Investor loans

Further details regarding investor loans can be found in note 27 to the financial statements.

Secured debts

John Bennett (as security trustee for the lenders) holds standard security over Edmiston House under the terms of the investor loans detailed in note 27 to the financial statements. Leases are secured over the assets to which they relate.

Book value of non-current assets pledged as security	**2022 £'000**	**2021 £'000**
Non-current assets – standard security	4,228	-
Non-current assets – leases	2,189	2,202

16. TRADE AND OTHER PAYABLES

	2022 £'000	**2021 £'000**
Group		
Current liabilities		
Trade creditors	4,285	11,623
Social security and other taxes	9,492	7,712
Other creditors	930	948
Accruals	6,485	7,138
Total trade and other payables	**21,192**	**27,421**

The average credit taken for trade purchases is 33 days (2021 - 33 days).

	2022 £'000	**2021 £'000**
Non-current liabilities		
Trade creditors	-	568
Other creditors	3,102	-
Accruals	1,580	1,652
Total trade and other payables	**4,682**	**2,220**

	2022 Trade creditors £'000	**2022 Other creditors £'000**	**2022 Accruals £'000**	**2021 Trade creditors £'000**	**2021 Accruals £'000**
Non-current liabilities fall due as follows:					
Between one and two years	-	663	963	568	1,442
Between two and five years	-	1,086	617	-	210
Over 5 years	-	1,353	-	-	-
	-	3,102	1,580	568	1,652

Notes to the financial statements (continued)

16. TRADE AND OTHER PAYABLES (CONTINUED)

Included within liabilities are the following player registration payables:	2022 £'000	2021 £'000
Current liabilities	5,084	11,809
Non-current liabilities	1,883	2,637
Notional interest effect on deferred payments	(500)	(1,007)
	6,467	13,439

The notional interest effect relates to the existence of deferred transfer installments beyond normal business terms as a financing transaction with a notional interest rate applied.

17. LEASE LIABILITIES

The Balance Sheet shows the following amounts relating to leases;

Right of use assets **Group**	Carrying value 2021 £'000	Additions £'000	Depreciation £'000	Other movements £'000	Carrying value 2022 £'000
Fixtures & fittings	2,161	271	(119)	(124)	2,189
Total right of use assets	**2,161**	**271**	**(119)**	**(124)**	**2,189**

Right of use assets **Group**	Carrying value 2020 £'000	Additions £'000	Depreciation £'000	Other movements £'000	Carrying value 2021 £'000
Fixtures & fittings	1,367	1,128	(334)	-	2,161
Total right of use assets	**1,367**	**1,128**	**(334)**	**-**	**2,161**

Lease Liabilities **Group**	Total minimum payments 2022 £'000	Future interest payable 2022 £'000	Carrying value 2022 £'000	Carrying value 2021 £'000
Repayment of borrowings on leases fall due as follows:				
Current liabilities	481	(50)	431	570
Non-current liabilities	1,045	(100)	945	1,177
Total lease liabilities	**1,526**	**(150)**	**1,376**	**1,747**

The Income Statement shows the following amounts relating to leases:

Depreciation charge of right of use assets **Group**	2022 £'000	2021 £'000
Fixtures & fittings	119	334

The leases relate to funding of capital expenditure on Stadium WiFi, Stadium lighting rigs, turnstile installations and LED boards amongst other items. There are no contingent amounts payable or restrictions imposed by the above leasing arrangements.

Notes to the financial statements (continued)

18. DEFERRED INCOME

	2022 £'000	2021 £'000
Group		
Deferred income less than one year	28,037	25,014
Deferred income more than one year	4,500	122
Total deferred income	**32,537**	**25,136**

Deferred income less than one year comprises season tickets, sponsorship, hospitality and other elements of income that have been received in advance and will be recognised as revenue in the 2022/23 financial year. Deferred income more than one year relates to income received in advance from commercial contracts.

19. DEFERRED TAX

The following are major deferred tax balances recognised by the Group:

Balances:	Liabilities 2022 £'000	Liabilities 2021 £'000	Assets 2022 £'000	Assets 2021 £'000
Non-current assets – temporary differences	7,083	7,178	-	-
Tax losses	-	-	1,300	-
Deferred tax	**7,083**	**7,718**	**1,300**	**-**

Movements in the year:	Liabilities 2022 £'000	Liabilities 2021 £'000	Assets 2022 £'000	Assets 2021 £'000
At 1 July	(7,178)	(5,402)	-	-
Recognised in Income Statement	95	95	1,300	-
Recognised in Other Comprehensive Income	-	(1,871)	-	-
At 30 June	**(7,083)**	**(7,178)**	**1,300**	**-**

At the Balance Sheet date, the Group has unrecognised tax losses of £86.2m creating an unrecognised deferred tax asset of £21.6m (2021 - £86.8m creating an unrecognised deferred tax asset of £21.7m). There is also an unrecognised deferred tax liability of £0.32m (2021 - £0.18m) in respect of temporary tax differences in non-current assets for which losses would be available to offset.

A deferred tax asset has been recognised in the current year as management believe there it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Notes to the financial statements (continued)

20. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maintaining a capital structure adequate for the risk profile of the business. Strong financial capital management is an integral part of the Board's strategy to achieve the Group's stated objectives. The Board reviews financial capital reports on a regular basis and the Group finance function do so on a daily basis ensuring that the Group has adequate liquidity. The Board's consideration of going concern is detailed in the Strategic Report. The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings as disclosed in notes 22 to 25 and the Statement of Changes in Equity.

Financial risk management objectives and policies

The Group's financial assets include cash and cash equivalents and other short-term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has other financial instruments, such as trade and other receivables and trade and other payables, which arise directly from its operations. Surplus cash within the Group is put on deposit, the objective being to maximise returns on such funds, subject to acceptable credit liquidity and price risk, whilst ensuring that the short-term cash flow requirements of the Group are met. The financial assets of the Group are classified as loans and receivables whilst its financial liabilities are classified as financial liabilities measured at amortised cost.

The carrying value of the financial assets and liabilities (with non-financial assets and liabilities shown for reconciling purposes) are analysed as follows:

	Financial £'000	Non financial £'000	Total At 30 June 2022 £'000	Total At 30 June 2021 £'000
Non-current assets	4,763	83,842	88,605	86,858
Trade receivables and similar items	16,716	-	16,716	12,536
Cash and cash equivalents	13,085	-	13,085	3,265
Other current assets	5,508	-	5,508	7,809
Total assets	40,072	83,842	123,914	110,468
Financial liabilities				
Trade and other payables	25,874	-	25,874	29,641
Other liabilities	49,907	7,083	56,735	48,987
Total liabilities	75,781	7,083	82,609	78,628
Net (liabilities)/assets	(35,709)	76,759	41,050	31,840

The Group has not used derivative financial instruments during the year. The Board will review the need for the use of derivative financial instruments in the future.

The Group has exposure to the following risks from its use of financial instruments:

(i) market risk;

(ii) credit risk; and

(iii) liquidity risk.

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risk.

Notes to the financial statements (continued)

20. FINANCIAL INSTRUMENTS (CONTINUED)

(i) Market risk

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates.

The reporting currency of the Group is UK Sterling. The Group is exposed to currency risk due to movements in foreign currencies relative to Sterling affecting the Group's foreign currency transactions and balances.

The amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Trade & other payables 2022 £'000	Cash & cash equivalents 2022 £'000	Trade & other payables 2021 £'000	Cash & cash equivalents 2021 £'000
Euro	(808)	7,882	(6,987)	49
USD	-	24	(12)	16

The following table details the Company's sensitivity to a 10% increase and decrease in GBP against the relevant foreign currencies. 10% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where GBP strengthens 10% against the relevant currency. For a 10% weakening of GBP against the relevant currency, there would be a comparable impact on the profit, and the balances below would be negative.

	Euro 2022 £'000	Euro 2021 £'000	USD 2022 £'000	USD 2021 £'000
Profit/(loss)	(818)	694	(3)	1

(ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Of the total trade receivable balance of £16,716,000, £8,645,000 relates to amounts receivable from other football clubs in relation to player trading, and £3,695,000 relates to amounts due from merchant service providers.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL in full using the simplified model. Where applicable the expected credit losses on trade receivables are estimated by reference to past credit experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The maximum risk exposure relates to a football debt. The creditor club is a Premier League club, and member club of the FA, and meets the credit rating criteria of the Board. Management reviews the financial status of provider on an ongoing basis.

Credit evaluations are performed on all customers requiring credit over a certain amount. The maximum credit risk exposure of the Group comprises the amounts presented in the Balance Sheet which are stated net of provisions for doubtful debts.

Movements in provision for expected credit losses	2022 £'000	2021 £'000
Group		
Balance brought forward	591	432
Balances written-off	(421)	-
Change in provision	57	159
At 30 June 2022	227	591

Notes to the financial statements (continued)

20. FINANCIAL INSTRUMENTS (CONTINUED)

(iii) Liquidity risk

The Group's policy is to maintain a balance of continuity of funding and flexibility through the use of loans and leases as applicable. At 30 June 2022, the Group had external loans of £15.6 million (note 15), and leases of £1.4m (note 17).

Ultimate responsibility for liquidity risk management rests with the Board. The Board uses management information tools including budgets and cash flow forecasts to be able to regularly monitor and manage current and future liquidity. Further information in respect of liquidity risk can be found within note 1 to the financial statements and in the Strategic Report.

A maturity analysis of the Group's contracted liabilities and exposure to liquidity risk is detailed below:

	Due on demand or less than one year £'000	Due 1-2 years £'000	Due 2-5 years £'000	Due >5 years £'000	Carrying value at 30 June 2022 £'000	Carrying value at 30 June 2021 £'000
Other loans	(397)	(424)	(1,272)	(1,298)	(3,391)	(1,926)
Investor loans	(3,739)	(2,472)	(5,688)	(279)	(12,178)	(10,250)
Trade and other payables	(4,285)	-	-	-	(4,285)	(29,641
Other creditors	(930)	(663)	(1,086)	(1,353)	(4,032)	-
Lease liabilities	(431)	(348)	(597)	-	(1,376)	(1,747)
Total	(9,782)	(3,907)	(8,643)	(2,930)	(25,262)	(43,564)

21. FAIR VALUES

	Carrying value at 30 June 2022 £'000	Carrying value at 30 June 2021 £'000
Non financial assets		
Property, plant & equipment - freehold property	37,982	38,511

See note 9 for details of property, plant & equipment held at fair value. During the year there were no transfers between the levels of fair value hierarchy. The Group considers this to be a recurring measurement using a level 3 valuation method.

The value of all other financial assets and liabilities included in the Financial Statements are considered to be a reasonable approximation of fair value at the Balance Sheet date.

22. SHARE CAPITAL

Group and Company	As at 30 June 2022 £'000	As at 30 June 2021 £'000
Allotted, called up and fully paid 391,008,857 Ordinary shares of 1p each	3,910	2,606
Shares issued during period 41,319,776 Ordinary shares of 1p each	413	1,304
Allotted, called up and fully paid	4,323	3,910

There is only one class of ordinary shares. All shares carry equal rights.

Notes to the financial statements (continued)

23. SHARE PREMIUM AND MERGER RESERVE

Group and Company	As at 30 June 2022 £'000
Share premium	
Balance at 30 June 2020	53,088
Shares issued during period	24,771
Costs incurred in relation to share issues	(5)
Balance at 30 June 2021	77,854
Shares issued during period	9,916
Costs incurred in relation to share issues	(200)
Balance at 30 June 2022	**87,570**

During the year, 41,319,776 Ordinary Shares of 1p each were issued at a price of 25p per share, creating a share premium of £9.916m.

Group and Company	As at 30 June 2022 £'000
Merger reserve	
Balance at 30 June 2020	12,960
Movement in year	-
Balance at 30 June 2021	12,960
Movement in year	-
Balance at 30 June 2022	**12,960**

The merger reserve of £12,960,000 (2021 - £12,960,000) was created following the share for share exchange with The Rangers Football Club Limited in 2012.

24. OTHER RESERVES

Revaluation reserve	As at 30 June 2022 £'000
Group	
Balance at 30 June 2020	25,014
Transfer from revaluation reserve to retained earnings in respect of depreciation	(453)
Deferred tax liability relating to transfer from revaluation reserve	91
Deferred tax liability relating to components of other comprehensive income	(1,871)
Balance at 30 June 2021	22,781
Transfer from revaluation reserve to retained earnings in respect of depreciation	(453)
Deferred tax liability relating to transfer from revaluation reserve	112
Deferred tax liability relating to components of other comprehensive income	-
Balance at 30 June 2022	**22,440**

Notes to the financial statements (continued)

25. RETAINED EARNINGS

	Group £'000	Company £'000
Balance at 30 June 2020	(61,874)	(31,564)
Loss for the year ended 30 June 2021	(24,153)	(10,252)
Release of revaluation reserve for the year ended 30 June 2021	453	-
Depreciation on release of revaluation reserve for the year ended 30 June 2021	(91)	-
Balance at 30 June 2021	(85,665)	(41,816)
Loss for the year ended 30 June 2022	(919)	(10,055)
Release of revaluation reserve for the year ended 30 June 2022	453	-
Depreciation on release of revaluation reserve for the year ended 30 June 2022	(112)	-
Balance at 30 June 2022	**(86,243)**	**(51,871)**

The Parent Company is exempt from disclosing a company-only income statement. Its loss for the year was £10,055,000 (2021 - £10,252,000).

26. NOTES TO THE STATEMENTS OF CASH FLOWS

	Group		Company	
	Year to 30 June 2022 £'000	Year to 30 June 2021 £'000	Year to 30 June 2022 £'000	Year to 30 June 2021 £'000
Loss for the year	(919)	(24,153)	(10,055)	(10,252)
Amortisation and impairment of intangible fixed assets	11,839	10,633	-	-
Impairment of investment in subsidiaries	-	-	9,600	10,000
Depreciation and impairment of property, plant and equipment	2,124	1,678	-	-
(Gain)/Loss on disposal of players' registrations	(11,170)	(1,724)	-	-
Financing costs and other charges	1,973	2,380	438	233
Decrease/(increase) in trade and other receivables	3,978	(5,804)	17	19
(Decrease)/increase in trade payables, deferred income and provisions	8,729	10,382	-	-
Taxation	(1,270)	(595)	-	-
Cash used in operations	**15,284**	**(7,203)**	**-**	**-**

Change in liabilities from financing activities	Current liabilities Lease liabilities £'000	loans £'000	Non-current liabilities Lease finance £'000	loans £'000	Total £'000
Opening liabilities	570	5,724	1,177	6,452	13,923
Movement due to cash flows	(642)	(5,724)	-	14,868	8,502
Non cash movements					
Reallocation from non-current to current liabilities	446	4,136	(446)	(4,136)	-
Acquisition of fixtures and fittings on lease	57	-	214	-	271
Conversion to equity	-	-	-	(5,847)	(5,847)
Effective interest rate	-	-	-	96	96
Closing liabilities	431	4,136	945	11,433	16,945

Significant non-cash financing transactions relate to the extension and conversion of investor loan facilities and acquisition of fixtures and fittings through leasing.

Notes to the financial statements (continued)

27. RELATED PARTY TRANSACTIONS

Investor loans

	2022 £'000 Laird Investments (PTY) Limited	2022 £'000 Director loans	2022 £'000 Other related party loans	2022 £'000 Total Investor loans	2021 £'000 Total Investor loans
Opening balance	5,000	5,250	–	10,250	15,322
Loans repaid	(5,000)	(7,375)	(2,000)	(14,375)	(5,500)
Loans converted to shares	–	(1,747)	(4,100)	(5,847)	(26,032)
Loans received	–	16,050	6,100	22,150	26,460
Closing balance	–	12,178	–	12,178	10,250

Split as follows:

	2022 £'000 Laird Investments (PTY) Limited	2022 £'000 Director loans	2022 £'000 Other related party loans	2022 £'000 Total Investor loans	2021 £'000 Total Investor loans
Date repayable:					
October 2021	–	–	–	–	5,000
On agreed terms	–	12,178	–	12,178	5,250
	–	12,178	–	12,178	10,250

During the year, the Group received £7.78m (net of repayments) from Directors, existing shareholders and other parties. This entire amount was made available for working capital purposes.

Laird Investments (PTY) Limited ("Laird")

Shareholder

The facility provided by Laird to the Company of £5m was repaid in full, plus interest, in October 2021.

Director loans

John Bennett, Douglas Park, Alastair Johnston and Julian Juul Wolhardt

Loans of £10.32m from Mr J Bennett and £1.858m from Mr J Wolhardt made under a secured debt facility were outstanding at 30 June 2022. Repayments of loans are paid in quarterly instalments to the repayment 31 July 2028. The facility allows for accelerated repayments based on certain events. Interest is charged at 6% on an accruals basis.

Loan of £6.55m provided during the year under a previous facility by Mr J Bennett were repaid in full. Loans of £0.5m provided during the period were converted to equity

Loan facilities of £0.25m provided by Mr A Johnston prior to the commencement of the period were converted to equity in the year.

Borita Investments Limited (Borita) is a company in which Mr Wolhardt and his wife are interested. Loan facilities of £1.0m provided by Mr J Wolhardt during the period were converted to equity in the year. A further £1.0m of loans were provided in the year. £0.15m of loans were repaid as part of an agreed repayment schedule.

Other related party loans - *Shareholders and other investors*

George Letham, Perron Investments LLC, George Taylor, Janet McAlpine, Stuart Gray

No interest or fees were charged on the loan facilities provided by the above individuals and organisations.

Mr G Letham provided £3.0m of loans during the period. £2.0m of these were repaid in full, and £1.0m was converted to equity.

Perron Investments LLC provided £1.0m of loans during the period, which were converted to equity in the year.

Mr G Taylor provided £1.0m of loans during the period, which were converted to equity in the year.

Mrs J McAlpine provided £0.1m of loans during the period, which were converted to equity in the year.

Mr S Gray provided £1.0m of loans during the period, which were converted to equity in the year.

Notes to the financial statements (continued)

27. RELATED PARTY TRANSACTIONS (CONTINUED)

Key management personnel remuneration

Details in respect of the remuneration of the Board of Directors and Key management personnel are disclosed in note 6 to the financial statements.

Park's of Hamilton (Holdings) Limited

The company has entered into commercial arrangements with the above entity, a company in which Douglas and Graeme Park have an interest. The total of these commercial arrangements is £5.0m, which is included in deferred income and which will be recognised as revenue over the term of the contract.

28. PROVISIONS AND OTHER CREDITORS

During the year the club entered into a settlement arrangement resolving litigation relating to a previous retail arrangement. The Club has agreed to pay the sums as set out in the table below. Amounts outstanding at the year-end are included within these financial statements as Other Creditors.

The Club is currently involved in a number of other legal disputes. The Directors' best estimate of the Club's liabilities in respect of these claims is also shown in the table below. Uncertainties relate to whether the disputes will be resolved as they progress, settled on an amicable basis ,or if not, whether the Club is successful in whole or part in defending the claims. The amounts provided may be less or more than the sums at which matters are ultimately resolved. The Directors have not disclosed further information on the basis that they believe that this would be seriously prejudicial to the Club's position in achieving the best outcome on these matters.

	Provisions £'000	**Other Creditors £'000**	**Total £'000**
At 1 July 2021	2,750	-	2,750
Resolution (including costs)	-	8,250	8,250
Notional interest effect on deferred payments	-	(3,430)	(3,430)
Unwinding of notional interest effect		529	529
Payments made during year		(1,500)	(1,500)
Additional provisions	425	-	425
Released in period	(2,750)	-	(2,750)
	425	3,849	4,274

The notional interest effect relates to the existence of deferred installment terms beyond normal business terms as a financing transaction with a notional interest rate applied.

Non-recurring costs

The total costs relating to legal disputes included as non-recurring items are:

	£'000
Resolution (including costs)	8,250
Notional interest effect on deferred payments	(3,430)
Net impact of other legal disputes	1,250
	6,070

Notes to the financial statements (continued)

29. EARNINGS PER ORDINARY SHARE

The Earnings per ordinary share has been calculated in accordance with IAS 33 as follows.

Loss for the year attributable to owners of the company (£'000)	Year to 30 June 2022	Year to 30 June 2021
Earnings for the purpose of basic and diluted earnings per share	(919)	(24,153)
Weighted average number of shares for the purpose of diluted earnings per share	418,393,736	330,970,397
Basic and diluted earnings per ordinary share	(0.22p)	(7.30p)

30. POST BALANCE SHEET EVENTS

The following events have occurred subsequent to the year end:

Acquisition and disposal of player registrations

The Group contracted for the purchase of ten permanent player registrations. The amount payable in respect of these, after adjustment for the notional interest effect on deferred payments, amounts to £15.0m. The Group also disposed of six player registrations on a permanent basis and seven registrations on loan. The amount receivable, in respect of these, after adjustment for the notional interest effect on deferred payments, and after taking account of direct costs, totalled £19.9m.

Funding

The Group has entered into a revolving credit facility with existing lenders. This facility will be available until 31 July 2028.

31. CAPITAL COMMITMENTS

At the year end, The Group had contracted for stadium and building improvements amounting to £9.63 million.