

UEFA Club Licensing and Financial Sustainability Regulations

Toolkit – for licence season 2023/24

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1. INTRODUCTION

1.1. UEFA Club Licensing and Financial Sustainability Regulations

The UEFA Club Licensing and Financial Sustainability Regulations (Edition 2022) (“the Regulations”) were approved by the UEFA Executive Committee on 7 April 2022 and with further minor corrections as approved at its meeting on 25 January 2023.

The Regulations came into force on 1 June 2022, subject to certain exceptional and transitional provisions as set out in Articles 103 and 104. The further minor corrections entered into force immediately after their approval on 25 January 2023

The objectives of the Regulations are set out in Article 2 of the Regulations.

The Regulations include Part III UEFA Club Monitoring, also known as the “financial sustainability requirements”, comprising:

- the solvency requirements, comprising:
 - no overdue payables towards football clubs – enhanced (Article 80);
 - no overdue payables in respect of employees – enhanced (Article 81);
 - no overdue payables to social/tax authorities – enhanced (Article 82); and
 - no overdue payables in respect of UEFA – enhanced (Article 83);
- the stability requirements - the football earnings rule (Articles 84 to 91); and
- the cost control requirements - the squad cost rule (Articles 92 to 94).

The Regulations also address:

- the rights, duties and responsibilities of the parties involved (Articles 75 to 77);
- the club information requirements (Article 78);
- scope of application and exemption (Article 79);
- common provisions for all club monitoring requirements (Articles 95 to 96); and
- final provisions (Articles 97 to 104).

All licensees that qualify for a UEFA club competition must comply with the club monitoring requirements throughout the monitoring process, regardless of whether a licensee's participation in a UEFA competition ceases before the end of that licence season. Certain licensees will be exempt from the football earnings rule under Paragraph 79.04 and/or the squad cost rule under Paragraph 79.05.

Licensors also have important responsibilities in respect of the monitoring process (Article 76). These include informing licensees about information submission requirements and deadlines and helping their licensees to meet the monitoring requirements. Licensors are also required to complete certain assessment procedures in respect of licensees' monitoring documentation (Annex I).

1.2. Purpose of the Toolkit

This document (“the Toolkit”) is intended to help users understand the requirements when providing information using the Club Licensing and Financial Sustainability IT Solution (“IT Solution”) from licence season 2023/24.

Toolkit 2023 is divided into sections covering:

- the annual club monitoring process (Section 2);
- the club information package (Section 3);
- the financial information package (Section 4);
- the squad cost rule, which may be applicable to certain licensees (Section 5);
- the overdue payables package (Section 6); and
- the business plan package, which may be applicable to certain licensees (Section 7).

In addition, Toolkit 2023 notes the requirement for submission to UEFA by the April deadline before the start of the 2023/24 licence season of certain schedules of the club information package and financial information package for club benchmarking purposes (Article 2). The submission for the April deadline will not be subject to assessment procedures by the licensor. The information submitted by the April deadline will be used to populate relevant schedules in the club information package and the financial information package for club monitoring.

In general, in this document, the submission requirements for licensees/licensors are illustrated by reference to the periods and deadlines relevant for licence season 2023/24.

References herein to an Article, Paragraph and Annex refer to the Regulations. References herein to an Appendix and Section refer to this document.

This Toolkit 2023 supersedes all previous toolkits relating to the club monitoring requirements.

If there is any discrepancy between this Toolkit 2023 and the Regulations, the Regulations always prevail. The information contained in this document is without prejudice to any decision by the UEFA Club Financial Control Body ("CFCB") with regard to enforcing the Regulations.

1.3. IT Solution

UEFA has developed an IT Solution for the purpose of:

- submission of club information and financial information for the purpose of club licensing and club monitoring requirements;
- gathering information from licence applicants/licensees for the purpose of implementing, assessing and enforcing the Regulations; and
- sharing information and documents with licensors concerning their affiliated clubs for the purpose of implementing, assessing and enforcing the Regulations.

Access to the IT Solution is restricted to the following registered users:

- licence applicants/licensees;
- licensors;
- UEFA. In accordance with the IT Solution terms and conditions, references to "UEFA" shall mean the Union des Associations Européennes de Football of Route de Genève 46, Case postale, CH-1260 Nyon 2, Switzerland and shall include, without limitation, its subsidiaries, all UEFA officers and employees responsible for the Regulations and/or the IT Solution, members of the Club Financial Control Body ("CFCB") and authorised third parties working on behalf of UEFA in respect of the Regulations.

Each registered user of the IT Solution is required to adhere to certain requirements, as set out in the terms and conditions. If a licence applicant/licensee does not do so, it will not be able to access the IT Solution to submit the club monitoring information.

Each package in the IT Solution will automatically display the schedules that a licence applicant/licensee must complete and submit by the deadlines.

The required input schedules, along with their structure and reporting period(s), will automatically be updated in the IT Solution taking account of:

- the upcoming deadlines as set by UEFA (April, July, October, January and March);
- the applicability of the football earnings rule (under Paragraph 79.04) and the squad cost rule (under Paragraph 79.05);
- the licensee's selection of adjustments for calculating football earnings and the squad cost ratio; and
- any specific requests from the UEFA administration or the CFCB.

Each package will also automatically display the relevant validation and submission schedules and output schedules.

Additional technical guidance about using the IT Solution is set out in Appendix 1 and can be requested from the UEFA administration.

1.4. Key changes for licence season 2023/24

UEFA has made changes to align the IT Solution with the requirements set out in the Regulations from licence season 2023/24. Some of these changes were first introduced for licence season 2022/23.

Key changes to the club information package include:

- Disclosure of information in respect of **the licensee's ultimate beneficiary** (i.e. the natural person on whose behalf an entity or arrangement is owned or controlled, or a transaction is conducted);
- Identification of any **other football club(s)** over which a party in the licensee's legal group structure, ultimate controlling party, ultimate beneficiary and/or a party with significant influence over the licensee have ownership/voting interests or any other involvement or influence whatsoever;
- All licensees must submit information about any **subsequent changes** to the licensee's legal group structure, ultimate controlling party, ultimate beneficiary, and/or a party with significant influence over the licensee;
- Disclosure of information about the structure of their **governing body/bodies that sets strategy and oversees the management of the club**;
- In the activities schedule in the club information package, a requirement to disclose if there is an entity not in the licensee's reporting perimeter which has **financing arrangements** relating to the licensee's reporting perimeter, including equity, that results in obligations on the licensee and/or debt directly or indirectly secured or pledged against the licensee's assets or revenues; and
- All licensees must promptly notify UEFA (in writing by emailing fs.support@uefa.ch) about any **changes to the licensee's information as set out in Paragraphs 78.01 and 78.02** occurring at any time during the licence season.

Key changes to the financial information package include:

- Disclosure of amounts in respect of **new account lines in the profit and loss account schedule** for
 - costs directly attributable to merchandise sales;
 - costs of agents/intermediaries, if such costs are not included in employee benefit expenses of relevant persons or amortisation/impairment in respect of relevant persons;
 - costs incurred with a connected party, being a connected party of a relevant person as set out in Annex K.1.4;
 - Amortisation/impairment of intangible assets (other personnel);
 - Profit/loss on release of other personnel; and
 - Income from/cost of release of other personnel.
- Employee benefits expenses – the account line for 'Other non-split' has been deleted. Employee benefits expenses must be split between 'players', 'technical staff' and 'other employees';
- All licensees for which the football earnings rule applies must **submit to UEFA their financial information package and audited annual financial statements for reporting period T** (i.e. the reporting period ending in the calendar year that the UEFA club competitions commence) by the October deadline (for licensees with a reporting period T ending on or before 31 July) or the March deadline (for licensees with a reporting period T ending after 31 July) during the licence season;
- Licensees subject to the squad cost rule and with an annual accounting reference date ending on or before 31 July must complete **two new schedules (i) the interim profit and loss account schedule, and (ii) the squad cost adjustment schedule** as part of their financial information package submissions by the October deadline and March deadline during the licence season, and submit the reviewed/audited **interim financial statements** by the March deadline;
- Licensees subject to the squad cost rule and with an annual accounting reference date ending after 31 July must complete the **new squad cost adjustment schedule** as part of their financial information package submission by the March deadline during the licence season;
- For all licensees for which the squad cost rule applies, a **new squad cost rule output schedule** will summarise the calculation of the licensee's squad cost ratio, populated from other schedules in the financial information package;

- All licensees for which the squad cost rule applies must **update their player identification table and keep it available for inspection by UEFA**, which must agree with or be reconciled to the applicable annual financial statements, interim financial statements, or restated financial statements.

Key changes to the overdue payables package (changes first introduced for licence season 2022/23) include:

- All licensees must **prepare and submit the overdue payables packages in July** (in respect of the 15 July deadline) **and in October** (in respect of the 15 October deadline). In addition, some licensees will be required to prepare and submit the overdue payables package in January (in respect of the 15 January deadline);
- In respect of each of the schedules for transfer payables, employees and social/tax, there are **new disclosure requirements for any overdue payables at the cut-off date** in respect of the period between the cut-off date (i.e. 30 June, 30 September and, if applicable, 31 December) and the applicable deadline during the licence season (i.e. 15 July, 15 October and, if applicable, 15 January);
- Additional disclosure requirements in respect of any overdue transfer receivables at each of the cut-off dates;
- For a licensee's payables to employees, **the term 'employees' has a broader definition to cover more roles than previously**, to cover all persons undertaking the roles defined in Articles 36 to 52 (not just the minimum required staff), and now also includes persons who are service providers (rather than employees) performing any of the roles referred to in Articles 36 to 52; and
- Additional disclosure requirements in respect of payables to social/tax authorities that are deferred pending a decision by a competent authority.

1.5. Exceptional and transitional provisions

Article 104 sets out the exceptional and transitional provisions in respect of the football earnings rule and squad cost rule.

For the football earnings rule:

- For licence season 2023/24:
 - Licensees are only required to submit football earnings in respect of the reporting period ending in 2023; and
 - The requirements to calculate aggregate football earnings and acceptable deviation (Articles 85 to 87), and to be in compliance with the football earnings rule (Article 90), do not apply;
- For licence season 2024/25:
 - Licensees are required to submit the football earnings information in respect of the two reporting periods ending in 2023 and 2024; and
 - Aggregate football earnings (as defined in Article 86) is calculated as the sum of football earnings for the two reporting periods ending in 2023 and 2024.
- For licence season 2025/26:
 - Full implementation of the football earnings rule (Articles 84 to 91), such that aggregate football earnings is calculated as the sum of football earnings for the three reporting periods ending in 2023, 2024 and 2025.

For the squad cost rule:

- For licence season 2023/24:
 - Net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses (as defined in Article 92(4)) can be calculated for either the 12, 24 or 36 months to the 31 December 2023, at the discretion of the licensee, then pro-rated to 12 months; and
 - The defined limit is 90%.
- For licence season 2024/25:

- Net profit/loss on disposal of relevant person's registrations and other transfer income/expenses (as defined in Article 92(4)) can be calculated for either the 24 or 36 months to the 31 December 2024, at the discretion of the licensee, then pro-rated to 12 months; and
 - The defined limit is 80%.
- For licence season 2025/26:
 - Full implementation of the squad cost rule (Articles 92 to 94), such that net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses is calculated for the 36 months to 31 December 2025; and
 - The defined limit is 70%.

2. SUMMARY OF THE ANNUAL MONITORING PROCESS

2.1. Key steps

The key steps of the annual monitoring process are summarised below.

The exceptional and transitional provisions applicable to licence season 2023/24 mean that some requirements are different for licence season 2023/24 – as noted below.

1. **Ahead of each licence season**, the UEFA administration notifies the licensors of the monitoring process, the monitoring documentation requirements and the deadlines for monitoring documentation to be submitted to UEFA for the upcoming licence season.

Note: For the purposes of this Toolkit 2023, UEFA's deadlines for submission of documentation are referred to as the April, July, October, January and March deadlines. However, ahead of each licence season, UEFA will notify the licensors about the specific dates for submission deadlines for the monitoring process.

2. The licensor sets the national deadlines for monitoring documentation to be submitted by licensees to the licensor. The licensor notifies the licensees about the national deadline. Any national deadline set by a licensor for submitting information must necessarily be earlier than the relevant UEFA deadline.
3. The licensor must ensure that all licensees have signed the IT Solution terms and conditions and returned them to UEFA so that they can be granted access to the IT Solution and use it for submitting monitoring documentation and other information to licensors and UEFA, unless UEFA requests for information to be submitted by other means.
4. **By UEFA's April deadline ahead of the licence season**, all clubs (or their licensors) must submit the following documentation to UEFA for benchmarking purposes:
 - Club information package; and
 - Financial information package (only the profit and loss account, balance sheet and cash flow schedules).

Note: This information relates to the financial reporting period ending in the year prior to the April deadline. For those licensees subject to the club monitoring requirements, this information will be used to populate some of the schedules for the reporting period T-1 in the subsequent licence season (at step 5).

5. **By the national deadline ahead of UEFA's July deadline**, all licensees must submit the following monitoring documentation to the licensor:
 - Overdue payables package as at 15 July in respect of amounts due to be paid by 30 June to clubs, employees, social/tax authorities and UEFA;
 - Club information package including the club's information, legal group structure and reporting perimeter for the reporting periods T-2 and T-1; and
 - Financial information package for the reporting periods T-2 and T-1.

Note: For license season 2023/24, exceptional and transitional provisions apply such that licensees will not be required to submit the club information package or the financial information package for the reporting periods T-2 and T-1, unless otherwise requested.

6. The licensor undertakes assessment procedures in respect of the monitoring documentation. As part of its assessment, the licensor may request the licensee to submit additional information.
7. By UEFA's July deadline, the licensor submits the validated monitoring documentation to UEFA in respect of steps 5 and 6. On submitting this documentation, the licensor confirms that its assessment has been completed and it must highlight any issues that may be of relevance to UEFA/CFCB.
8. **By the national deadline ahead of UEFA's October deadline**, licensees must submit the following monitoring documentation to the licensor:
 - All licensees must submit:
 - Overdue payables package as at 15 October in respect of amounts due to be paid by 30 September to clubs, employees, social/tax authorities and UEFA; and
 - For licensees subject to the football earnings rule:
 - Club information package including the club's information, legal group structure and reporting perimeter for the reporting period T;

- For licensees whose reporting period T ends on or before 31 July, the financial information package for reporting period T (based on audited annual financial statements); and
- For licensees whose reporting period T ends after 31 July, the financial information package for reporting period T (preliminary information based on unaudited financial information).
- In addition, for licensees subject to the squad cost rule and whose reporting period T ends on or before 31 July:
 - Within the financial information package, the interim profit and loss account schedule and squad cost adjustment schedule for interim reporting period T (based on reviewed/audited interim financial statements); and
 - Within the financial information package, the interim profit and loss account schedule and squad cost adjustment schedule for interim reporting period T+1 (preliminary information based on unaudited financial information).

Note: For license season 2023/24, exceptional and transitional provisions apply such that licensees (regardless of the end date of their reporting period) may choose to calculate profit/loss on disposal of player registrations and other transfer income/expense for either the 12 months, 24 months or 36 months to the 31 December during the licence season, prorated to 12 months.

9. The licensor undertakes assessment procedures in respect of the monitoring documentation. As part of its assessment, the licensor may request the licensee to submit additional information.

Note: If the financial information first submitted for reporting period T is based on unaudited financial information, then the licensor does not need to assess it until the monitoring documentation is submitted based on audited annual financial statements (see steps 13, 15 and 16).

10. By UEFA's October deadline, the licensor submits the validated monitoring documentation to UEFA in respect of steps 8 and 9. On submitting this documentation, the licensor confirms that its assessment has been completed and it must highlight any issues that may be of relevance to UEFA/CFCB.

11. **By the national deadline ahead of UEFA's January deadline**, if the licensee has overdue payables as at 15 July and/or 15 October, or deferred payables as at 15 October, or if otherwise requested by the CFCB, then the licensee must submit the following monitoring documentation to the licensor:

- Overdue payables package as at 15 January in respect of amounts due to be paid by 31 December to clubs, employees, social/tax authorities and UEFA.

12. The licensor undertakes assessment procedures in respect of the monitoring documentation. As part of its assessment, the licensor may request the licensee to submit additional information.

13. By UEFA's January deadline, the licensor submits the validated monitoring documentation to UEFA in respect of steps 11 and 12. On submitting this documentation, the licensor confirms that its assessment has been completed and it must highlight any issues that may be of relevance to UEFA/CFCB.

14. **By the national deadline ahead of UEFA's March deadline**, licensees must submit the following monitoring documentation to the licensor:

- For licensees subject to the football earnings rule and whose reporting period T ends after 31 July:
 - Club information package including the club's information, legal group structure and reporting perimeter for the reporting period T; and
 - The financial information package for reporting period T (updated/final information based on audited annual financial statements).
- In addition, for licensees subject to the squad cost rule and whose reporting period T ends after 31 July:
 - Within the financial information package, the squad cost adjustment schedule for reporting period T (based on audited annual financial statements).
- In addition, for licensees subject to the squad cost rule and whose reporting period T ends on or before 31 July:
 - Within the financial information package, the interim profit and loss account schedule for interim reporting period T+1 (updated/final information based on reviewed/audited interim financial statements);
 - Within the financial information package, the squad cost adjustment schedule for interim reporting period T+1 (updated/final information based on reviewed/audited interim financial statements).

15. The licensor undertakes assessment procedures in respect of the monitoring documentation. As part of its assessment, the licensor may request the licensee to submit additional information.
16. By UEFA's March deadline, the licensor submits the validated monitoring documentation to UEFA in respect of steps 14 and 15. On submitting this documentation, the licensor confirms that its assessment has been completed and it must highlight any issues that may be of relevance to UEFA/CFCB.
17. In accordance with the Procedural Rules Governing the UEFA Club Financial Control Body, supported as appropriate by the UEFA administration and nominated bodies/agencies, assesses the monitoring documentation and takes the appropriate decisions taking into consideration other factors as defined in Annex M, and takes appropriate measures (possibly concluding a settlement agreement with the licensee).

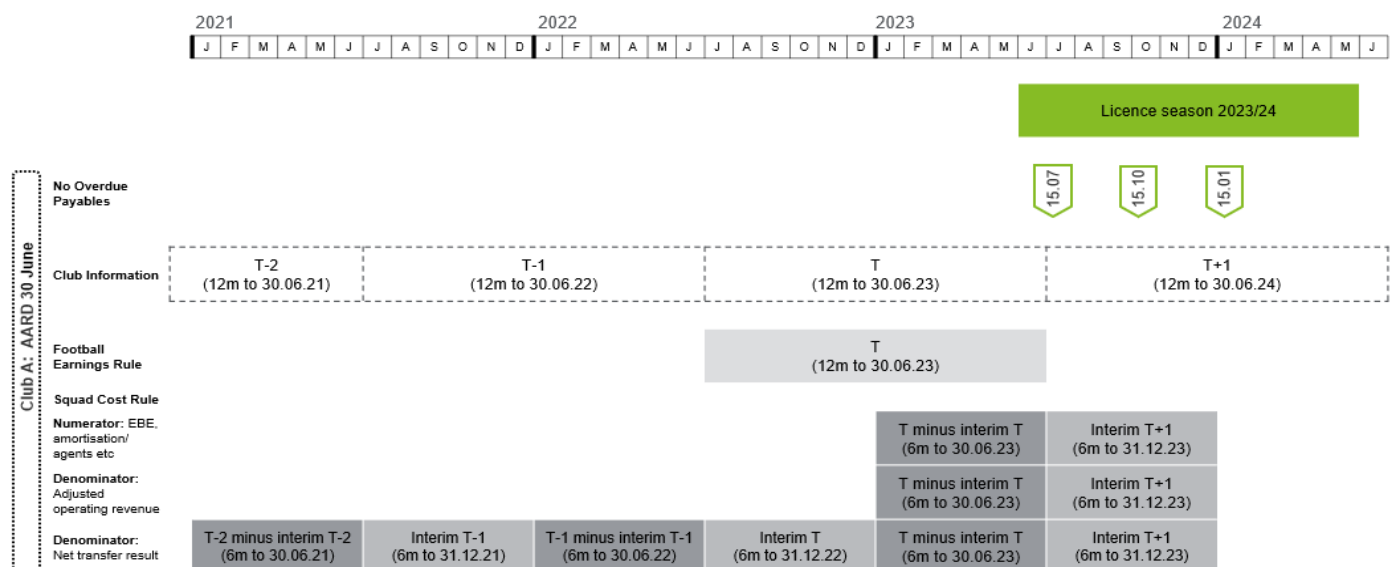
Note: UEFA/CFCB may request the licensee and/or licensor to submit additional information at any time during the monitoring process. The licensee and the licensor must cooperate with UEFA/CFCB in respect of requests and enquiries (Articles 76 and 77).

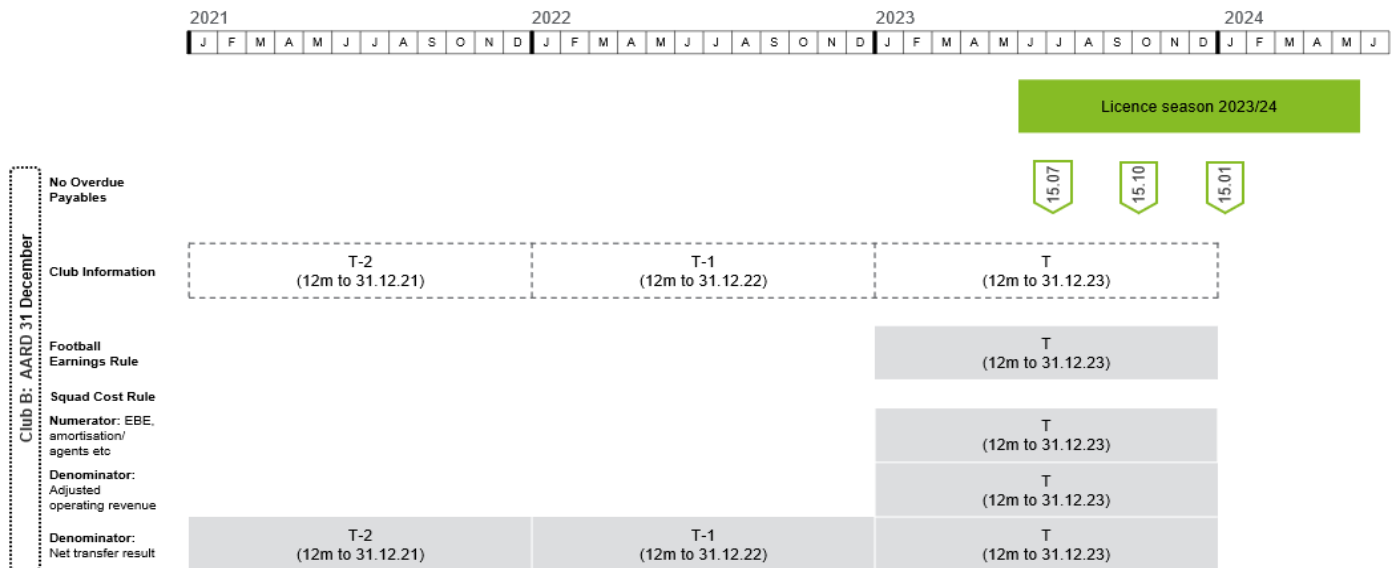
2.2. Summary of relevant periods for licence season 2023/24

The requirements for submission of the monitoring documentation by licensees for licence season 2023/24 are set out in the relevant sections for the club information package, the financial information package and the overdue payables package.

For licence season 2023/24, the relevant dates for the no overdue payables rule and the relevant periods for the club information requirements, the football earnings rule and the squad cost rule are illustrated in the diagram below.

The illustration is for each of Club A which has an annual accounting reference date (AARD) of 30 June and Club B which has an annual accounting reference date of 31 December.





2.3. Responsibilities of the licensor and licensee

2.3.1 Responsibilities of the licensor

Under Articles 75 and 76, each licensor has key responsibilities in the monitoring process, including assessing certain aspects of the monitoring documentation submitted by each licensee and communicating matters to UEFA/CFCB.

A licensor will have access to the schedules and information submitted by its licensees in the IT Solution but will not be able to edit the licensee's information. The licensor can only edit the **licensor assessment schedule** in respect of each package.

If the licensor identifies a potential issue or error, then it is expected to request the licensee to clarify the issue or correct the error in the IT Solution and resubmit the package concerned to the licensor.

The licensor must confirm to UEFA/CFCB that their assessment procedures have been completed and highlight any exceptions by completing the **licensor assessment schedule**. Details of the licensor's responsibilities are covered in sections 3.2 and 4.2 of this document.

2.3.2 Licensee's duty to cooperate and provide complete and accurate information

The responsibilities of the licensee set out in Article 77 include that the licensee must cooperate with the licensor, the UEFA administration and the CFCB in respect of their requests and enquiries. The licensee must provide the licensor and UEFA/CFCB with all monitoring documentation and all other necessary information and relevant documents to fully demonstrate that the monitoring requirements are fulfilled, as well as any other document and/or information requested and deemed to be relevant for club monitoring, by the deadline set by the licensor and/or UEFA.

Before submitting information in the IT Solution, a licensee must complete the management representation that all possible care has been taken to ensure that the information entered in the IT Solution packages is complete, accurate and in accordance with the requirements set out in the Regulations, directives, toolkits and other information received by the licensees.

The CFCB will at all times bear in mind the overall objectives of the Regulations, in particular to defeat any attempt to circumvent these objectives (Paragraph 100.01).

2.3.3 Licensee's duty to report subsequent events

The responsibilities of the licensee set out in Article 77 include that the licensee must promptly notify the licensor in writing about any subsequent events that constitute a significant change, including a change of legal form, legal group structure (including change of ownership) or identity.

Furthermore, under Article 95, the licensee must promptly notify the licensor in writing about any significant changes including, but not limited to, subsequent events of major economic importance occurring before the end of the licence season.

The licensee must comply with Articles 77 and 95 throughout the entire monitoring process, even if it is eliminated from a UEFA club competition.

A 'significant change' is an event that is considered material to the documentation previously submitted to the licensor and that would require a different presentation had it occurred before the documentation was submitted. A significant change includes, but is not limited to, a subsequent event or condition of major economic importance as defined in Article 4. Further guidance is provided in Appendix 7.

The licensee's written notification to the licensor about the significant change must include a description of the event or condition of major economic importance, and an estimate of its financial impact, or a statement justifying why such an estimate cannot be made.

Having received notification of a significant change from a licensee, the licensor must promptly inform UEFA about all relevant information from the licensee.

3. CLUB INFORMATION PACKAGE

The **club information package** is used:

- for submission of financial information for club benchmarking purposes (Article 2);
- for the licensee's submission of information in respect of the legal group structure, reporting perimeter, activities and contact details in respect of Article 78 and to be used in respect of the club monitoring requirements; and
- for the licensor's submission of their assessment of the club information package.

3.1. Licensee's responsibilities

3.1.1. Summary of documentation to be submitted

Schedule	Requirements	For July	For October / March		Toolkit reference
		T-1 & T-2 Note 1	T	Interim T+1 Note 2	
Club information	Check the information in the schedule: <ul style="list-style-type: none"> • the reporting currency • the reporting period closing month If incorrect, please contact the UEFA administration (fs.support@uefa.ch) before entering information.	✓	✓	n/a	• Section 3.1.2
	Disclose the required legal information , including: <ul style="list-style-type: none"> • legal form of the licensee/registered member • the governing body • ultimate controlling party • ultimate beneficiary • any party with significant influence Disclose the required reporting information including: <ul style="list-style-type: none"> • reporting perimeter • audit opinion on financial statements • protection from creditors and insolvency proceedings • length of reporting period • stadium recognition and ownership • women's football activity 	✓	✓	n/a	• Section 3.1.4
	Disclosure in the activities schedule of the football activities included in the reporting perimeter and certain financing arrangements outside of the reporting perimeter, with reference to Article 65.	✓	✓	n/a	• Section 3.1.5
Contact details	Enter the contact details of the licensee.	✓	✓	n/a	Section 3.1.7
Management representation	Complete the management representation schedule to validate the information and confirm that relevant documents are attached.	✓	✓	n/a	Section 3.1.8

Note : For a licensee with an annual accounting reference date on or before 31 July and subject to the squad cost rule, the management representation schedule in the financial information package to be submitted in respect of interim reporting period T+1 requires the licensee to confirm that the club information has not changed since the licensee's previous submission of the club information package or that the licensee has already informed UEFA in writing of any changes to the information in the club information package as required by Paragraph 78.04. Unless otherwise requested by UEFA/CFCB, the licensee is not required to submit the club information package for T+1 during the licence season.

In addition to the requirements for club monitoring, for club benchmarking purposes, the club information package in respect of the reporting period ending in the year prior to the start of the UEFA club competitions must be submitted by the April deadline prior to the start of the licence season.

3.1.2. Club information schedule – reporting currency and reporting period

Prior to inputting any data in any package, the licensee must contact the UEFA administration if:

- (i) the pre-populated reporting currency in the club information schedule is different from that used in the annual financial statements of the reporting entity/ies; and/or
- (ii) the pre-populated reporting period closing month in the club information schedule is different from the actual annual accounting reference date.

If the reporting currency is something other than the euro, the club information schedule will display the relevant exchange rates for each reporting period. Please refer to the additional guidance in Appendix 6 with regard to financial information denominated in a currency other than euros.

If a licensee has a reporting period that is greater or less than 12 months, please refer to the additional guidance in Appendix 5.

3.1.3. Submitting the club information package

The licensee must submit the club information package in respect of the annual accounting reference date of each applicable reporting period by the deadline set by the licensor before each of UEFA's submission deadlines.

For some licensees, the club information package will be pre-populated with information input in a previous year.

By the deadline set by the licensor ahead of UEFA's July deadline, all licensees must submit the completed **club information package** for reporting periods T-1 and T-2.

By the deadline set by the licensor, which will be ahead of UEFA's October or March deadlines, those licensees required to submit the financial information package for reporting period T must also submit the club information package at the same time. If the licensee's annual accounting reference date for reporting period T has not passed at the time of submission in October, then the licensee's inputs for the club information package for reporting period T must be in respect of the current situation at the time of submission.

The licensee must ensure that the required disclosures are fully completed for each of the reporting periods. If an information request is not applicable, then enter 'n/a'.

In addition to submission of the club information package by the set deadline, in accordance with Paragraph 78.04, a licensee must promptly inform UEFA in writing (via email to fs.support@uefa.ch) of **any changes to the information submitted as part of the club information package at any time during the licence season**, including:

- The date on which the change occurred;
- A description of the purpose of, and reasons for, the change;
- Implications for the licensee's financial, operating and sporting policies; and
- A description of any impact the licensee's equity or debt situation.

For a licensee with an annual accounting reference date on or before 31 July and subject to the squad cost rule, the **management representation schedule in the financial information package to be submitted in respect of interim reporting period T+1** requires the licensee to confirm that the club information has not changed since the licensee's previous submission of the club information package or that the licensee has already informed UEFA in writing of any changes to the information in the club information package as required by Paragraph 78.04. Unless otherwise requested by UEFA/CFCB, the licensee is not required to submit the club information package for T+1 during the licence season.

3.1.4. Club information schedule – legal information

The licensee must submit the following legal information in the **club information schedule** in respect of the annual accounting reference date of each applicable reporting period:

- Under Paragraph 78.01, the licensee must submit information in respect of its **legal group structure** (as defined in Paragraph 62.02):
 - the licensee and, if different, the registered member;
 - any subsidiary of the licensee and, if different, the registered member;
 - any associate entity of the licensee and, if different, the registered member;
 - any party that has 10% or greater direct or indirect ownership of the licensee, or 10% or greater voting rights;
 - any direct or indirect controlling entity of the licensee;
 - any other football club, in respect of which any of the parties identified above, or any of their key management personnel, have any ownership interest or voting rights or membership or any other involvement or influence whatsoever in its management, administration or sporting performance; and
 - the key management personnel of the licensee and, if different, the registered member.
- Depending on the legal form, the licensee may be required to provide additional details about any party that has 10% or greater ultimate ownership of the licensee, or 10% or greater voting rights:
 - The legal form and the name of the owners;
 - Whether the licensee's shares are held directly or through additional entities. If ownership is split between direct and indirect, indicate which has control by holding a greater percentage of voting rights;
 - The total percentage (direct and indirect) of share capital and voting rights;
 - The nationalities of the owners or the country in which the owning entity is registered;
 - The date on which the shareholder first acquired a stake in the club;
 - The date on which the shareholder reached the current percentage of ownership.
- Under Paragraph 78.01, the licensee must submit information in respect of each of (a) the licensee's **ultimate controlling party**; (b) the licensee's **ultimate beneficiary**; and (c) **any party with significant influence over the licensee** (as defined in Paragraph 63.01 and 63.02), including:
 - Full legal name;
 - Legal form, which may be either (1) a natural person; (2) a not-for-profit organisation including association, foundation; (3) a limited company, including joint stock company; (4) a stock exchange listed company; (5) a government;
 - Main activity/activities performed;
 - Percentage of ownership interest and, if different, percentage of voting rights in respect of the licensee;
 - Full name and role of key management personnel;
 - Name of any other football club(s) in respect of which the party, or any of its key management personnel, has any ownership interest, voting rights or membership or any other involvement or influence whatsoever.
- In accordance with Paragraph 78.02, the licensee must identify any other football club(s) over which any of the following parties have control or significant influence:
 - any of the parties identified in the licensee's legal group structure (including its ultimate controlling party) per Paragraph 62.02;
 - the licensee's ultimate beneficiary;
 - any party with significant influence over the licensee; and
 - any of the key management personnel of the parties identified above.

- All licensees, irrespective of their legal form, must provide the following information about their **governing body(ies) that sets strategy and oversees management of the club**:
 - A structure of the governing body(ies);
 - Information on their members, including:
 - A total number of members;
 - Names: first name and surname of each person;
 - Name of a party represented by each member;
 - Name of an entity or a natural person; and
 - Relationship between the club and the party represented by a member e.g. club's executive (CEO, CFO, etc.), majority shareholder, club's sponsor, independent member.
 - Governing body gender split.
- A licensee with a legal form of an association/foundation must also provide information on its president:
 - Name: first name and surname.
- If the legal form of the ultimate controlling party is an association, the following information must be provided about the president and the members of the executive decision-making body of the association:
 - Role (e.g. president, board member); and
 - Name: first name and surname of each person.

3.1.5. Club information schedule – reporting information

The licensee must submit the following **reporting information** in respect of the relevant reporting period:

- State whether the reporting perimeter covers only one entity (single entity) or, if the reporting perimeter covers more than one entity, whether the financial information is presented as a consolidated group (consolidated financial statements) or some other combination (combined financial statements). As set out in Article 65, the reporting perimeter is the entity or combination of entities about which financial information must be prepared and submitted for the purposes of both club licensing and club monitoring.
- If consolidated financial statements, disclose the full legal name of the reporting entity for which there is consolidated financial information.
- If combined financial statements, disclose the full names of all entities included in the reporting perimeter.
- If applicable, state the name of any entity from the list in Paragraph 62.02 that is excluded from the reporting perimeter, and a justification of the exclusion.
- Indicate the accounting standards used for drawing up the annual financial statements; either (1) IFRS; (2) local GAAP in accordance with 'IFRS as adopted by the EU'; (3) local GAAP 'that complies with IFRS'; (4) local GAAP; (5) other, in which case, please provide a brief description of the accounting standards.
- State the nature of the audit opinion in respect of the annual financial statements: (1) clean opinion; (2) adverse or disclaimer of opinion; (3) key audit matter regarding going concern; (4) qualified opinion regarding going concern; (5) qualified opinion or key audit matter regarding an item other than going concern; (6) unknown opinion.
- The length of the reporting period if not 12 months.
- Indicate how the stadium assets are reflected in the reporting perimeter; either (1) the stadium is fully included within tangible assets; (2) it is fully included as an investment; (3) it is partially included within tangible assets, i.e., leasehold improvements are included; (4) the stadium assets are completely outside the reporting perimeter.
- Indicate the main owner of the stadium; either (1) the stadium is directly owned by the football club; (2) it is government owned; (3) it is owned by the parent company, the owner of the football club or other related party; (4) it is owned by another party.
- Indicate whether the club has a women's senior football activity or runs activities to promote women's football.

For club monitoring, the licensee **must attach a diagram of the legal group structure for each relevant reporting period to the club information package**, including the reporting perimeter as defined in Article 65, which should be clearly indicated in the document(s). For reporting period T-1, this same documentation would have been submitted to the licensor for the immediately preceding club licensing requirements.

As set out in Article 65, a licensee must carefully determine the appropriate reporting perimeter (see further guidance in Appendix 2)

When submitting financial information for the club monitoring requirements, a licensee must use the same reporting perimeter as used to fulfil the club licensing criteria, unless there has subsequently been a change of circumstances.

3.1.6. Activities schedule

The licensee must submit certain information about activities in respect of the relevant reporting period.

In the **activities schedule** in the club information package, the licensee must declare that all revenues and costs related to each of the football activities listed in Paragraph 65.03 have been included in the reporting perimeter, and provide an explanation if this is not the case.

This includes the requirement under Paragraph 65.03(k) to disclose if there is an entity in the legal group structure or outside of the legal group structure, but not in the licensee's reporting perimeter, which has financing arrangements whereby there is equity that results in obligations on the licensee or debt directly or indirectly secured or pledged against the licensee's assets or revenues.

3.1.7. Contact details schedule

The licensee must also disclose information in the **contact details schedule** that is correct at the time of submission, and which will be used, if necessary, for correspondence between the UEFA/CFCB and the licensee:

- Full legal name;
- Postal address of its official headquarters;
- Name and direct contact details of its main official contact person for club monitoring;
- Email addresses;
- Telephone and fax numbers;
- Address of its official public website;
- Extract from a public register including the complete legal name and legal form of the licensee and, if different, the registered member;
- Confirmation that the contact details are the same as those given in the latest excerpt from a public register and from the related UEFA member association's club register;
- A copy of its current, valid statutes, articles of association or equivalent; and
- The list and type of authorised signatories that legally bind and commit the licensee.

3.1.8. Management representation schedule

The executive body of the licensee must confirm that:

- The contact details information in the club information package shall be used by UEFA/CFCB to notify any procedural acts to the licensee;
- The complete legal name of the licensee and, if different, the registered member, fully corresponds to the name contained in the extract from a public register;
- Each of the following **documents is attached** to the club information package:
 - The **legal group structure document** as defined in Article 62 for each relevant reporting period, including the reporting perimeter as defined in Article 65 which should be clearly identified in the document;
 - If it has changed since the end of the previous reporting period, the **current legal group structure document** as defined in Article 62, including the reporting perimeter as defined in Article 65 which should be clearly identified in the document;
 - **A document with the information as defined in Article 63** about the licensee's ultimate controlling party, ultimate beneficiary and any parties with significant influence over the licensee, for each relevant reporting period;
 - A copy of current, **valid statutes, articles of association or equivalent** of the licensee; and
 - **Extract from a public register including the complete legal name and legal form** of the licensee and, if different, the registered member.

The **licensee must validate the club information package** prior to submission by completing the management representation schedule confirming that the information input to the package is complete, accurate and in compliance with UEFA's requirements.

The licensee's management representative must be on the list of authorised signatories registered for club licensing.

The management representation schedule also provides the licensee with the possibility to disclose any other explanatory comments about items contained in the package, by entering a brief description in the box provided and describing any other documentation attached to the package.

3.2. Licensor's responsibilities

3.2.1. Assessment procedures for the club information package

Except for the club information package submitted by the April deadline (for which the licensor does not need to conduct any assessment procedures), the licensor's minimum assessment procedures for the club information package are set out below.

Schedule	Licensor's assessment procedures
Club information	<ul style="list-style-type: none"> For the reporting period T-2 and T-1, assess whether the legal information and reporting information corresponds to the information submitted for club licensing. For the reporting period T, check whether any information is incomplete or inaccurate based on the licensor's existing knowledge of the licensee from the club licensing procedure or other reasonable information sources and inform the UEFA administration of any changes or concerns by completing the 'If exceptions identified, please describe' cell.
Activities	<ul style="list-style-type: none"> For each reporting period, assess whether all revenues and costs related to each of the football activities listed in Paragraph 65.03 (a) to (k) have been declared for the licensee's reporting perimeter.
Management representation - attachments	<ul style="list-style-type: none"> Confirm that each of the following documents have been attached to the package: <ol style="list-style-type: none"> The legal group structure document (as defined in Article 62) for each relevant reporting period, including the reporting perimeter (as defined in Article 65) which should be clearly identified in the document; If it has changed since the end of the previous reporting period, the current legal group structure document as defined in Article 62, including the reporting perimeter as defined in Article 65 which should be clearly identified in the document; A document with the information as defined in Article 63 about the licensee's ultimate controlling party, ultimate beneficiary and any parties with significant influence over the licensee, for each relevant reporting period; A copy of current, valid statutes, articles of association or equivalent of the licensee; and Extract from a public register including the complete legal name and legal form of the licensee and, if different, the registered member.
Management representation	<ul style="list-style-type: none"> Check that the licensee's signatory is on the list of authorised signatories as already held for club licensing.
Club information	<ul style="list-style-type: none"> Confirm that the club information has not changed since the licensee's submission of the club information package in respect of reporting period T or, if applicable, since the licensee has submitted in writing any changes to the information in the club information package as required by Paragraph 78.04. The licensor's check is based on the licensor's existing knowledge of the licensee from the club licensing procedure or other reasonable information sources. The licensor should inform the UEFA administration of any changes or concerns by completing the 'If exceptions identified, please describe' cell.

4. FINANCIAL INFORMATION PACKAGE

The **financial information package** is used:

- for submission of financial information for club benchmarking purposes (Article 2);
- for the licensee's submission of financial information to be used for the football earnings rule (Articles 84 to 91);
- for the licensee's submission of financial information to be used for the squad cost rule (Articles 92 to 94) – see section 5; and
- for the licensor's submission of their assessment of the financial information package.

4.1. Licensee's responsibilities

4.1.1. Summary of documentation to be submitted by licensees subject to the football earnings rule

Schedule	Requirements	For July	For October / March	Toolkit reference
		T-1 & T-2 Note 1	T Note 2 Note 3	
Balance sheet	Complete the balance sheet schedule .	✓	✓	<ul style="list-style-type: none"> • Section 4.1.6 • Appendix 3 (A)
Balance sheet reconciliation	Complete the balance sheet reconciliation schedule .	✓	✓	<ul style="list-style-type: none"> • Section 4.1.6 • Appendix 3 (B)
Profit and loss account	Complete the profit and loss account schedule .	✓	✓	<ul style="list-style-type: none"> • Section 4.1.6 • Appendix 3 (C)
Profit and loss account – supplementary schedules	If applicable, complete the supplementary schedules contained within the profit and loss account schedule, to provide additional disclosure about certain profit and loss account lines.	✓	✓	<ul style="list-style-type: none"> • Section 4.1.6 • Appendix 3 (C)
Adjustments and relevant investments	First complete the adjustments and relevant investments summary schedule . If applicable, complete the corresponding supplementary adjustment schedules .	n/a	✓	<ul style="list-style-type: none"> • Section 4.1.7 and 4.1.9 • Appendix 4
Cash flow	Complete the cash flow schedule .	✓	✓	<ul style="list-style-type: none"> • Section 4.1.6 • Appendix 3 (D)
Financial conditions	Complete the financial conditions schedule	n/a	✓	<ul style="list-style-type: none"> • Section 4.1.11
Contributions	Complete the contributions schedule for the monitoring period.	n/a	✓	<ul style="list-style-type: none"> • Section 4.1.10
Output schedule: Aggregate football earnings	Aggregate football earnings will be calculated from the input schedules and will be compared to the acceptable deviation.	n/a	✓	<ul style="list-style-type: none"> • Section 4.1.8
Attachments	Attach the relevant: <ul style="list-style-type: none"> • annual financial statements; and 	✓	✓	<ul style="list-style-type: none"> • Section 4.1.14

Schedule	Requirements	For July	For October / March	Toolkit reference
		T-1 & T-2 Note 1	T Note 2 Note 3	
	<ul style="list-style-type: none"> if applicable, the supplementary information and/or assessed restated financial statements. 			
Management representation	Complete the management representation schedule .	✓	✓	<ul style="list-style-type: none"> Section 4.1.14

Note 1: For licence season 2023/24, for the July deadline the licensee is not required to submit the financial information package for the reporting period ending in 2022 (T-1) and the reporting period ending in 2021 (T-2), unless otherwise requested.

Note 2: For licence season 2023/24, the financial information package will need to be completed for the reporting period ending in 2023 (T), but aggregate football earnings will not be assessed.

Note 3: For licensees subject to the squad cost rule, the calculation of the squad cost ratio will require certain information to be input into the financial information package schedules, before proceeding to complete the squad cost adjustment schedule (outlined below).

In addition to the requirements for club monitoring, for club benchmarking purposes, the profit and loss account, balance sheet and cash flow schedules of the financial information package in respect of the reporting period ending in the year prior to the start of the UEFA club competitions must be submitted by the April deadline prior to the start of the licence season.

4.1.2. Summary of additional documentation to be submitted by licensees subject to the squad cost rule

Schedule	Requirements	For October		For March		Toolkit reference
		AARD* on or before 31 July	AARD after 31 July	AARD on or before 31 July	AARD after 31 July	
		Note 1 Note 2		Note 3	Note 4	
Interim profit and loss account	Complete the interim profit and loss account schedule .	✓	n/a	✓	n/a	<ul style="list-style-type: none"> Section 5.1.5
Squad cost adjustment	Complete the squad cost adjustment schedule .	✓	✓	✓	✓	<ul style="list-style-type: none"> Section 5.1.6
Output schedule: Squad cost ratio	Squad cost ratio will be calculated from the input schedules and will be compared to the defined limit.	✓	✓	✓	✓	<ul style="list-style-type: none"> Section 5.1.7
Attachments	Attach the relevant: <ul style="list-style-type: none"> annual financial statements; Interim financial statements; and If applicable, the supplementary information and/or restated financial statements. 	✓	n/a	✓	✓	<ul style="list-style-type: none"> Section 4.1.14

*AARD: Annual Accounting Reference Date

Note 1: For licence season 2023/24, for licensees with an annual accounting reference date on or before 31 July 2023, by the October deadline the licensee must submit information for:

- interim reporting period T (e.g. based on reviewed/audited interim financial statements for the 6 month interim reporting period to 31 December 2022); and

- interim reporting period T+1 (e.g. based on preliminary information for the 6 month interim reporting period to 31 December 2023).

Note 2: For licence season 2023/24, for licensees with an annual accounting reference date on or before 31 July 2023 that choose to calculate the profit/loss on disposal of player registrations and other transfer income/expense for either the 24 months or 36 months to the 31 December during the licence season prorated to 12 months, by the October deadline the licensee must submit information in the player transfers and release of head coach section of the interim profit and loss account schedule for interim reporting period T-1 and/or for T-2 (and attach the associated audited annual financial statements, if not previously submitted).

Note 3: For licence season 2023/24, for licensees with an annual accounting reference date on or before 31 July 2023, by the March deadline the licensee must submit information for interim reporting period T+1 (e.g. based on reviewed/audited interim financial statements for the 6 month interim reporting period to 31 December 2023), and attach the reviewed/audited interim financial statements.

Note 4: For licence season 2023/24, for licensees with an annual accounting reference date after 31 July 2023, by the March deadline the licensee must submit information for reporting period T (e.g. based on audited annual financial statements for the 12 month period to 31 December 2023), and attach the audited annual financial statements.

4.1.3. Exemption from the football earnings rule

As set out in Paragraph 79.04, a licensee participating in a UEFA club competition will be subject to the football earnings rule unless it can demonstrate that it had employee benefit expenses in respect of all employees below EUR 5 million in each of the reporting periods ending in T-1 and T-2.

For example, for licence season 2023/24, a licensee participating in a UEFA club competition is subject to the football earnings rule, unless it can demonstrate that it has employee benefit expenses in respect of all employees below EUR 5 million in each of the reporting periods ending in 2022 (T-1) and 2021 (T-2). This example is illustrated in the table below:

Employee benefits expenses		Subject to the football earnings rule in licence season 2023/24
Reporting period ending in 2022 (T-1)	Reporting period ending in 2021 (T-2)	
< EUR 5 million	< EUR 5 million	Exempt
≥ EUR 5 million	< EUR 5 million	Not exempt
< EUR 5 million	≥ EUR 5 million	Not exempt
≥ EUR 5 million	≥ EUR 5 million	Not exempt

Employee benefit expenses for a reporting period are based on the amounts submitted by the licensee in the profit and loss account schedule.

As set out in Paragraph 79.08, if a reporting period is greater or less than 12 months, the EUR 5 million exemption threshold is adjusted up or down according to the length of the reporting period. The licensee's employee benefit expenses are then compared to the adjusted threshold amount. See Appendix 5 for further guidance.

4.1.4. Reporting period and monitoring period

As set out in Article 85, a **monitoring period** for the football earnings rule covers three consecutive **reporting periods** for which a licensee is assessed for the purpose of the football earnings rule, comprising:

- T, which is the reporting period ending in the calendar year in which the UEFA club competitions commence;
- T-1, which is the reporting period immediately preceding reporting period T; and
- T-2, which is the reporting period immediately preceding reporting period T-1.

Article 104 sets out the exceptional and transitional provisions in respect of the football earnings rule:

- For licence season 2023/24:
 - Licensees are only required to submit football earnings information in respect of the reporting period ending in 2023; and
 - The requirements to calculate aggregate football earnings and acceptable deviation (Articles 85 to 87), and to be in compliance with the football earnings rule (Article 90), do not apply. A licensee may complete the adjustments and relevant investments schedules, as some of this information will be required for the squad cost calculation (if applicable), and will be required for the calculation of football earnings in licence seasons 2024/25 and 2025/26.
- For licence season 2024/25:
 - Licensees are required to submit the football earnings information in respect of the two reporting periods ending in 2023 and 2024;
 - Aggregate football earnings (as defined in Article 86) is calculated as the sum of football earnings for the two reporting periods ending in 2023 and 2024; and
 - Article 87 applies for the calculation of acceptable deviation.
- For licence season 2025/26:
 - Full implementation of the football earnings rule (Articles 84 to 91), such that aggregate football earnings is calculated as the sum of football earnings for the three reporting periods ending in 2023, 2024 and 2025.

4.1.5. Submitting the financial information package

By the deadlines set by UEFA, a licensee must submit information in the financial information package via the IT Solution to satisfy requirements under both the football earnings rule and squad cost rule.

The submission requirements differ depending on whether a licensee has a reporting period ending on or before 31 July, or after 31 July.

The following table sets out the submission requirements for each type of club. Examples have been provided in each case for the licence season 2023/24.

Deadline	For licensees with an annual accounting reference date on or before 31 July	For licensees with an annual accounting reference date after 31 July
UEFA's July deadline	<p><u>Scope:</u> All clubs admitted to UEFA club competitions for the licence season:</p> <ul style="list-style-type: none"> • The Financial Information package for the reporting periods ending in T-2 and T-1. (For licence season 2023/24, for the July deadline the licensee is not required to submit the financial information package for the reporting period ending in 2022 (T-1) and the reporting period ending in 2021 (T-2), unless otherwise requested). 	
UEFA's October deadline	<p><u>Scope:</u> All clubs admitted to UEFA club competitions for the licence season and subject to the football earnings rule:</p> <ul style="list-style-type: none"> • Financial Information package, including <u>final</u> information for the reporting period T, based on audited annual financial statements (e.g. annual reporting period ending 30 June 2023).. <p><u>Scope:</u> All clubs qualifying for the group stages of UEFA club competitions for the licence season and subject to the squad cost rule:</p> <ul style="list-style-type: none"> • within the Financial Information package: <ul style="list-style-type: none"> ○ <u>final</u> information for the interim profit and loss account schedule and squad cost adjustment schedule for the interim reporting period T, based on <u>reviewed/audited</u> interim financial statements (e.g. interim reporting period ending 31 December 2022); and ○ <u>preliminary</u> information for the interim profit and loss account schedule and squad cost adjustment schedule for interim reporting period T+1 (e.g. interim reporting period ending 31 December 2023). <p>If the club chooses to calculate profit/loss on disposal of player registrations and other transfer income/expense over either the 24 or 36 month period to the 31 December during the licence season, it must also submit certain player transfer information for prior reporting periods. See Note 1.</p>	<p><u>Scope:</u> All clubs admitted to UEFA club competitions for the licence season and subject to the football earnings rule:</p> <ul style="list-style-type: none"> • Financial Information package, including <u>preliminary</u> information for the reporting period T (e.g. annual reporting period ending 31 December 2023). <p><u>Scope:</u> All clubs qualifying for the group stages of UEFA club competitions for the licence season and subject to the squad cost rule:</p> <p>If the club chooses to calculate profit/loss on disposal of player registrations and other transfer income/expense over either the 24 or 36 month period to the 31 December during the licence season, it must also submit certain player transfers information for prior reporting periods. See Note 2.</p>

Deadline	For licensees with an annual accounting reference date on or before 31 July	For licensees with an annual accounting reference date after 31 July
UEFA's March deadline	<p><u>Scope:</u> All clubs qualifying for the group stages of UEFA club competitions for the licence season and subject to the squad cost rule:</p> <ul style="list-style-type: none"> within the Financial Information package: <ul style="list-style-type: none"> <u>final</u> information for the interim profit and loss account schedule and squad cost adjustment schedule for the interim reporting period T+1, based on <u>reviewed/audited</u> interim financial statements (e.g. the interim reporting period ending 31 December 2023). 	<p><u>Scope:</u> All clubs admitted to UEFA club competitions for the licence season and subject to the football earnings rule:</p> <ul style="list-style-type: none"> Financial Information package, including the <u>final</u> football earnings for the reporting period T, based on <u>audited</u> annual financial statements (e.g. the annual reporting period ending 31 December 2023). <p><u>Scope:</u> All clubs qualifying for the group stages of UEFA club competitions for the licence season and subject to the squad cost rule:</p> <ul style="list-style-type: none"> within the Financial Information package: <ul style="list-style-type: none"> <u>final</u> information for the squad cost adjustment schedule for the annual reporting period ending 31 December 2023, based on <u>reviewed/audited</u> financial statements.

For license season 2023/24, exceptional and transitional provisions apply such that licensees may choose to calculate profit/loss on disposal of player registrations and other transfer income/expense for either the 12 months, 24 months or 36 months to the 31 December 2023, the latter periods to be prorated to 12 months..

Note 1:

For a licensee with an annual accounting reference date ending on or before 31 July:

- If the licensee chooses to calculate profit/loss on disposal of player registrations and other transfer income/expense over the 24 months to the 31 December during the licence season, the licensee must also submit:
 - certain net transfer result information in the interim profit and loss account schedule and certain adjustment information in the squad cost adjustment schedule for the interim reporting period T-1, based on reviewed/audited interim financial statements (e.g. the interim reporting period ending in 2022); and
 - certain net transfer result information in the profit and loss account schedule and certain adjustment information in the adjustment and relevant investments schedule for the full year reporting period T-1, based on reviewed/audited financial statements (if not previously submitted) (e.g. the full year reporting period ending in 2022).
- If the licensee chooses to calculate profit/loss on disposal of player registrations and other transfer income/expense over the 36 months to the 31 December during the licence season, the licensee must also submit:
 - Certain net transfer result information in the profit and loss account schedule and certain adjustment information in the adjustment and relevant investments schedule for the full year reporting period T-1, based on reviewed/audited financial statements (if not previously submitted) (e.g. the full year reporting period ending in 2022);
 - certain net transfer result information in the interim profit and loss account schedule and certain adjustment information in the squad cost adjustment schedule for the interim reporting period T-2, based on reviewed/audited interim financial statements (e.g. the interim reporting period ending in 2021); and
 - certain net transfer result information in the profit and loss account schedule and certain adjustment information in the adjustment and relevant investments schedule for the full year reporting period T-2, based on reviewed/audited financial statements (if not previously submitted) (e.g. the full year reporting period ending in 2021).

Note 2: For a licensee with an annual accounting reference date ending after 31 July:

- If the licensee chooses to calculate profit/loss on disposal of player registrations and other transfer income/expense over the 24 months to the 31 December during the licence season, the licensee must also submit:
 - certain net transfer result information in the profit and loss account schedule and certain adjustment information in the adjustment and relevant investments schedule for the full year reporting period T-1, based on reviewed/audited financial statements (if not previously submitted) (e.g. the full year reporting period ending in 2022).
- If the licensee chooses to calculate profit/loss on disposal of player registrations and other transfer income/expense over the 36 months to the 31 December during the licence season, the licensee must also submit:
 - certain net transfer result information in the profit and loss account schedule and certain adjustment information in the adjustment and relevant investments schedule for the full year reporting period T-1, based on reviewed/audited financial statements (if not previously submitted) (e.g. the full year reporting period ending in 2022).
 - certain net transfer result information in the profit and loss account schedule and certain adjustment information in the adjustment and relevant investments schedule for the full year reporting period T-2, based on reviewed/audited financial statements (if not previously submitted) (e.g. the full year reporting period ending in 2021).

4.1.6. Profit and loss account, balance sheet and cash flow schedules

The licensee must enter information for each reporting period in the profit and loss account (and the profit and loss account supplementary schedules), balance sheet (and the balance sheet reconciliation schedule) and cash flow schedules in the required formats set out in the financial information package.

The financial information in the financial information package:

- must relate to the **same reporting perimeter as used for the fulfilment of the club licensing** criteria in Article 65; and
- must be calculated and **reconciled to the relevant annual financial statements and, if applicable, to supplementary information and/or to the relevant restated financial statements.**

If the annual financial statements do not meet the minimum disclosure requirements set out in Annex F, then the licensee must also submit **supplementary information** assessed by the same auditor.

If the annual financial statements do not comply with the accounting requirements set out in Annex G, then the licensee must also submit **restated financial statements** assessed by the same auditor.

The licensee must enter amounts in accordance with the account line definitions in the financial information package and as further explained in Appendix 3.

The licensee should prepare and retain for inspection on request a detailed **reconciliation to map from its accounting records (general ledger) to the account lines in the financial information package for each relevant period.**

Amounts must be entered in the schedules as follows:

- In the reporting currency used in the annual financial statements. If applicable, the amounts will be automatically converted into euros at the average exchange rate for that reporting period as calculated in the IT Solution. Further guidance is provided in Appendix 6;
- Entered in thousands and rounded to the nearest thousand (e.g. EUR 1,234,567 should be entered as EUR 1,235);
- For the balance sheet schedule, all amounts must be entered as positive amounts;
- For the profit and loss account schedule, all income items must be entered as positive amounts and all expense items as negative amounts; and
- For the cash flow schedule, all cash inflow items must be entered as positive amounts and all cash outflow items as negative amounts.

For some licensees the financial information package for a full year reporting period will be pre-populated with entries from a previously submitted financial information package. This information must be checked and, if necessary, amended before submission.

If applicable, a licensee must also complete one or more of the **profit and loss account supplementary schedules**, to provide a breakdown of:

- Revenue - gate receipts;
- Revenue - sponsoring and advertising;
- Revenue - broadcasting rights;
- Revenue - commercial activities;
- Revenue - other operating income;
- Expenses - employee benefit expenses (players and other employees);
- Expenses - other operating expenses;
- Player transfers - profit/loss on disposal of intangible assets (player registrations);
- Player transfers - income from disposal of player registrations (including loan income);
- Finance income/expenses; and
- Non-operating income and non-operating expenses.

The requirement to complete one or more supplementary schedules for a profit and loss account line is determined on the basis of the data entered in the profit and loss account schedule, and the licensee is automatically notified of this in the financial information package.

The licensee must also complete the reconciliation checks in the balance sheet reconciliation and cash flow schedules:

- reconciliation of total equity – see Appendix 3 (B);
- reconciliation of intangible assets (player registrations) – see Appendix 3 (B);
- reconciliation of tangible assets – see Appendix 3 (B); and
- reconciliation of cash and cash equivalents – see Appendix 3 (D).

4.1.7. Adjustments for the calculation of football earnings for a reporting period

Football earnings for a reporting period is the difference between relevant income and relevant expenses, as defined in Article 86 and Annex J. If relevant income is greater than relevant expenses, the licensee has a football earnings surplus for a reporting period. If relevant income is less than relevant expenses, the licensee has a football earnings deficit for a reporting period.

Relevant income, relevant expenses and football earnings for a reporting period must be calculated, in accordance with Articles 84 and 86, by the licensee entering amounts in the profit and loss account schedule and adjustments schedule.

Certain items will be automatically identified and excluded from the calculation if there are any amounts in the following account lines:

- profit/loss on disposal of tangible assets;
- depreciation/impairment of tangible assets;
- profit/loss on disposal of other intangible assets (excluding player registrations and other personnel's release costs); and
- tax income/expense.

The licensee must complete the **adjustment and relevant investments summary schedule** by selecting (with a tick) the manual adjustments and/or investments (See section 4.1.9 for further details) to be made in each reporting period for the calculation of football earnings.

The following **manual adjustments** must be made by the licensee for the calculation of football earnings:

- Downwards adjustment for income transaction(s) above fair value or upwards adjustment for expense transaction(s) below fair value;
In the supplementary schedule, the licensee must disclose the prescribed information for (i) all transactions not at fair value (ii) the nature of the transaction not at fair value, (iii) name of the party with whom the transaction is not fair value.
As set out in Annex J.9, the licensee may be requested to make a downward adjustment in respect of player exchange transactions.
- Downwards adjustment for income from, and upwards adjustment for expenditure directly attributable to, non-football operations not related to the club;
In the supplementary schedule for non-football operations not related to the club, the licensee must disclose the prescribed information for all types of non-football operations not related to the club.
- Upwards adjustment for the excess proceeds on disposal of tangible assets from the disposal of (i) tangible asset (excluding stadium or training facilities) not being replaced, and (ii) tangible asset being replaced;
- Downwards adjustment to exclude non-monetary credits/income and upwards adjustment to exclude non-monetary debits/charges;

- Downwards adjustment to exclude non relevant income such as income/credit in respect of a reduction of liabilities arising from procedures providing protection from creditors and non-relevant finance income and
- Upwards adjustment to exclude expenses of a financial contribution set out in a settlement agreement with the CFCB and/or a financial contribution imposed by the CFCB in respect of the football earnings rule and/or squad cost rule.
- Upwards adjustment to exclude amortisation/impairment of other intangible assets (excluding player registrations and other personnel's release costs) only if the related intangible assets do/did not generate relevant income included in the calculation of the football earnings.

The licensee must fully complete the prescribed information requirements for each adjustment schedule for each relevant reporting period. Further guidance is provided in Appendix 4.

Further adjustments may also be made to a licensee's relevant income and relevant expenses for a reporting period in the **FS reclassification and FE correction schedule**:

- by the UEFA administration to reclassify amounts between account lines, in a way that has no impact on the calculation of football earnings (FS reclassification);
- by the CFCB to adjust amounts in certain account lines based on the CFCB's assessment of the monitoring documentation. Such adjustment will impact the calculation of football earnings (FE correction).

Certain amounts in the adjustment schedules in the financial information package will be used to calculate the relevant elements of the squad cost ratio. Therefore, **a licensee subject to the squad cost rule must input certain amounts in the adjustment schedules** - see Section 5.1.7 and Appendix 4 (A).

4.1.8. Aggregate football earnings for a monitoring period

Aggregate football earnings for a monitoring period is the sum of the licensee's football earnings for each of the relevant reporting periods covered by the monitoring period.

If a licensee's aggregate football earnings is positive, i.e. equal to zero or above, then the licensee has an aggregate football earnings surplus for the monitoring period.

If a licensee's aggregate football earnings is negative, i.e. below zero, then the licensee has an aggregate football earnings deficit for the monitoring period.

For licence season 2023/24, the requirement to calculate aggregate football earnings does not apply.

For licence season 2024/25, the licensee's aggregate football earnings are the sum of the licensee's football earnings for each of the two reporting periods ending in 2023 and 2024.

For licence season 2025/26, the licensee's aggregate football earnings are the sum of the licensee's football earnings for each of the three reporting periods ending in 2023, 2024 and 2025.

4.1.9. Adjustment :aggregate football earnings for relevant investments

As set out in Paragraphs 86.03 and 89.02, aggregate football earnings for a monitoring period may be adjusted upwards if relevant expenses include relevant investments, and only if the aggregate amount of any such adjustment is covered either (i) by contributions in reporting period T, or (ii) by equity at the end of reporting period T, that have not already been used to cover the acceptable deviation.

As noted in section 4.1.7, the licensee must first complete the **adjustment and relevant investments summary schedule** for each reporting period, to identify if any of the types of costs in Annex J.5 are relevant for the calculation of aggregate football earnings:

- expenditure directly attributable to youth development activities;
- expenditure directly attributable to community development activities;

- expenditure directly attributable to women's football activities;
- expenditure directly attributable to non-football operations related to the club, net of the corresponding income;
- finance costs directly attributable to the construction or substantial modification of tangible assets; and
- costs of leasehold improvements.

The licensee must fully complete the prescribed information requirements for each adjustment schedule for each relevant reporting period. Further guidance is provided in Appendix 4.

Subsequently, in the **aggregate football earnings schedule**, aggregate football earnings for the monitoring period will be adjusted upwards if relevant expenses include relevant investments, and only if the aggregate amount of any such adjustment is covered either (i) by contributions in reporting period T, or (ii) by equity at the end of reporting period T, that have not already been used to cover the acceptable deviation.

4.1.10. Contributions

Contributions are defined in Article 88.

The following information must be disclosed in the **contributions schedule** for each relevant reporting period:

- **Contributions from an equity participant:**
 - name of the equity participant;
 - date of the transaction;
 - type of consideration (e.g. cash, capital increase, other consideration);
 - other explanatory comments; and
 - amount recognised in the respective reporting period.
- **Monies received from any party (not limited to related parties) as a donation or a waiver of liability:**
 - name of the party;
 - date of the transaction;
 - type of consideration (e.g. cash, debt waiver without any obligation for repayment);
 - other explanatory comments; and
 - amount recognised in the respective reporting period.
- **Income transactions from any party (not limited to related parties) in excess of fair value:**
 - amount carried-forward from downwards adjustment for income transaction(s) above fair value in the respective reporting period (i.e. the difference between the amount recorded in net result in the profit and loss account and the fair value – see Appendix 4 (C)).

In the contributions schedule, the information entered is included in a summary table. If applicable, the total amount of disclosed contributions for each relevant reporting period is converted to euros at the average rate for the relevant reporting period.

The total of the disclosed contributions is then used in the aggregate football earnings schedule to determine acceptable deviation to assess compliance with the football earnings rule.

4.1.11. Acceptable deviation

The **acceptable deviation** is the maximum possible aggregate football earnings deficit for a monitoring period, for a licensee to be deemed in compliance with the football earnings rule (Paragraph 87.01).

As set out in Article 87, the acceptable deviation for a monitoring period is:

- EUR 5 million; or

- The acceptable deviation can exceed EUR 5 million (by an excess of up to EUR 55 million) to a maximum of EUR 60 million, if such excess is entirely covered by either (i) contributions in reporting period T, or (ii) equity at the end of reporting period T; or
- The acceptable deviation can exceed EUR 60 million by up to EUR 10 million for each reporting period in the monitoring period for which it satisfies all of the conditions of Paragraph 87.03:
 - the licensee has not been subject to a disciplinary measure in respect of the club monitoring requirement;
 - the licensee is not subject to a settlement agreement with the CFCB; and
 - the licensee is in compliance with the four financial conditions defined in Annex J.6 (1. Positive equity; 2. Quick ratio; 3. Sustainable debt ratio; and 4. Going concern).

If a licensee has a reporting period of greater or less than 12 months, the acceptable deviation is adjusted up or down according to the length of the relevant monitoring period. See Appendix 5 for further guidance.

The licensee should complete the **financial conditions schedule** for the monitoring period if the following conditions apply:

- the licensee has an aggregate football earnings deficit for the monitoring period that exceeds EUR 60 million;
- the licensee has either (i) contributions in reporting period T, or (ii) equity at the end of reporting period T that exceed EUR 55 million;
- the licensee has not been subject to a disciplinary measure in respect of the club monitoring requirements; and
- the licensee is not subject to a settlement agreement with the CFCB.

For those licensees who complete the **financial conditions schedule**, information must be submitted in respect of:

1) Positive equity:

- The net equity position at the end of the reporting period will be determined from the balance sheet schedule. For the avoidance of doubt, for the purpose of Paragraph 87.03, the net equity position is not subject to the adjustments available for the club licensing net equity rule in Article 69.

2) Quick ratio equal to or above 1:

- The quick ratio is calculated as total current assets less inventories divided by total current liabilities.
- The quick ratio at the end of the reporting period will be determined from the balance sheet schedule.

3) Sustainable debt ratio:

- At the end of the reporting period the licensee's net debt (excluding the amount that is directly attributable to the construction and/or substantial modification of a stadium and/or training facilities) must be less than three times the positive average of relevant earnings for the reporting period in question and the reporting period immediately preceding it.
- **Net debt** at the end of the reporting period is determined from the balance sheet schedule – see Appendix 3 (A).
- Adjusting net debt for the amount (if any) that is directly attributable to the construction and/or substantial modification of a stadium and/or training facilities requires the licensee to make additional disclosures in the financial conditions schedule:
 - asset description(s): description of the asset type to which the debt is directly attributable;
 - asset values: historical cost of the asset(s) in local currency;
 - date ready for use: date when the stadium or training facilities were ready for use following construction or substantial modification. If the asset is still under construction, please enter 'under construction'.
 - debt provider: enter the name of the entity that advances cash to fund the asset construction or substantial modification, by asset type and provider;
 - debt closing balance (LC): amount of debt at the end of the reporting period expressed in the licensee's local currency;

- explanation (including debt type, contract currency and amount): describe the main features of the debt (e.g. secured loan, bonds, fixed term, rate, lease), the debt currency, and the original amount of the debt;
- debt closing balance (EUR): amount of debt at end of the reporting period automatically converted to euros;
- inception date: date when funds are available to the reporting entity(ies);
- debt maturity (in years).
- For the calculation of average relevant earnings, amounts for total revenue, total net result from player transfers and total operating expenses will be determined from the profit and loss account schedule.

4) Auditor's report does not contain issues about going concern

- In respect of going concern, the auditor's report must not contain an emphasis of matter, a key audit matter or a qualified opinion/conclusion.
- The licensee must input to the financial conditions schedule the relevant information derived from the auditor's report in the annual financial statements for the reporting period.

4.1.12. Compliance with the football earnings rule

As set out in Article 90:

- A licensee is **in compliance with the football earnings rule** for the relevant monitoring period if the licensee has:
 - an aggregate football earnings surplus; or
 - an aggregate football earnings deficit that is within the acceptable deviation.
- A licensee is **not in compliance with the football earnings rule** if the licensee has an aggregate football earnings deficit that exceeds the acceptable deviation.

Article 104 sets out the exceptional and transitional provisions in respect of the football earnings rule for licence seasons 2023/24 (compliance with the football earnings rule does not apply) and 2024/25 (aggregate football earnings is calculated as the sum of football earnings for the two reporting periods ending in 2023 and 2024).

To determine whether a licensee is in compliance with the football earnings rule, the following steps must be undertaken:

1. **Calculate football earnings for each reporting period in the monitoring period.**
2. **Calculate aggregate football earnings for the monitoring period**, being the sum of football earnings for each of the three consecutive reporting period in the monitoring period (Article 86):
 - If the licensee has an aggregate football earnings surplus (zero or above), then no further calculations are required and the licensee is in compliance with the football earnings rule; or
 - If the licensee has an aggregate football earnings deficit no greater than EUR 5 million, then this is covered by the acceptable deviation (Paragraph 87.02) and the licensee is in compliance with the football earnings rule; or
 - If the licensee has an aggregate football earnings deficit greater than EUR 5 million, then proceed to step 3.
3. **Determine the greater of (i) contributions in reporting period T, and (ii) equity at the end of reporting period T**, that can be used to cover the aggregate football earnings deficit above EUR 5 million (Paragraph 87.02 and Paragraph 87.03) and/or any upward adjustment to aggregate football earnings from relevant investments (Article 89).
4. **Calculate the maximum possible acceptable deviation for the monitoring period**, being (i) the acceptable deviation of EUR 5 million, plus (ii) any additional acceptable deviation up to a maximum of EUR 55 million, if covered by the amount calculated in step 3. The maximum possible acceptable deviation calculated in step 4 can be up to EUR 60 million for the monitoring period (Paragraph 87.02).

5. **Compare the licensee's aggregate football earnings deficit (step 2) against the maximum possible acceptable deviation for the monitoring period (step 4)**
 - If the licensee's aggregate football earnings deficit is less than or equal to EUR 60 million, and the amount is entirely covered by the acceptable deviation for the monitoring period, no further calculations are required, and the licensee is in compliance with the football earnings rule; or
 - If the licensee's aggregate football earnings deficit is less than or equal to EUR 60 million, but the amount is greater than the maximum possible acceptable deviation for the monitoring period, the licensee is not in compliance with the football earnings rule; or
 - If the licensee's aggregate football earnings deficit is greater than EUR 60 million, proceed to step 6.
6. **For each reporting period in the monitoring period, (i) determine whether the licensee is eligible for a further increase in acceptable deviation under Paragraph 87.03**, with the maximum further increase available being EUR 10 million for each reporting period in which the licensee meets the conditions set out in Paragraph 87.03, and (ii) calculate the maximum possible increase in acceptable deviation if the conditions in Paragraph 87.03 are satisfied.
7. **Calculate the increase in acceptable deviation under Paragraph 87.03**, being the lower of (i) the maximum further increase in acceptable deviation under Paragraph 87.03 calculated in step 6(ii), and (ii) the residual of the amount calculated in step 3, having deducted the EUR 55 million used to cover the acceptable deviation calculated in step 4.
8. **Calculate the increased acceptable deviation for the monitoring period**, being the acceptable deviation for the monitoring period calculated in step 4, plus the increase in acceptable deviation under Paragraph 87.03 calculated in step 7.
9. **Compare the licensee's aggregate football earnings deficit (step 2) against the increased acceptable deviation for the monitoring period (step 8)**
 - If the licensee's aggregate football earnings deficit is entirely covered by the increased acceptable deviation for the monitoring period, then no further calculations are required and the licensee is in compliance with the football earnings rule; or
 - If the licensee's aggregate football earnings deficit is greater than the increased acceptable deviation, then proceed to step 10.
10. **Calculate (i) the amount of relevant investments in the monitoring period, as defined in Paragraph 89.01 and Annex J and (ii) the maximum possible upward adjustment to aggregate football earnings from relevant investments**, being the aggregate of relevant investments across the three reporting periods in the monitoring period.
11. **Calculate the upwards adjustment to aggregate football earnings for relevant investments**, being the lower of (i) the amount of relevant investments in the monitoring period calculated in step 10, and (ii) the residual of the amount calculated in step 3, having deducted the EUR 55 million used to cover the acceptable deviation calculated in step 4 and the amount used to cover the increase in acceptable deviation calculated in step 7 (Paragraph 89.02).
12. **Calculate the licensee's aggregate football earnings deficit adjusted upwards for relevant investments**, being the licensee's aggregate football earnings from step 2, plus the upwards adjustment to aggregate football earnings from relevant investments calculated in step 11.
13. **Compare the licensee's aggregate football earnings deficit adjusted upwards for relevant investments (step 12) against the increased acceptable deviation for the monitoring period (step 8)**
 - If the licensee's aggregate football earnings deficit adjusted for relevant investments is entirely covered by the increased acceptable deviation for the monitoring period, then the licensee is in compliance with the football earnings rule; or
 - If the licensee's aggregate football earnings deficit adjusted upwards for relevant investments is greater than the increased acceptable deviation, then the licensee is not in compliance with the football earnings rule.

4.1.13. Illustrative scenarios for the football earnings rule

These illustrative scenarios are in respect of the 2025/26 licence season, for which the monitoring period will cover the three reporting periods ending in 2023 (T-2), 2024 (T-1) and 2025 (T).

Each scenario summarises the applicable amounts for:

- football earnings for each reporting period;
- aggregate football earnings surplus or deficit (before any adjustment for relevant investments);
- equity at the end of each reporting period and contributions in reporting period T / aggregate of contributions in each reporting period;
- calculation of the maximum acceptable deviation;
- aggregate football earnings surplus or deficit after any allowable upwards adjustment for relevant investments;
- a comparison of aggregate football earnings with the maximum acceptable deviation; and
- outcome of compliance or non-compliance with the football earnings rule.

For illustrative purposes, amounts are shown in EUR millions.

Example 1: Aggregate football earnings is a surplus

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-1	-1	-4
Net adjustments for calculating football earnings		3	2	3
Football earnings	1	2	1	-1
Aggregate football earnings	2	2		
Outcome: In compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a surplus, so the licensee is in compliance with the football earnings rule.				

Example 2: Aggregate football earnings is a deficit within the acceptable deviation of EUR 5 million

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		1	-7	-3
Net adjustments for calculating football earnings		2	1	2
Football earnings	1	3	-6	-1
Aggregate football earnings	2	-4		
Maximum acceptable deviation for the monitoring period	4	-5		
Aggregate football earnings deficit (step 2)	5(i)	-4		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 2 and step 4)	5(ii)	4		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	5	0		
Outcome: In compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 4 million, which is entirely covered by the acceptable deviation for the monitoring period.				

Example 3: Aggregate football earnings deficit in range EUR 5 to 60 million, and the excess over EUR 5 million is covered by contributions or equity at the end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		5	-30	-20
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	15	-20	-10
Aggregate football earnings	2	-15		
Contributions	3(i)	5	10	0
Equity at the end of reporting period	3(ii)	60	40	20
Greater of step 3(i) and step 3(ii)	3	20		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-20		
Maximum acceptable deviation for the monitoring period	4	-25		
Aggregate football earnings deficit (step 2)	5(i)	-15		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 2 and step 4)	5(ii)	15		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	5	0		
Outcome: In compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 15 million, which is entirely covered by the acceptable deviation for the monitoring period.				

Example 4: Aggregate football earnings deficit in range EUR 5 to 60 million, and the excess over EUR 5 million is not fully covered by contributions / equity at the end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-20	-10	-15
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	-10	0	-5
Aggregate football earnings	2	-15		
Contributions	3(i)	0	5	3
Equity at the end of reporting period	3(ii)	25	20	8
Greater of step 3(i) and step 3(ii)	3	8		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-8		
Maximum acceptable deviation for the monitoring period	4	-13		
Aggregate football earnings deficit (step 2)	5(i)	-15		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 2 and step 4)	5(ii)	13		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	5	-2		
Outcome: Not in compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 15 million, which exceeds the maximum acceptable deviation of EUR 13 million.				

Example 5: Aggregate football earnings deficit in range EUR 60 to 90 million; acceptable deviation increased above EUR 60 million in accordance with Paragraph 87.03, and the excess over EUR 5 million is fully covered by contributions / equity at the end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-7	-50	-40
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	3	-40	-30
Aggregate football earnings	2	-67		
Contributions	3(i)	10	10	50
Equity at the end of reporting period	3(ii)	100	60	70
Greater of step 3(i) and step 3(ii)	3	70		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-55		
Maximum acceptable deviation for the monitoring period	4	-60		
Increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(i)	-10	0	0
Maximum possible increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(ii)	-10		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii))	7(ii)	15		
Increase in maximum acceptable deviation under Paragraph 87.03 (lower absolute value of step 6(ii) and step 7(ii))	7	-10		
Increased maximum acceptable deviation for the monitoring period (step 4 + step 7)	8	-70		
Aggregate football earnings deficit (step 2)	9(i)	-67		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 2 and step 8)	9(ii)	67		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	9	0		
Outcome: In compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 67 million, which is entirely covered by the increased acceptable deviation under Article 87 as the licensee satisfies the Article 87 financial conditions in reporting period T-2 and has sufficient contributions/equity to cover both the excess above the acceptable deviation and the increase under Article 87.				

Example 6: Aggregate football earnings deficit in range EUR 60 to 90 million, acceptable deviation increased above EUR 60 million in accordance with Paragraph 87.03, but the excess over EUR 5 million is not fully covered by contributions / equity at the end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-7	-50	-40
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	3	-40	-30
Aggregate football earnings	2	-67		
Contributions	3(i)	0	0	40
Equity at the end of reporting period	3(ii)	110	60	60
Greater of step 3(i) and step 3(ii)	3	60		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-55		
Maximum acceptable deviation for the monitoring period	4	-60		
Increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(i)	-10	0	0
Maximum possible increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(ii)	-10		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii))	7(ii)	5		
Increase in maximum acceptable deviation under Paragraph 87.03 (lower absolute value of step 6(ii) and step 7(ii))	7	-5		
Increased maximum acceptable deviation for the monitoring period (step 4 + step 7)	8	-65		
Aggregate football earnings deficit (step 2)	9(i)	-67		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 2 and step 8)	9(ii)	65		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	9	-2		
Outcome: Not in compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 67 million, which exceeds the maximum increased acceptable deviation under Article 87, since the licensee does not have sufficient contributions/equity to cover both the excess above the acceptable deviation and the increase under Article 87.				

Example 7: Aggregate football earnings deficit in range EUR 60 to 90 million; the excess over EUR 5 million of acceptable deviation and the upward adjustment to aggregate football earnings for relevant investments are fully covered by contributions / equity at the end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-2	-50	-50
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	8	-40	-40
Aggregate football earnings	2	-72		
Contributions	3(i)	10	20	40
Equity at the end of reporting period	3(ii)	110	80	70
Greater of step 3(i) and step 3(ii)	3	70		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-55		
Maximum acceptable deviation for the monitoring period	4	-60		
Increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(i)	0	0	0
Maximum possible increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(ii)	0		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii))	7(ii)	15		
Increase in maximum acceptable deviation under Paragraph 87.03 (lower absolute value of step 6(ii) and step 7(ii))	7	0		
Increased maximum acceptable deviation for the monitoring period (step 4 + step 7)	8	-60		
Relevant investments	10(i)	5	5	5
Maximum possible upward adjustment to aggregate football earnings from relevant investments	10(ii)	15		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii) - step 7)	11(ii)	15		
Upwards adjustment to aggregate football earnings from relevant investments (lower absolute value of step 10(ii) and step 11(ii))	11	15		
Aggregate football earnings, adjusted upwards for relevant investments (step 2 + step 11)	12	-57		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 12 and step 8)	13(ii)	57		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	13	0		
Outcome: In compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 72 million, which is adjusted upwards to a deficit of EUR 57 million as the licensee has relevant investments in the monitoring period of EUR 15 million, and has sufficient contributions/equity to cover both the excess above the acceptable deviation and the upward adjustment to aggregate football earnings from relevant investments. Aggregate football earnings adjusted upwards for relevant investments is entirely covered by the acceptable deviation.				

Example 8: Aggregate football earnings deficit in range EUR 60 to 90 million; the excess over EUR 5 million is fully covered by contributions / equity at the end of reporting period T, but the upward adjustment to aggregate football earnings for relevant investments is restricted due to insufficient contributions/equity at end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-2	-50	-50
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	8	-40	-40
Aggregate football earnings	2	-72		
Contributions	3(i)	20	20	20
Equity at the end of reporting period	3(ii)	120	100	60
Greater of step 3(i) and step 3(ii)	3	60		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-55		
Maximum acceptable deviation for the monitoring period	4	-60		
Increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(i)	0	0	0
Maximum possible increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(ii)	0		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii))	7(ii)	5		
Increase in maximum acceptable deviation under Paragraph 87.03 (lower absolute value of step 6(ii) and step 7(ii))	7	0		
Increased maximum acceptable deviation for the monitoring period (step 4 + step 7)	8	-60		
Relevant investments	10(i)	5	5	5
Maximum possible upward adjustment to aggregate football earnings from relevant investments	10(ii)	15		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii) - step 7)	11(ii)	5		
Upwards adjustment to aggregate football earnings from relevant investments (lower absolute value of step 10(ii) and step 11(ii))	11	5		
Aggregate football earnings, adjusted upwards for relevant investments (step 2 + step 11)	12	-67		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 12 and step 8)	13(ii)	-60		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	13	-7		
Outcome: Not in compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 72 million, which is adjusted upwards to a deficit of EUR 67 million as the licensee has relevant investments in the monitoring period of EUR 15 million, of which only EUR 5 million can be used to adjust aggregate football earnings as this is the maximum amount that is covered by the residual contributions/equity after covering the excess above the acceptable deviation. However, aggregate football earnings adjusted upwards for relevant investments exceeds the maximum increased acceptable deviation.				

Example 9: Aggregate football earnings deficit in range EUR 60 to 90 million; acceptable deviation increased above EUR 60 million in accordance with Paragraph 87.03, aggregate football earnings adjusted for relevant investments, and the excess over acceptable deviation of EUR 5 million and adjustments for relevant investments are fully covered by contributions/equity at end of reporting period T

Reporting period	Step	T-2 (e.g. 2023)	T-1 (e.g. 2024)	T (e.g. 2025)
Net result from financial statements		-2	-50	-50
Net adjustments for calculating football earnings		10	10	10
Football earnings	1	8	-40	-40
Aggregate football earnings	2	-72		
Contributions	3(i)	0	20	50
Equity at the end of reporting period	3(ii)	100	70	70
Greater of step 3(i) and step 3(ii)	3	70		
Acceptable deviation (minimum)	4(i)	-5		
Additional acceptable deviation up to EUR 55 million, if covered by the amount from step 3	4(ii)	-55		
Maximum acceptable deviation for the monitoring period	4	-60		
Increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(i)	-10	0	0
Maximum possible increase in acceptable deviation if Paragraph 87.03 conditions are satisfied	6(ii)	-10		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii))	7(ii)	15		
Increase in maximum acceptable deviation under Paragraph 87.03 (lower absolute value of step 6(ii) and step 7(ii))	7	-10		
Increased maximum acceptable deviation for the monitoring period (step 4 + step 7)	8	-70		
Relevant investments	10(i)	5	5	5
Maximum possible upward adjustment to aggregate football earnings from relevant investments	10(ii)	15		
Residual from step 3 to cover the increase in acceptable deviation (step 3 – step 4(ii) - step 7)	11(ii)	5		
Upwards adjustment to aggregate football earnings from relevant investments (lower absolute value of step 10(ii) and step 11(ii))	11	5		
Aggregate football earnings, adjusted upwards for relevant investments (step 2 + step 11)	12	-67		
Acceptable deviation used to cover the aggregate football earnings deficit (lower of step 12 and step 8)	13(ii)	-67		
Amount by which the aggregate football earnings deficit exceeds the acceptable deviation	13	0		
Outcome: In compliance with the football earnings rule				
Aggregate football earnings for the monitoring period is a deficit of EUR 72 million, which is adjusted upwards to a deficit of EUR 67 million as the licensee has relevant investments in the monitoring period of EUR 15 million, of which only EUR 5 million can be used to adjust aggregate football earnings as this is the maximum amount that is covered by the residual contributions/equity after covering the excess above the acceptable deviation. Aggregate football earnings adjusted upwards for relevant investments is entirely covered by the acceptable deviation.				

4.1.14. Management representation schedule

The executive body of the licensee must confirm that each of the following **documents in respect of the annual reporting period(s) is attached to the financial information package** for each applicable reporting period:

- the audited annual financial statements covering the reporting perimeter, including the auditor's report;
- if applicable, the supplementary information and associated auditor's assessment report; and
- if applicable, the restated financial statements and associated auditor's assessment report.

In addition, for those licensees subject to the squad cost rule, the executive body of the licensee must confirm that each of the following **documents in respect of interim reporting period(s) is attached to the financial information package** for each applicable interim reporting period:

- the reviewed or audited interim financial statements covering the reporting perimeter, including the auditor's report;
- if applicable, the supplementary information and associated auditor's assessment report; and
- the restated interim financial statements and associated auditor's assessment report.

The executive body of the licensee must confirm that all **costs incurred in respect of a relevant person by a third party relating to match appearances, sponsorship, endorsement or merchandising work**, that are not included in the financial statements of one of the entities in the licensee's reporting perimeter, are genuine, at fair value and have been negotiated and entered into independent of any relationship between the sponsor/third party and the licensee.

For a licensee with an annual accounting reference date on or before 31 July and subject to the squad cost rule, the **management representation schedule in the financial information package to be submitted in respect of interim reporting period T+1** requires the licensee to confirm that the club information has not changed since the licensee's previous submission of the club information package or that the licensee has already informed UEFA in writing of any changes to the information in the club information package as required by Paragraph 78.04. Unless otherwise requested by UEFA/CFCB, the licensee is not required to submit the club information package for T+1 during the licence season.

The **licensee must validate the financial information package** prior to submission by completing the management representation schedule confirming that the information input to the package is complete, accurate and in compliance with UEFA's requirements.

The licensee's management representative must be on the list of authorised signatories registered for club licensing.

The management representation schedule also provides the licensee with the possibility to disclose:

- any other explanatory comments about items contained in the package, by entering a brief description in the box provided and describing any other documentation attached to the package;
- details of any exceptional income or events of major economic importance experienced during the relevant period, as well as any subsequent events after the period, by entering a brief description in the box provided and listing any supporting documentation attached to the package; and
- details of any prior period adjustments, either due to the correction of errors in the annual financial statements, a previous input error in the IT Solution or a change in the reporting perimeter, by entering a brief description in the box provided and listing any supporting documentation attached to the package.

4.2. Licensor's responsibilities

4.2.1. Assessment procedures for the financial information package submitted by the July deadline

The licensor's assessment procedures in respect of the licensee's schedules in the financial information package to be submitted by UEFA's July deadline are set out in the licensor's assessment schedule and summarised below.

The licensor's assessment procedures for the financial information package to be submitted by UEFA's July deadline cover reporting periods T-1 and T-2.

Schedule	Licensor's assessment procedures
Reporting perimeter	<ul style="list-style-type: none"> Check that the reporting perimeter used for the monitoring requirements is the same as the one used for the licensing requirements. Indicate any changes, if applicable.
Profit and loss account, balance sheet and cash flow schedules	<ul style="list-style-type: none"> Check that amounts contained in the profit and loss account, balance sheet and cashflow schedules are consistent with the amounts contained in the financial statements and supplementary information previously submitted for club licensing or, if applicable, consistent with the restated financial statements. For each relevant reporting period, the licensor's minimum assessment procedures with regard to the licensee's profit and loss account, balance sheet and cash flow schedules must include: <ul style="list-style-type: none"> a comparison of the 'profit/loss after taxation', as reported in the profit and loss account schedule, with 'profit/loss after taxation' in the financial statements; a comparison of the 'net assets/liabilities', as reported in the balance sheet schedule, with 'net assets/liabilities' in the financial statements; a comparison of the 'net cash inflow/(outflow)', as reported in the cash flow schedule, with the 'net cash inflow/(outflow)' in the financial statements.
Financial conditions – Going concern	<ul style="list-style-type: none"> Check that the information in the financial conditions schedule for condition 4 (Going concern) is consistent with the audited financial statements already held for club licensing.
Management representation	<ul style="list-style-type: none"> Check that the licensee's signatory is on the list of authorised signatories as already held for club licensing. Check that the licensee has attached all of the relevant financial statements and, if applicable, other documentation.

4.2.2. Assessment procedures for the financial information package for the October and March deadlines

The licensor's assessment procedures in respect of the licensee's schedules in the financial information package to be submitted by UEFA's October and March deadlines are set out in the licensor's assessment schedule and summarised below.

The licensor's assessment procedures for the financial information package to be submitted for annual reporting periods are in respect of:

- reporting period T (for licensees with a reporting period T ending on or before 31 July), for UEFA's October deadline; and
- reporting period T (for licensees with a reporting period T ending after 31 July), for UEFA's March deadline.

The licensor does not need to undertake assessment procedures in respect of the preliminary information for reporting period T for UEFA's October deadline.

Schedule	Licensor's assessment procedures
Reporting perimeter	<ul style="list-style-type: none"> • Check that the reporting perimeter used for the monitoring requirements is the same as the one used for the licensing requirements. Indicate any changes, if applicable.
Profit and loss account, balance sheet and cash flow schedules	<ul style="list-style-type: none"> • Check that amounts contained in the profit and loss account, balance sheet and cashflow schedules are consistent with the amounts contained in the financial statements and supplementary information or, if applicable, consistent with the restated financial statements. • For each relevant reporting period, the licensor's minimum assessment procedures with regard to the licensee's profit and loss account, balance sheet and cash flow schedules must include: <ul style="list-style-type: none"> ○ a comparison of the 'profit/loss after taxation', as reported in the profit and loss account schedule, with 'profit/loss after taxation' in the financial statements; ○ a comparison of the 'net assets/liabilities', as reported in the balance sheet schedule, with 'net assets/liabilities' in the financial statements; ○ a comparison of the 'net cash inflow/(outflow)', as reported in the cash flow schedule, with the 'net cash inflow/(outflow)' in the financial statements.
Financial conditions – Going concern	<ul style="list-style-type: none"> • Check that the information in the financial conditions schedule for condition 4 (Going concern) is consistent with the audited financial statements.
Contributions	<ul style="list-style-type: none"> • The licensor must assess whether contributions from equity participants disclosed in the contributions schedule correspond to the annual financial statements.
Management representation	<ul style="list-style-type: none"> • Check that the licensee's signatory is on the list of authorised signatories. • Check that the licensee has attached all of the relevant financial statements and, if applicable, other documentation.

The licensor's assessment procedures for the financial information package to be submitted for interim reporting periods are only applicable to licensees subject to the squad cost rule and with a reporting period T ending on or before 31 July), in respect of:

- interim reporting period T, for UEFA's October deadline; and
- interim reporting period T+1, for UEFA's March deadline.

The licensor does not need to undertake assessment procedures in respect of the preliminary information for interim reporting period T+1 for UEFA's October deadline.

Schedule	Licensor's assessment procedures
Interim profit and loss account schedule – reporting perimeter	<ul style="list-style-type: none"> • Check that the interim financial statements and supplementary information or, if applicable, the restated financial statements cover the same reporting perimeter as used for club licensing and for the annual financial statements.
Interim profit and loss account schedule – for interim reporting period T	<ul style="list-style-type: none"> • Check that the interim financial statements and supplementary information or, if applicable, the restated financial statements used for the interim profit and loss account schedule for interim reporting period T are the same as previously submitted for club licensing.
Interim profit and loss account schedule	<ul style="list-style-type: none"> • Check that amounts contained in the interim profit and loss account schedule are consistent with the amounts contained in the interim financial statements and supplementary information or, if applicable, consistent with the restated financial statements. • For each relevant period, the licensor's minimum assessment procedures must include: a comparison of the 'profit/loss after taxation', as reported in the interim profit and loss account schedule, with 'profit/loss after taxation' in the interim financial statements. •
Management representation	<ul style="list-style-type: none"> • Check that the licensee's signatory is on the list of authorised signatories. • Check that the licensee has attached all of the relevant financial statements and, if applicable, other documentation.
Management representation – club information for interim reporting period T+1	<ul style="list-style-type: none"> • Confirm that the club information has not changed since the licensee's submission of the club information package in respect of reporting period T or, if applicable, since the licensee has submitted in writing any changes to the information in the club information package as required by Paragraph 78.04. • The licensor's check is based on the licensor's existing knowledge of the licensee from the club licensing procedure or other reasonable information sources. • The licensor should inform the UEFA administration of any changes or concerns by completing the 'If exceptions identified, please describe' cell.

5. SQUAD COST RULE

The **financial information package** (see section 4) is used for the licensee's submission of financial information for the squad cost rule (Articles 92 to 94).

5.1. Licensee's responsibilities

5.1.1. Summary of documentation to be submitted

The schedules of the financial information package to be completed by licensees subject to the football earnings rule are summarised in section 4.1.1. Several amounts for the squad cost ratio are populated from amounts input to the profit and loss account schedule and the adjustments schedules in the financial information package (in respect of annual reporting periods).

Licensees subject to the squad cost rule must also submit some additional schedules in the financial information package as summarised below.

Schedule	Requirements	For October		For March		Toolkit reference
		AARD* on or before 31 July	AARD after 31 July	AARD on or before 31 July	AARD after 31 July	
		Note 1 Note 2	Note 3	Note 4	Note 5	
Interim profit and loss account	Complete the interim profit and loss account schedule .	✓	n/a	✓	n/a	• Section 5.1.5
Squad cost adjustment	Complete the squad cost adjustment schedule .	✓	✓	✓	✓	• Section 5.1.6
Output schedule: Squad cost ratio	Squad cost ratio will be calculated from the input schedules and will be compared to the defined limit.	✓	✓	✓	✓	• Section 5.1.7
Attachments	Attach the relevant: <ul style="list-style-type: none"> • annual financial statements; • Interim financial statements; and • If applicable, the supplementary information and/or restated financial statements. 	✓	n/a	✓	✓	• Section 4.1.14

*AARD: Annual Accounting Reference Date

Note 1: For licence season 2023/24, for licensees with an annual accounting reference date on or before 31 July 2023, by the October deadline the licensee must submit information for:

- interim reporting period T, based on reviewed/audited interim financial statements (e.g. for the 6 month interim reporting period to 31 December 2022); and
- interim reporting period T+1, based on preliminary information (e.g. for the 6 month interim reporting period to 31 December 2023).

Note 2: For licence season 2023/24, for licensees with an annual accounting reference date on or before 31 July 2023 that choose to calculate the profit/loss on disposal of player registrations and other transfer income/expense for either the 24 months or 36 months to the 31 December during the licence season prorated to 12 months, by the October deadline the licensee must submit information in the player transfers and release of head coach section of the interim profit and loss account schedule for interim reporting period T-1 and/or for T-2 (and attach the associated audited annual financial statements, if not previously submitted).

Note 3: For licence season 2023/24, for licensees with an annual accounting reference date after 31 July 2023, by the October deadline the licensee must submit information for:

- reporting period T-1, based on audited annual financial statements (e.g. for the 12 month reporting period to 31 December 2022);
- reporting period T, based on preliminary information (e.g. for the 12 month reporting period to 31 December 2023);
- Preliminary information of the squad cost adjustments.

Note 4: For licence season 2023/24, for licensees with an annual accounting reference date on or before 31 July 2023, by the March deadline the licensee must submit information for interim reporting period T+1, based on reviewed/audited interim financial statements (e.g. for the 6 month interim reporting period to 31 December 2023), and attach the reviewed/audited interim financial statements.

Note 5: For licence season 2023/24, for licensees with an annual accounting reference date after 31 July 2023, by the March deadline the licensee must submit information for reporting period T, based on audited annual financial statements (e.g. for the 12 month period to 31 December 2023), and attach the audited annual financial statements.

5.1.2. Exemption from the squad cost rule

A licensee is exempt from the squad cost rule if:

- it does not qualify for the group stage of a UEFA club competition; or
- it qualifies for the group stage of a UEFA club competition, but demonstrates that it has employee benefit expenses in respect of all employees below EUR 30 million in the reporting period ending in the calendar year in which the UEFA club competitions commence (i.e. reporting period T) and reporting period immediately prior to that (i.e. reporting period T-1).

For licence season 2023/24, a licensee qualified for the group stage of a UEFA club competition is subject to the squad cost rule unless it can demonstrate that it has employee benefits expenses in respect of all employees below EUR 30 million in each of the reporting periods ending in 2023 (T) and 2022 (T-1).

Employee benefits expenses		Subject to the squad cost rule
Reporting period T	Reporting period T-1	
< EUR 30 million	< EUR 30 million	Exempt
≥ EUR 30 million	< EUR 30 million	Not exempt
< EUR 30 million	≥ EUR 30 million	Not exempt
≥ EUR 30 million	≥ EUR 30 million	Not exempt

The decision on such an exemption is taken by the CFCB and is final.

Employee benefit expenses for a reporting period are the aggregate of the amounts input by the licensee in the profit and loss account schedule in the financial information package in respect of players and other employees.

As set out in Paragraph 79.08, if the reporting period is greater or less than 12 months, then the EUR 30 million exemption threshold is adjusted up or down according to the length of the reporting period. The licensee's employee benefit expenses are then compared to the adjusted threshold amount. See Appendix 5 for further guidance.

5.1.3. Relevant periods for the squad cost ratio

The elements of the squad cost ratio for each relevant period must be calculated and reconciled by the licensee to:

- The relevant annual financial statements and interim financial statements or, if applicable, to the supplementary information and/or restated financial statements (as required by Articles 66 and 68); and
- Underlying accounting records and the player identification table.

As set out in Paragraph 104.02, transitional provisions apply for the calculation of the squad cost ratio for licence season 2023/24 such that profit or loss on disposal of relevant persons' registrations and other transfer income/expenses are to be calculated for either the 12 months, 24 months or 36 months to 31 December 2023, at the discretion of the licensee, then prorated to 12 months.

For licence season 2023/24, the relevant periods for calculating the squad cost ratio are described in the table below (for a club with an annual accounting reference date of 30 June and for a club with an annual accounting reference date of 31 December) and illustrated in the diagrams:

Element	For licensees with an annual accounting reference date of 30 June	For licensees with an annual accounting reference date of 31 December
<p>For amounts for the numerator:</p> <p>(i) employee benefit expenses in respect of relevant persons;</p> <p>(ii) amortisation/impairment of relevant persons' costs; and</p> <p>(iii) costs of agents/intermediaries/connected parties.</p> <p>For amount for the denominator:</p> <p>(iv) adjusted operating revenue.</p>	<p>12-month period to 31 December 2023 comprising:</p> <ul style="list-style-type: none"> • 6 months to 31 December 2023 from the interim financial statements for interim reporting period T+1; and • 6 months to 30 June 2023, derived from the annual financial statements for 12 months to 30 June 2023 (reporting period T) and deducting the 6 months to 31 December 2022 (from the interim financial statements for interim reporting period T). 	<p>12-month period to 31 December 2023, comprising:</p> <ul style="list-style-type: none"> • The annual financial statements for the 12 months to 31 December 2023 (reporting period T).
<p>For amount for the denominator:</p> <p>(v) net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses.</p>	<p>At the discretion of the licensee, for 12 months, 24 months or 36 months to 31 December 2023 (prorated to 12 months), comprising:</p> <ul style="list-style-type: none"> • 6 months to 31 December 2023 from the interim financial statements for interim reporting period T+1; and • 6 months to 30 June 2023, derived from the annual financial statements for 12 months to 30 June 2023 (reporting period T) and deducting the 6 months to 31 December 2022 (from the interim financial statements for interim reporting period T); and • if applicable, the previous 12 months covering 1 January to 31 December 2022 to be derived from a combination of interim financial statements and annual financial statements; and • if applicable, the previous 12 months covering 1 January to 31 December 2021 to be derived from a combination of interim financial statements and annual financial statements. 	<p>At the discretion of the licensee, for 12 months, 24 months or 36 months to 31 December 2023 (prorated to 12 months), comprising:</p> <ul style="list-style-type: none"> • the annual financial statements for the 12 months to 31 December 2023 (reporting period T); and • if applicable, the annual financial statements for the 12 months to 31 December 2022 (reporting period T-1); and • if applicable, the annual financial statements for the 12 months to 31 December 2021 (reporting period T-2).

Relevant periods if the licensee chooses to use 12 months to 31 December 2023 for the net transfer result element:

2021												2022												2023												2024											
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J						
																																										Licence season 2023/24					
<div>Club A: AARD 30 June</div> <div>Numerator: EBE, amortisation/ agents etc</div> <div>Denominator: Adjusted operating revenue</div> <div>Denominator: Net transfer result</div>												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)																							
												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)																							
												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)																							
<div>Club B: AARD 31 December</div> <div>Numerator: EBE, amortisation/ agents etc</div> <div>Denominator: Adjusted operating revenue</div> <div>Denominator: Net transfer result</div>												T (12m to 31.12.23)																																			
												T (12m to 31.12.23)																																			
												T (12m to 31.12.23)																																			

Relevant periods if the licensee chooses to use 24 months to 31 December 2023 (prorated to 12 months) for the net transfer result element:

2021												2022												2023												2024															
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J										
																																								Licence season 2023/24											
<div>Club A: AARD 30 June</div> <div>Numerator: EBE, amortisation/ agents etc</div> <div>Denominator: Adjusted operating revenue</div> <div>Denominator: Net transfer result</div>												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)																											
												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)																											
												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)																											
T-1 minus interim T-1 (6m to 30.06.22)												Interim T (6m to 31.12.22)												T minus interim T (6m to 30.06.23)												Interim T+1 (6m to 31.12.23)															
<div>Club B: AARD 31 December</div> <div>Numerator: EBE, amortisation/ agents etc</div> <div>Denominator: Adjusted operating revenue</div> <div>Denominator: Net transfer result</div>																								T (12m to 31.12.23)																											
																								T (12m to 31.12.23)																											
																								T-1 (12m to 31.12.22)												T (12m to 31.12.23)															

Relevant periods if the licensee chooses to use 36 months to 31 December 2023 (prorated to 12 months) for the net transfer result element:

The diagram illustrates the timeline for calculating EBE (Excess Budgetary Expenditure) for Club A and Club B across the years 2021, 2022, 2023, and 2024. The timeline is marked with months (J, F, M, A, M, J, J, A, S, O, N, D) for each year.

Club A: AARD 30 June

- Numerator:** EBE, amortisation/ agents etc
- Denominator:** Adjusted operating revenue
- Denominator:** Net transfer result

Club B: AARD 31 December

- Numerator:** EBE, amortisation/ agents etc
- Denominator:** Adjusted operating revenue
- Denominator:** Net transfer result

Licence season 2023/24

The diagram shows the calculation of EBE for Club A and Club B across the years 2021, 2022, 2023, and 2024. The timeline is marked with months (J, F, M, A, M, J, J, A, S, O, N, D) for each year. The diagram illustrates the flow of EBE, amortisation, and agents' costs, and the calculation of adjusted operating revenue and net transfer results for the 2023/24 season.

As set out in Paragraph 92.05, exceptionally, **a licensee may request an alternative period for the application of the squad cost rule** and submission of squad cost information if it has an annual accounting reference date of:

- 31 May, in which case it may prepare interim financial statements for a six-month period ending 30 November and use such interim financial statements for the cost control requirements (together with its annual financial statements to 30 November), or
- 30 November, in which case it may use the annual financial statements for the reporting period ending 30 November for the cost control requirements.

In both such exceptional cases, all references to 31 December in the cost control requirements should be understood as 30 November.

The licensee must submit its request in writing (via email to fs.support@uefa.ch) to UEFA/CFCB within 10 days of the start of the licence season, or if later, within 10 days of sporting qualification for the group stage of a UEFA club competition.

If a licensee changes its annual accounting reference date and has a reporting period of greater or less than 12 months (or an interim reporting period of greater or less than 6 months), the squad cost ratio is calculated accordingly, and the defined limit does not change. See Appendix 5 for further guidance.

5.1.4. Submissions by a licensee subject to the squad cost rule

The submissions required of a licensee subject to the squad cost rule are summarised in section 4.1.4.

A licensee subject to the squad cost rule must submit the relevant schedules of the financial information package **by the October deadline** during the licence season, so that the squad cost ratio can be calculated on a preliminary basis (based on a combination of actual and projected financial information) in order to alert both the licensee and UEFA to a potential upcoming breach.

For assessment for compliance with the squad cost rule (Article 93), the squad cost ratio is calculated in the squad cost ratio schedule in the financial information package to be submitted **by the March deadline** during the licence season.

Several amounts for the squad cost ratio are populated from amounts input to the profit and loss account schedule (in respect of annual reporting periods) and, if applicable, the interim profit and loss account schedule in the financial information package (in respect of interim reporting periods). In addition, to calculate the relevant amounts for the calculation of the squad cost ratio, adjustments are made by inputting of amounts to:

- the adjustments schedules in the financial information package (in respect of annual reporting periods) – see Section 5.1.7 and Appendix 4 (A); and
- the squad cost adjustment schedule in the financial information package (in respect of annual reporting periods and interim reporting periods) – see Section 5.1.6.

5.1.5. Interim profit and loss account schedule

Those licensees subject to the squad cost rule with an annual accounting reference date ending on or before 31 July must complete and submit the interim profit and loss account schedule in the financial information package in respect of the relevant interim reporting periods, as set out in section 4.1.5.

In many respects the format of the interim profit and loss account schedule is the same as the profit and loss account schedule applicable for annual reporting periods. The licensee must enter amounts in accordance with the account line definitions in the interim profit and loss account schedule and as further explained in Appendix 3.

The financial information in the interim profit and loss account schedule:

- must relate to the **same reporting perimeter as used for the fulfilment of the club licensing** criteria in Article 65; and
- for the submission for the March deadline, must be calculated and **reconciled to the relevant interim financial statements and, if applicable, to supplementary information and/or to the relevant restated financial statements**.

In accordance with Paragraph 68.08, if the interim financial statements do not meet the minimum disclosure requirements set out in Annex F, then the licensee must also submit **supplementary information** assessed by the same auditor.

In accordance with Paragraph 68.09, if the interim financial statements do not comply with the accounting requirements set out in Annex G, then the licensee must also submit **restated financial statements** assessed by the same auditor.

The licensee should prepare and retain for inspection on request a detailed reconciliation to map from its accounting records (general ledger) to the account lines in the interim profit and loss account schedule for each relevant period.

For the calculation of elements of the squad cost ratio, certain amounts will automatically be sourced from the relevant account lines in the interim profit and loss account schedule – see Section 5.1.7. Of particular relevance for downwards adjustments for the calculation of elements of the squad cost ratio, the interim profit and loss account schedule includes P&L account lines for:

- Revenue – other operating income – exceptional income.

The interim profit and loss account schedule also requires the licensee to input some other information including identifying the reporting perimeter and the period covered.

5.1.6. Squad cost adjustment schedule

Those licensees subject to the squad cost rule with an annual accounting reference date ending on or before 31 July must complete and submit the squad cost adjustment schedule in the financial information package in respect of each relevant annual and interim reporting period, as set out in section 4.1.5.

The squad cost adjustment schedule in respect of an interim reporting period includes amounts to be input in respect of the following items:

- Downwards adjustments for non-football operations related to the club – in respect of:
 - employee benefits expenses;
 - amortisation/impairment;
 - costs of agents/intermediaries;
 - costs directly attributable to non-football operations related to the club; and
 - net amount of profit/loss on disposal of registrations and other costs/income in respect of (non-football) players.
- Downwards adjustments for women's football activities – in respect of:
 - employee benefits expenses;
 - amortisation/impairment;
 - costs of agents/intermediaries; and

- net amount of profit/loss on disposal of registrations and other costs/income in respect of women players.
- Downwards adjustment for income transactions above fair value;
- Downwards adjustment for income from non-football operations not related to the club;
- Upwards adjustments in respect of any person who acted as head coach in the relevant period or a former head coach (Note 1) – in respect of:
 - employee benefits expenses; and
 - amortisation/impairment of intangible assets (head coach).
- Downward adjustment for a player exchange transaction between the licensee and another party or other parties in accordance with Annex J.9.

The squad cost adjustment schedule in respect of an annual reporting period includes amounts to be input in respect of the following items:

- Upwards adjustments in respect of any person who acted as head coach in the relevant period or a former head coach (Note 1) – in respect of:
 - employee benefits expenses;
 - amortisation/impairment of intangible assets (head coach);
 - profit/loss on release of head coach; and
 - income from/cost of release of head coach.
- Downward adjustment in respect of a player exchange transaction, for a player exchange transaction between the licensee and another party or other parties in accordance with Annex J.9.

Note 1: The upwards adjustment in respect of any person who acted as head coach in the relevant period or a former head coach includes:

Example of head coach costs included in the squad cost ratio:

Example 1: Early termination of the contract with Head coach A in early September. The monthly salary of head-coach A was 100 per month. An early termination compensation of 1,000 is due to the head coach A. An interim head-coach is in charge to the team for a couple of weeks before a new head-coach B joins the club. Head-coach B's monthly wage is 120.

The total employee benefits for the head-coach included in the squad costs ratio amounts to 2,250:

	January	February	March	April	May	June	July	August	September	October	November	December	Total head coach
Head Coach A	100	100	100	100	100	100	100	100	20				820
Termination fee Head coach A									1000				1'000
Interim head coach									30				30
Head Coach B									40	120	120	120	400
												Total	2'250

Example 2: The head coach A is discharged from the team as from September. The monthly salary of head-coach A was 100 per month. The club continues to pay the head coach A until he joins a new club or until the end of his contract whichever comes first. Head-coach A is replaced by Head-coach B. Head-coach B's monthly wage is 120.

The total employee benefits for the head-coach included in the squad costs ratio amounts to 1,680:

	January	February	March	April	May	June	July	August	September	October	November	December	Total head coach
Head Coach A on duty	100	100	100	100	100	100	100	100					800
Head coach A discharge from the first squad									100	100	100	100	400
Head Coach B									120	120	120	120	480
												Total	1'680

5.1.7. Calculation of the squad cost ratio

As set out in Paragraph 92.01, a licensee's squad cost ratio is calculated as:

Squad cost ratio (%)	=	Squad cost ratio numerator:		
		(i)	Employee benefit expenses in respect of relevant persons +	
		(ii)	Amortisation / impairment of relevant persons' costs +	
		(iii)	Costs of agents/intermediaries/connected parties (if not included in (i) or (ii))	
		<hr/>		
		Squad cost ratio denominator:		
		(iv)	Adjusted operating revenue +	
		(v)	Net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses	

(i) Employee benefit expenses in respect of relevant persons

As set out in Annex K.1.2: Employee benefit expenses in respect of relevant persons are the aggregate of the employee benefit expenses incurred by the licensee or any entity of the reporting perimeter in respect of each relevant person.

Relevant persons include:

- (i) each professional male player registered with the licensee at any time during the relevant period;
- (ii) any other professional male player whose registration the licensee has agreed to temporarily transfer to another football club for the relevant period;
- (iii) any other professional male player in respect of whom the licensee has incurred employee benefit expenses in the relevant period;
- (iv) any person who acted as head coach, as defined in Article 47, in the relevant period; and
- (v) any other person who previously acted as head coach and for whose role as head coach the licensee has incurred employee benefit expenses in the relevant period.

Employee benefit expenses of relevant persons include:

- (i) gross wages/salaries, i.e. gross of any income tax and employee social security charges;
- (ii) non-monetary benefits for current employment e.g. benefits-in-kind, access to private medical care, housing, cars and free or subsidised goods and services;
- (iii) signing-on and loyalty payments;
- (iv) sporting performance bonus costs and other bonus costs;
- (v) post-employment benefits, including pension contributions and any lump sum payments on retirement, and any other post-employment benefits, e.g. life insurance and access to medical care;
- (vi) other long-term employee benefits, e.g. long-term paid absences, jubilee or other long-service benefits, profit sharing and bonuses, and deferred remuneration;
- (vii) termination benefits/payments;
- (viii) fees, performance or other contractual bonuses;
- (ix) image rights payments directly or indirectly resulting from contractual agreements for the right to exploit the employees' image or reputation for promotional, media or endorsement work in relation to football and/or non-football activities;
- (x) any employer social security charges;
- (xi) if not otherwise included in items set out above, any other forms of consideration such as cryptocurrencies, crypto-assets, fan tokens and non-fungible tokens; and
- (xii) all costs incurred in respect of a relevant person, by a third party relating to appearances, sponsorship, endorsement or merchandising work, unless the licensee can prove to the satisfaction of the CFCB that the arrangement is genuine, is at fair value, and has been negotiated and entered into independent of any relationship between the sponsor/third party and the licensee.

Summary of the calculation of employee benefit expenses in respect of relevant persons for the squad cost ratio schedule:

Element	Schedule in FI package	Amount
P&L account lines:		
Football players –wages and salaries		x
<i>Note: See Appendix 3 for further explanation about P&L account lines. Costs of 'players' includes all types of players including youth and women.</i>		
Football players –social security charges	P&L account schedule	x
Football players – other/ non-split	and, if applicable, Interim P&L account schedule	x
<i>Note: Aggregate of amounts for elements (ii) to (ix) and (xi) of the definition of employee benefit expenses for the squad cost ratio, if not otherwise included in gross wages/salaries.</i>		
Total Players Benefit expenses (sub-total)		X
Downwards adjustments for amounts in respect of persons who are not relevant persons:		
Women players – aggregate of wages/sales, employer social security charges and other	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
Upwards adjustment for amounts in respect of relevant persons:		
Head coach – aggregate of wages/sales, employer social security charges and other	Squad cost adjustment schedule	x
<i>Note: Amounts in respect of any person who acted as head coach in the relevant period or a former head coach. See Section 5.1.6 for further guidance.</i>		
Employee benefit expenses in respect of relevant persons for calculation of the squad cost ratio		X

The residual amount that is calculated for employee benefit expenses in respect of relevant persons for calculation of the squad cost ratio must also be reconciled by the licensee to accounting books and records by way of a detailed supporting document listing for each individual relevant person:

- Relevant person's name and date of birth;
- Amounts for each of gross wages/salaries, social security costs and other costs as recorded in the accounting records of the licensee's reporting perimeter; and
- Any other reconciling amounts.

The detailed supporting documents must be retained and made available for inspection on request of UEFA/CFCB.

(ii) Amortisation/impairment of relevant persons' costs

As set out in Annex K.1.3: Amortisation/impairment of relevant persons' costs are calculated from the licensee's annual financial statements and/or interim financial statements as defined in Annex G.

Summary of the calculation of amortisation/impairment of relevant persons for the squad cost ratio schedule:

Element	Schedule in FI package	Amount
P&L account lines:		
Amortisation of intangible assets (player registrations)	P&L account schedule	x
Impairment of intangible assets (player registrations)	and, if applicable, Interim P&L account schedule	x
Downwards adjustments for amounts in respect of persons who are not relevant persons:		
Non-football operations related to the club – aggregate of amortisation and impairment costs in respect of non-football operations	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
Women's football activities – aggregate of amortisation and impairment costs in respect of women player registrations		(x)
Upwards adjustment for amounts in respect of relevant persons:		
Head coach – amortisation/impairment of intangible assets	Squad cost adjustment schedule	x
<i>Note: Amounts in respect of any person who acted as head coach in the relevant period or a former head coach.</i>		
Amortisation/impairment of relevant persons for calculation of the squad cost ratio		X

The residual amount that is calculated for amortisation/impairment of relevant persons for calculation of the squad cost ratio must also be reconciled by the licensee to accounting books and records by way of the player identification table. The minimum information requirements to be included in the player identification table in respect of each relevant player are set out in Annex F.6.

For a licensee with an annual accounting reference date on or before 31 July, the player identification table in respect of the 12 month reporting period and relevant 6 month interim reporting periods will first need to be reconciled to cover the relevant 12 months (e.g. for 1 January 2023 to 31 December 2023).

Any amortisation/impairment in respect of a head coach and/or former head coach will be a reconciling item between the amounts in the player identification table and the squad cost ratio schedule.

The player identification table must be retained by the licensee and made available for inspection on request of UEFA/CFCB.

(iii) Costs of agents/intermediaries/connected parties (if not included in elements (i) or (ii))

As set out in Annex K.1.4: Costs of agents/intermediaries are costs of agents/intermediaries not otherwise included in employee benefit expenses of relevant persons and amortisation/impairment of relevant persons' costs.

Costs of connected parties are all costs paid to a connected party and incurred by the licensee, any entity of the reporting perimeter or a third party in respect of a relevant person.

Connected party means, in relation to a relevant person:

- (i) any close member of such relevant person's family, where close family member means:
 - a spouse, domestic partner or civil partner;
 - any other person with whom the relevant person lives as partner in an enduring family relationship;
 - children or step-children of the relevant person or of any person falling within Paragraph (i) of this definition;
 - any children or step-children of a person falling within Paragraph (i) of this definition who live with the relevant person and have not attained the age of 18;
 - siblings;
 - parents; and
 - dependents of the relevant person or of any person falling within Paragraph (i) of this definition.
- (ii) any agent/intermediary or representative acting on behalf of the relevant person;
- (iii) any legal entity in relation to which a relevant person or any of the categories of person identified within paragraphs (i) and (ii) of this definition is:
 - beneficially entitled to 20% or more of the entire issued share capital of that body corporate; or
 - entitled to exercise or control the exercise of more than 20% of the voting power at any general meeting of that body corporate; and
- (iv) any company, trust, partnership, or other body, organisation or mechanism established or operating directly or indirectly in whole or in part for the benefit of or in respect of the relevant person or any or all of the other categories of person referred to in this definition.

Summary of the calculation of costs of agents/intermediaries/connected parties in respect of relevant persons for the squad cost ratio schedule:

Element	Schedule in FI package	Amount
P&L account lines:		
Non capitalised costs of agents/intermediaries		x
<i>Note: This P&L account line is for costs of agents/intermediaries if not otherwise included in employee benefit expenses and amortisation/impairment.</i>		
Costs incurred with a connected party	P&L account schedule and, if applicable, Interim P&L account schedule	x
<i>Note: As required by Article 65, costs of connected party in respect of a relevant person must be entirely reflected in the financial statements of one of the entities in the licensee's reporting perimeter.</i>		
Downwards adjustments for amounts in respect of persons who are not relevant persons:		
Non-football operations related to the club - costs of agents/intermediaries	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
Women's football activities - costs of agents/intermediaries		(x)
Costs of agents/intermediaries/connected parties in respect of relevant persons for calculation of the squad cost ratio		X

(iv) Adjusted operating revenue

As set out in Annex K.2.2: Adjusted operating revenue is calculated as the sum of the following items as described in Annex J:

- (i) Revenue - Gate receipts
- (ii) Revenue - Sponsorship and advertising
- (iii) Revenue - Broadcasting rights
- (iv) Revenue - Commercial activities (net of costs directly attributable to merchandise sales)
- (v) Revenue - UEFA solidarity and prize money
- (vi) Revenue - Other operating income (net of costs directly attributable to non-football operations related to the club)

The above revenues must be decreased if any of the elements listed in (i) to (vi) above include any of the items below as described in Annex J:

- (vii) Income transaction(s) above fair value;
- (viii) Income from non-football operations not related to the club;
- (ix) Exceptional income.

Summary of the calculation of adjusted operating revenue for the squad cost ratio schedule:

Element	Schedule in FI package	Amount
P&L account lines:		x
Revenue - Gate receipts		x
Revenue - Sponsorship and advertising		x
Revenue - Broadcasting rights	P&L account schedule and, if applicable, Interim P&L account schedule	x
Revenue - Commercial activities	P&L account schedule	x
Revenue - UEFA solidarity and prize money		x
Revenue - Other operating income		x
Total revenue (sub-total)		X
Downward adjustments for calculation of adjusted operating revenue:		
Costs directly attributable to merchandise sales	P&L account schedule and, if applicable, Interim P&L account schedule	(x)
<i>Note: Downward adjustment for amount in P&L account line 'Operating expenses - costs directly attributable to merchandise sales'. See Appendix 3 for further explanation.</i>		
Costs directly attributable to non-football operations related to the club	P&L account schedule and, if applicable, Interim P&L account schedule	(x)
<i>Note: Downward adjustment for amount in P&L account line 'Operating expenses - costs directly attributable to non-football operations related to the club'. See Appendix 3 for further explanation.</i>		
Income transactions above fair value	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
<i>Note: Downward adjustment for any item in total revenue recorded above fair value.</i>		
Income from non-football operations not related to the club	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
<i>Note: Downward adjustment for any item in total revenue from non-football operations not related to the club.</i>		
Revenue – other operating income - exceptional income	P&L account schedule and, if applicable, Interim P&L account schedule	(x)
<i>Note: Exceptional income is an income/credit item derived from an unusual event or transaction. If exceptional income is derived from operating activities, then it must be disclosed in the account line in the annual profit and loss account schedule and interim profit and loss account schedule described as 'Revenue – other operating income - exceptional income'. See Appendix 3 for further explanation.</i>		
Adjusted operating revenue for calculation of the squad cost ratio		X

(v) Net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses

As set out in Annex K.2.3, net profit or loss on disposal of relevant persons' registrations must be recognised in accordance with the accounting requirements for the preparation of financial statements as defined in Annex G.3 and G.4, in respect of both player registrations and, if applicable, the release of a head coach.

Net profit or loss on disposal of relevant persons' registrations is in respect of both player registrations and, if applicable, the release of a head coach.

As set out in Annex K.2.4, other transfer income/expenses are calculated as the sum of the following items:

- (i) Costs of relevant persons in the relevant period which are not otherwise accounted for using the capitalisation and amortisation method of accounting;
- (ii) Loan costs comprising amounts incurred in respect of the temporary transfer-in of a player from another club or transfer-out of a player to another club plus any directly attributable amounts incurred towards another party such as another football club, agent/intermediary, or national football association/league;
- (iii) Income accounted for in the relevant period from disposal of relevant persons' registrations which is not otherwise accounted for using the capitalisation and amortisation method of accounting and;
- (iv) Loan income comprising amounts recognised in respect of the temporary transfer-out of a player to another club or transfer-in of a player less any directly attributable amounts paid and/or payable for a commitment to another party such as another football club, agent/intermediary, or national football association/league.

Summary of the calculation of net profit/loss on disposal of relevant persons' registrations and other transfer income/expense for the squad cost ratio schedule:

Element	Schedule in FI package	Amount
P&L account line:		
Profit on disposal of intangible assets (player registrations)		x
Loss on disposal of intangible assets (player registrations)	P&L account schedule and, if applicable, Interim P&L account schedule	(x)
Cost of acquiring player registrations (including loan costs)		(x)
<i>Note: This account line covers the costs in respect of Annex K.2.4 (i) and (ii). Loan costs includes both costs incurred for the transfer-in of a player, and costs incurred for the transfer-out of a player (e.g. development fees to the other club and bonuses to the other club for match appearances).</i>		
Income from disposal of player registrations (including loan income)		x
<i>Note: This account line covers the costs in respect of Annex K.2.4 (iii) and (iv).</i>		
Downwards adjustments for amounts in respect of persons who are not relevant persons:		
Non-football operations related to the club - net amount of profit/loss on disposal of registrations and other costs/income in respect of players	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
<i>Note: Adjustment in respect of any players who are not football players.</i>		
Women's football activities – net amount of profit/loss on disposal of women player registrations and other costs/income in respect of women players		(x)
Other downwards adjustment:		
Player exchange transaction	Adjustment schedule and, if applicable, Squad cost adjustment schedule	(x)
<i>Note: Downward adjustment for a player exchange transaction between the licensee and another party or other parties in accordance with Annex J.9.</i>		
Adjustment for amounts in respect of relevant persons:		
Head coach - Profit/loss on release of head coach		x/(x)
<i>Note: Amount for the profit or loss from release of a head coach, accounted for using the capitalisation and amortisation method.</i>		
Head coach - Income from / cost of release of head coach	P&L account schedule and, if applicable, Interim P&L account schedule	x/(x)

Note: Amount for the income from release of a head coach or cost of acquiring the release of a head coach, for which the cost/income is not otherwise accounted for using the capitalisation and amortisation method.

Net profit/loss on disposal of relevant persons' registrations and other transfer income/expense for calculation of the squad cost ratio	X
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The residual amount that is calculated for net profit/loss on disposal of relevant persons' registrations and other transfer income/expense for a period for calculation of the squad cost ratio must also be reconciled by the licensee to accounting books and records for the relevant period by way of the player identification table. The minimum information requirements to be included in the player identification table in respect of each relevant player are set out in Annex F.6.

For a licensee with an annual accounting reference date on or before 31 July, the player identification table in respect of the 12-month reporting period and relevant 6 month interim reporting periods will first need to be reconciled to cover the relevant 12 months (e.g. for 1 January 2023 to 31 December 2023).

Any net profit/loss on disposal of relevant persons' registrations and other transfer income/expense in respect of a head coach and/or former head coach will be a reconciling item between the amounts in the player identification table and the squad cost ratio schedule.

The player identification table must be retained by the licensee and made available for inspection on request of UEFA/CFCB.

As set out in Article 92.04 b., the relevant period for the calculation of the net transfer result is the 36 months to the 31 December during the licence season, prorated to 12 months. The licensee must calculate the net transfer result for each of (i) the 12 months to 31 December during the licence season, (ii) the 12 months to 31 December during the immediately preceding licence season, and (iii) the 12 months immediately preceding (ii), and calculate the prorated amount for equivalent of 12 months.

As set out in Paragraph 104.02, transitional provisions apply for the calculation of the squad cost ratio for licence season 2023/24 such that profit or loss on disposal of relevant persons' registrations and other transfer income/expenses are to be calculated for either the 12 months, 24 months or 36 months to 31 December 2023, at the discretion of the licensee, then prorated to 12 months.

5.1.8. Compliance with the squad cost rule

A licensee's squad cost ratio for a licence season is the result of dividing the sum of the elements of the licensee's squad cost ratio numerator by the sum of the elements of the licensee's squad cost ratio denominator (Article 92 and section 5.1.7).

A licensee's squad cost ratio is calculated using the reporting currency of the annual financial statements.

A licensee is **in compliance with the squad cost rule** for the licence season if the licensee has a squad cost ratio no greater than the defined limit (Article 93).

A licensee is **not in compliance with the squad cost rule** for the licence season if the licensee's squad cost ratio exceeds the defined limit.

The defined limit:

- For licence season 2023/24, the defined limit is 90%;
- For licence season 2024/25, the defined limit is 80%; and
- For licence season 2025/26 and subsequent licence seasons, the defined limit is 70%.

5.1.9. Illustrative scenarios for the squad cost rule

The **squad cost ratio schedule** summarises:

- The squad cost ratio numerator, including amounts for (i) employee benefit expenses in respect of relevant persons, (ii) amortisation / impairment of relevant persons' costs, and (iii) costs of agents/intermediaries/connected parties (if not included in (i) or (ii));
- The squad cost ratio denominator, including amounts for (iv) adjusted operating revenue, and (v) net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses; and
- The licensee's squad cost ratio, and comparison with the defined limit for the licence season.

If the licensee's squad cost ratio is above the defined limit for the licence season, then the licensee is in breach of the squad cost rule and will be subject to a financial disciplinary measure as defined in Annex L.1.

Example 1: Squad cost ratio in compliance with the defined limit

Calculation of squad cost ratio	Ref	Calculation for licence season
Squad cost ratio numerator:		
(i) Employee benefit expenses in respect of relevant persons	A	12
(ii) Amortisation / impairment of relevant persons' costs	B	7
(iii) Costs of agents/intermediaries/connected parties	C	2
Squad cost ratio numerator (A + B + C)	D	21
Squad cost ratio denominator:		
(iv) Adjusted operating revenue	E	20
(v) Net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses (i.e. the 'net transfer result' from K)*	F	10
Squad cost ratio denominator (E + F)	G	30
*Calculation of net transfer result (for F):		
Net transfer result for the 12-month period to 31 December during the licence season	H	5
Net transfer result for the 12-month period to 31 December during the immediately preceding licence season (i.e. for the 12-month period before H)	I	15
Net transfer result for the 12-month period to 31 December during the licence season which was two seasons ago (i.e. for the 12-month period before I)	J	10
Calculation of net transfer result ((H + I + J) / 3) – to F	K	10
Calculation of squad cost ratio:		
Squad cost ratio numerator (from D)		21
Squad cost ratio denominator (from G)		30
Squad cost ratio % (D / G)		70%
Defined limit for the licence season		70%
Outcome: Cost control requirement fulfilled		
Squad cost ratio for the licence season of 70% is no greater than the defined limit of 70%.		

Example 2: Squad cost ratio in excess of the defined limit (due to higher employee benefit expenses than example 1)

Calculation of squad cost ratio	Ref	Calculation for licence season
Squad cost ratio numerator:		
(i) Employee benefit expenses in respect of relevant persons	A	15
(ii) Amortisation / impairment of relevant persons' costs	B	7
(iii) Costs of agents/intermediaries/connected parties	C	2
Squad cost ratio numerator (A + B + C)	D	24
Squad cost ratio denominator:		
(iv) Adjusted operating revenue	E	20
(v) Net profit/loss on disposal of relevant persons' registrations and other transfer income/expenses (i.e. the 'net transfer result' from K)*	F	10
Squad cost ratio denominator (E + F)	G	30
Calculation of net transfer result (for F):		
Net transfer result for the 12-month period to 31 December during the licence season	J	5
Net transfer result for the 12-month period to 31 December during the immediately preceding licence season (i.e. for the 12-month period before H)	H	15
Net transfer result for the 12-month period to 31 December during the license season which was two seasons ago (i.e. for the 12-month period before I)	I	10
Calculation of net transfer result ((H + I + J) / 3) – to F	K	10
Calculation of squad cost ratio		
Squad cost ratio numerator (from D)		24
Squad cost ratio denominator (from G)		30
Squad cost ratio % (D / G)		80%
Defined limit for the licence season		70%
Outcome: Cost control requirement not fulfilled		
Squad cost ratio for the licence season of 80% is greater than the defined limit of 70%. The licensee will be subject to a financial disciplinary measure to be determined by the CFCB, and potentially further sanctions if this is a significant breach		

5.2. Financial disciplinary measure grid

5.2.1. Application of the financial disciplinary measure grid

If the licensee's squad cost ratio is above the defined limit for the licence season, then the licensee is in breach of the squad cost rule and will be subject to a financial disciplinary measure (as defined in **Annex L.1**).

The amount of the financial disciplinary measure will be decided by the CFCB, and based on:

- (i) the excess by which the licensee's squad cost numerator exceeds the amount that would be required in order to result in a squad cost ratio equal to the defined limit (i.e. the squad cost ratio excess); and
- (ii) the number of breaches of the squad cost rule across the current licence season and previous three licence seasons.

The financial disciplinary measure will be determined by the CFCB, to be **calculated as a percentage of the squad cost ratio excess**, having taken into consideration the financial disciplinary measure grid as defined in **Annex L.4**:

Severity of breach: The number of percentage points by which the licensee's squad cost ratio exceeds the defined limit	Number of breaches across the current licence season and previous three licence seasons			
	First time in breach	Second time in breach	Third time in breach	Fourth time in breach
>0 and ≤ 10	10%-25%	25%-50%	50%-75%	75%-100%
>10 and ≤ 20	25%-50%	50%-75%	75%-100%	
>20 and ≤ 30	50%-75%	75%-100%		
>30	75%-100%			

The squad cost ratio and the financial disciplinary measure will first be calculated in the reporting currency of the licensee's financial statements.

Then the amount of the financial disciplinary measure will be translated to Euros at the average exchange rate for the 12-month period over which the squad cost ratio is calculated (e.g. the 12 months to 31 December during the licence season, or 12 months to 30 November if the licensee has applied for an alternative period under paragraph 92.05).

Significant breach of the squad cost rule

A licensee may also be subject to further sanctions if the licensee is considered by the CFCB to have committed a significant breach (as defined in **Annex L.2**).

A licensee is considered to have committed a significant breach of the squad cost rule if its squad cost ratio for the licence season is :

- (i) **more than 20 percentage points above the defined limit**; or
- (ii) **more than 10 percentage points above the defined limit** and it has exceeded the defined limit **once or more in the previous three licence seasons**; or
- (iii) **above the defined limit** and its squad cost ratio has exceeded the defined limit **two or more times in the previous three licence seasons**.

If a licensee is considered to have committed a significant breach of the squad cost rule, the CFCB will apply further disciplinary measures in addition to the financial disciplinary measure, in accordance with the list provided in the *Procedural rules governing the UEFA Club Financial Control Body*.

5.2.2. Illustrative scenarios for the financial disciplinary measure grid

If the licensee's squad cost ratio is above the defined limit for the licence season, then the licensee is in breach of the squad cost rule.

The application of the financial disciplinary measure grid is demonstrated in the examples below:

Example 1: Squad cost ratio in excess of the defined limit, and first time in breach across the current licence season and previous three licence seasons

Calculation of squad cost ratio	Ref	Calculation for licence season
Calculation of the squad cost ratio		
Squad cost ratio numerator	A	60
Squad cost ratio denominator	B	80
Squad cost ratio for the licence season (A / B)	C	75%
Defined limit for the licence season		
	D	70%
Calculation of squad cost ratio excess		
Squad cost ratio numerator (A)	A	60
Squad cost ratio numerator that would result in a squad cost ratio at the defined limit (B x D)	E	56
Squad cost ratio excess (E – A)	F	4
Calculation of financial disciplinary measure		
Number of percentage points by which the licensee's squad cost ratio exceeds the defined limit (C - D)	5	
Number of breaches across the current licence season and previous three licence seasons	1	
Financial disciplinary measure range for CFCB consideration, applying the financial disciplinary measure grid	G	10%-25%
Financial disciplinary measure (F x G)	In range 0.4 to 1 million	
Significant breach?	No – first time breach and ratio is not more than 20 percentage points above the defined limit	

Example 2: Squad cost ratio in excess of the defined limit, and second time in breach across the current licence season and previous three licence seasons

Calculation of squad cost ratio	Ref	Calculation for licence season
Calculation of the squad cost ratio		
Squad cost ratio numerator	A	60
Squad cost ratio denominator	B	80
Squad cost ratio for the licence season (A / B)	C	75%
Defined limit for the licence season	D	70%
Calculation of squad cost ratio excess		
Squad cost ratio numerator (A)	A	60
Squad cost ratio numerator that would result in a squad cost ratio at the defined limit (B x D)	E	56
Squad cost ratio excess (E – A)	F	4
Calculation of financial disciplinary measure		
Number of percentage points by which the licensee's squad cost ratio exceeds the defined limit (C-D)	5	
Number of breaches across the current licence season and previous three licence seasons	2	
Financial disciplinary measure range for CFCB consideration, applying the financial disciplinary measure grid	G	25%-50%
Financial disciplinary measure (F x G)	In range 1 to 2 million	
Significant breach?	No – one breach in previous three licence seasons but ratio is not more than 10 percentage points above the defined limit	

Example 3: Squad cost ratio in excess of the defined limit, and third time in breach across the current licence season and previous three licence seasons

Calculation of squad cost ratio	Ref	Calculation for licence season
Calculation of the squad cost ratio		
Squad cost ratio numerator	A	68
Squad cost ratio denominator	B	80
Squad cost ratio for the licence season (A / B)	C	85%
Defined limit for the licence season	D	70%
Calculation of squad cost ratio excess		
Squad cost ratio numerator (A)	A	68
Squad cost ratio numerator that would result in a squad cost ratio at the defined limit (B x D)	E	56
Squad cost ratio excess (E – A)	F	12
Calculation of financial disciplinary measure		
Number of percentage points by which the licensee's squad cost ratio exceeds the defined limit (C-D)	15	
Number of breaches across the current licence season and previous three licence seasons	3	
Financial disciplinary measure range for CFCB consideration, applying the financial disciplinary measure grid	G	75%-100%
Financial disciplinary measure (F x G)	In range 9 to 12 million	
Significant breach? Additional disciplinary measures will apply in addition to the financial disciplinary measure.	Yes – breached more than once in last three licence seasons and ratio is above the defined limit	

Example 4: Squad cost ratio in excess of the defined limit, and first time in breach across the current licence season and previous three licence seasons

Calculation of squad cost ratio	Ref	Calculation for licence season
Calculation of the squad cost ratio		
Squad cost ratio numerator	A	74
Squad cost ratio denominator	B	80
Squad cost ratio for the licence season (A / B)	C	92.5%
Defined limit for the licence season	D	70%
Calculation of squad cost ratio excess		
Squad cost ratio numerator (A)	A	74
Squad cost ratio numerator that would result in a squad cost ratio at the defined limit (B x D)	E	56
Squad cost ratio excess (E – A)	F	18
Calculation of financial disciplinary measure		
Number of percentage points by which the licensee’s squad cost ratio exceeds the defined limit (C-D)	22.5	
Number of breaches across the current licence season and previous three licence seasons	1	
Financial disciplinary measure range for CFCB consideration, applying the financial disciplinary measure grid	G	50%-75%
Financial disciplinary measure (F x G)	In range 9 to 13.5 million	
Significant breach? Additional disciplinary measures will apply in addition to the financial disciplinary measure.	Yes – first time breach but ratio is more than 20 percentage points above the defined limit	

6. OVERDUE PAYABLES PACKAGE

The **overdue payables package** is used:

- for the licensee's submission of information as at 15 July, 15 October and 15 January during the licence season for the no overdue payables rules in respect of football clubs (Article 80), employees (Article 81), social/tax authorities (Article 82) and UEFA (Article 83); and
- for the licensor's submission of their assessment of the overdue payables package.

6.1. Licensee's responsibilities

6.1.1. Summary of documentation to be submitted

Schedules	Requirements	For July (at 15 July)	For October (at 15 October)	For January (at 15 January) Note 1	Toolkit Reference
Transfer payables	Complete the transfer payables schedule , including details of each player transfer.	✓	✓	✓	• Section 6.1.3
Overdue transfer receivables	Complete the overdue transfer receivables schedule .	✓	✓	✓ Note 2	• Section 6.1.4
Employee table	Complete the employee table schedule .	✓	✓	✓	• Section 6.1.5
Social/tax table	Complete the social/tax table schedule .	✓	✓	✓	• Section 6.1.6
Payables summary	The payables summary is populated from the input schedules.	✓	✓	✓	• Section 6.1.7
Management representation	Complete the management representation schedule to validate the information before submission, including about any overdue payables to UEFA.	✓	✓	✓	• Section 6.1.8

Note 1: A licensee will be required to complete the schedules set out above for January if the licensee has overdue payables as at 15 July or 15 October, if it has deferred payables as at 15 October, or if otherwise requested by the CFCB.

Note 2: A licensee will be required to submit the overdue transfer receivables schedule in respect of 31 December if the licensee submits transfer payables at 15 January, or, if otherwise requested by the CFCB.

The input information is summarised in the output report entitled 'payables summary'.

6.1.2. Submitting the overdue payables package

The licensee must submit the **overdue payables package** by the deadline set by the licensor before each of UEFA's submission deadlines for July, October and, if applicable, January.

For each type of no overdue payables defined in Articles 80 to 83, the licensee must have no overdue payables as at 15 July, 15 October and 15 January (each referred to as the "deadline") in respect of obligations due to be paid by the 30 June, 30 September and 31 December respectively (each referred to as the "cut-off date").

A licensee will only be required to submit information in respect of no overdue payables as at 15 January if the licensee has overdue payables as at 15 July or as at 15 October, if it has deferred payables as at 15 October, or if otherwise requested by the CFCB.

Amounts must be entered as positive amounts in the reporting currency of the licensee's annual financial statements as disclosed in the club information package and rounded to the nearest thousand, e.g. EUR 1,234,567 should be entered as EUR 1,235.

The licensee must reconcile its liabilities as per the transfers information, employees information and social/tax information to its underlying accounting records, and retain such reconciliations which may be requested for inspection by UEFA.

If applicable, the amounts will be translated from the original currency of the payables into euros by applying the pre-populated exchange rates (sourced from the European Central Bank or another appropriate institution) as at the cut-off date.

6.1.3. Transfer Payables

6.1.3.1. Transfer payables – information to be input by all licensees

In respect of Article 80, in the **transfer table summary schedule** the licensee must disclose:

- a) All new player registrations (permanent and temporary/loan transfers) as a result of transfer agreements concluded in the 12-month period up to the relevant cut-off date (i.e., 12 months to 30 June, 30 September, or 31 December respectively), irrespective of whether there is any outstanding amount due at the cut-off date. This also includes the registration of youth players signing their first professional contract if a solidarity contribution or training compensation becomes payable.
- b) All transfers for which an amount outstanding is to be paid at the relevant cut-off date, irrespective of whether the transfer was during the 12-month period up to the cut-off date or before, and irrespective of whether it relates to the release or registration of players. This includes any additional amounts due by the releasing club to the player's new club to facilitate the transfer or loan, e.g. bonuses paid to the new club to put the player on the pitch, participation in player's salary or any kind of development fees to be paid to the player's new club.
- c) All transfers subject to any amounts disputed as at the relevant cut-off date.

Note: In the October and January submissions, the following transfers will be brought forward from the previous submission:

- Transfers with a transfer date in the 12 months prior to the cut-off;
- Transfers with the status "overdue, disputed, deferred, pending amount" as at 30 June or 30 September;
- Transfers with a payable amount.

The following information must be disclosed in the **transfer payables schedule** for each player transfer:

- **player's name and date of birth**, as shown on the player's registration document; if the player is not in the pre-defined list, click on the "+" button after "Cannot find the player? Please click here to create a new one" to add a new name;
- **transfer type**: to disclose whether the player has been transferred permanently, select 'transfer'; if temporarily, select 'loan';
- **transfer status (as at cut-off date)**:
 - select '**free transfer**' to disclose whether there were no transfer payables due to his previous club(s);
 - select '**fully paid**' ; if all payables due to previous clubs either unconditional or conditional have been cleared;
 - select '**payable amount not overdue**', if some payables either unconditional or conditional are to be paid at a future date;
 - select '**overdue, disputed, deferred, pending solidarity /training**', if some of the transfer payables due to creditor club(s) are either with a due date prior to the cut-off date ('overdue'), or contested by a club ('disputed'), or have been subject to an agreement to postpone the payment date ('deferred'), or for which the licensee club is waiting for additional information to process the payment ('pending amount' with regard to training compensation and solidarity contribution).
- **transfer currency** of the payables, as specified in the transfer or loan agreement with the creditor club;
- **transfer status (as at previous deadline)**: automatically populated;
- **national association of the creditor club** with which the player was registered before being transferred in to the licensee;
- **creditor club**: the name of the football club that is the creditor for the licensee's payables, which could be:

- **the former club** from which the player's registration was transferred permanently or on loan and with which compensation was agreed; or
- **another club** to which the licensee has transferred a player's registration permanently or on loan and the licensee has payables to that other club in respect of the player;

if the club name is not disclosed in the pre-populated list, select 'other club' from the list and enter the name of the club manually.

- **date of the transfer** on which the player's registration was transferred in; for international transfers this date should be the same as that required to be entered in FIFA's Transfer Matching System;
- **length of contract (original duration in months)**, i.e., the number of months of the employment contract with the player, as originally contracted at the time the player's registration was transferred-in to the licensee;
- In the **transfer payables schedule**, the **ageing of any overdue amount** will be automatically calculated as the number of days between the due date of the instalment and the deadline; and
- If the amount in respect of player transfers must be paid by the licensee direct to a factoring company instead of to the creditor club, please indicate it by ticking the related box.

The initial data entry table in the **transfer table summary schedule**:

Hefti Nias
Swiss Date of Birth: 18/09/1999

CUT-OFF DATE: 30/06/2022
DEADLINE: 15/07/2022
EXCHANGE RATE: 0.910747

Choose Transfer Type: ☐ LOAN ☒ TRANSFER

Transfer Status (at Cut-Off Date) 1/1 ☐ Overdue, Deferred, Disputed, Pending Solidarity / Training

Transfer Currency 1/1 ☐ CHF

National Association of Club 1/1 ☐ SUI ☐ Other Club

Creditor Club 1/1 ☐ FC St. Gallen

Date of Transfer: 14/06/2019

Length of contract (in months): 24

For each item below, indicate the amount (paid or to be paid) related to transfers

	No Amount	(CHF'000)
Fixed Transfer Compensation (FTC)	<input type="checkbox"/>	250
Max. Conditional transfer compensation (MCTC)	<input type="checkbox"/>	0
Realised Conditional transfer compensation (RCTC)	<input checked="" type="checkbox"/>	0
Not realised conditional transfer compensation (NRCTC)	<input checked="" type="checkbox"/>	0
Solidarity Contributions/training compensation	<input checked="" type="checkbox"/>	0
Other compensation in the scope of a transfer agreement	<input checked="" type="checkbox"/>	0

1 mio = 1'000 Please enter amounts in Thousands.

Total Payables at Cut-Off date (without Solidarity Contributions/training compensation):	OVERDUE PAYABLES		Amounts due at Cut-Off date to be paid in the future (incl. deferrals):									TOTAL
	No Amount	(CHF'000)	No Amount	Due in "Days" 0-30	Due in "Days" 30-60	Due in "Days" 60-90	Due in "Days" 90-120	Due in "Days" 120-150	Due in "Days" 150-180	Due in "Days" 180-365	Due in "Days" >365	
<input type="checkbox"/>	50		<input type="checkbox"/>	50		150						250

Intermediary fee or other professional costs (on FTC/RCTC paid to date) ☐ (CHF'000) 30

Tick the box if the amount payable has to be paid to a third party and not to the selling club (i.e. factoring) ☐

Note: In addition, information is requested in respect of each player transfer:

- **Not-realised conditional transfer compensation:** i.e., the total amount of conditional transfer compensation included in the transfer agreement for which conditions have not yet been fulfilled at the cut-off date;
- **Other compensation in the scope of the transfer agreement:** Any other compensation paid or payable to another club in the scope of the transfer agreement e.g. training compensation, solidarity payment, sell-on fee.

6.1.3.2. Transfer payables – amounts overdue, deferred, disputed, or pending solidarity contributions/training compensation

The licensee must select all categories applicable to the payables for the transfer of the player, i.e., overdue, deferred, disputed or pending solidarity contributions/training compensation.

If a competent authority recognises a club jointly and severally liable for the termination of a contract by a player, this must also be reported under the relevant categories below:

OVERDUE AMOUNTS

Disclosure of **payables that are overdue at the cut-off date** under the contractual or legal terms agreed between the licensee and the player's previous club.

The licensee must disclose certain details for each instalment overdue at the cut-off date:

- the amount payable as at the cut-off date, rounded to the nearest thousand;
- the category of the payable due, by selecting whether the payable is fixed transfer compensation, realised conditional transfer compensation, or solidarity contributions/training compensation payable to the player's previous club(s);
- the original due date for the instalment to be paid, in accordance with the original transfer agreement between the clubs;
- if applicable, the amount and date of any payable instalments settled between the cut-off date and the deadline;
- if applicable, whether the payable instalment has been deferred or become disputed between the cut-off date and the deadline.

Transfer Type:

Transfer Status (at Cut-Off Date)

Transfer Currency:

Country of Former Club:

Creditor Club:

Date of Transfer:

Transfer

Overdue, Deferred, Disputed, Pending Solidarity / Training

CHF

SUI

FC St. Gallen

14/06/2019

DATA-ENTRY CONTROLS

If there is an amount entered "amount paid between assessment date and the submission deadline" a date must be entered in "Date of amount paid between ass. Date and the submission deadline."

Total Payable at Cut-Off Date:

250

Overdue

Deferred

Disputed

Pending Solidarity/Training Compensation

☒

☐

☐

☐

CONTINUE

OVERDUE (CHF'000)

In the **transfer details schedule**, the ageing of any overdue amount will be automatically calculated as the number of days between the due date of the instalment and the deadline.

In accordance with Annex H (notion of overdue payables), for the purpose of Article 80, transfer payables are not considered as overdue if the licensee is able to prove by the applicable deadline (i.e., 15 July, 15 October and 15 January respectively) that:

- the relevant amount has been settled;
- the settlement date has been deferred;
- the relevant amount is subject to a dispute by way of a legal claim or open proceedings; or
- in respect of solidarity contributions/training compensation, the settlement is pending.

DISPUTED AMOUNTS

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate disputed amounts at the deadline (i.e., an agreement has been concluded in writing with the creditor to extend the due date for the payable amount), then such payables are not considered as overdue.

If the licensee has disputed amounts at the deadline, then the licensee must enter the details including:

- the **amount** subject to dispute and the month in which it was originally due to be paid, entered as positive amounts in the transfer currency and rounded to the nearest thousand;

- the category of the disputed amount, by selecting whether the payable is fixed transfer compensation, realised conditional transfer compensation, or solidarity contributions/training compensation payable to the player's previous club(s);
- the original due date for the instalment to be paid, in accordance with the original transfer agreement between the clubs;
- the **name** of the club that opened the dispute;
- the **competent authority** with whom the dispute has been opened, e.g. FIFA;
- the dispute **case reference**, e.g. FIFA case number;
- the date on which the amount payable was contested;
- **a brief summary** to explain the nature of the dispute;
- the **status** of the dispute (e.g. pending, awaiting grounds of decision, closed);
- relevant **case documentation** by attaching the document(s) to the **overdue payables package** on submission.

Transfer Type:	Transfer	
Transfer Status (at Cut-Off Date)	Overdue, Deferred, Disputed, Pending Solidarity / Training	
Transfer Currency:	CHF	
Country of Former Club:	SUI	
Creditor Club:	FC St. Gallen	
Date of Transfer:	14/06/2019	Total Payable at Cut-Off Date: 0

DATA-ENTRY CONTROLS
 If disputed flag is checked, all fields must be entered except date contested

Overdue	Deferred	Disputed	Pending Solidarity/Training Compensation
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

CONTINUE

DISPUTED (CHF'000)

	Dispute Amount	Fixed	Conditional	Solidarity / Training	Original Due Date	Name of Club opening dispute	Date when case has been opened	Competent authority hearing claim	Case reference	Date contested by other club	Case Summary / Current Status
1	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
2	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
3	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
4	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
5	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
6	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
7	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
8	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
9	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
10	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							

DEFERRED AMOUNTS

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate deferred amounts at the deadline (i.e., an agreement has been concluded in writing with the creditor to extend the due date for the payable amount), then such payables are not considered as overdue.

If the licensee has deferred amounts at the deadline, then the licensee must enter the details including:

- the category of the deferred amount, by selecting whether the payable is fixed transfer compensation, realised conditional transfer compensation, or solidarity contributions/training compensation payable to the player's previous club(s);
- the original due date for the instalment to be paid, in accordance with the original transfer agreement between the clubs;
- the earliest date on which a payment is to be made;
- if there is more than one additional payment date, the latest date on which payment is to be made;
- the date on which the deferral agreement was entered into.

Transfer Type:	Transfer		
Transfer Status (at Cut-Off Date)	Overdue, Deferred, Disputed, Pending Solidarity / Training		
Transfer Currency:	CHF		
Country of Former Club:	SUI		
Creditor Club:	FC St. Gallen		
Date of Transfer:	14/06/2019	Total Payable at Cut-Off Date:	0

Overdue	Deferred	Disputed	Pending Solidarity/Training Compensation
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CONTINUE

DEFERRED (CHF'000)

	Please enter the individual amounts which were deferred as at Cut-Off Date?	Fixed	Conditional	Solidarity / Training	Original Due Date	Earliest new Due Date	Tick if more than one new Due Date	Last new Due Date	Date of Deferral Agreement
1	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
2	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
3	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
4	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
5	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
6	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
7	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
8	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
9	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		
10	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		

PENDING SOLIDARITY CONTRIBUTIONS/TRAINING COMPENSATION

In accordance with Annex H (notion of overdue payables), in respect of solidarity contributions/training compensation, if the licensee has legitimate pending amounts at the deadline (i.e., the licensee is able to demonstrate that it has taken all reasonable measures to identify and pay the creditor(s) in respect of training compensation and solidarity contributions as defined in the FIFA Regulations on the Status and Transfer of Players), then such payables are not considered as overdue.

If the licensee has pending amounts at the deadline, then the licensee must enter the details including:

- The type of compensation due to the creditor club(s);
- The original due date;
- The date of the last correspondence with the creditor club(s) and/or the relevant national association(s);
- A brief explanation about why the amount is considered to be pending.

Transfer Type:	Transfer		
Transfer Status (at Cut-Off Date)	Overdue, Deferred, Disputed, Pending Solidarity / Training		
Transfer Currency:	CHF		
Country of Former Club:	SUI		
Creditor Club:	FC St. Gallen		
Date of Transfer:	14/06/2019	Total Payable at Cut-Off Date:	0

Overdue	Deferred	Disputed	Pending Solidarity/Training Compensation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

CONTINUE

PENDING SOLIDARITY / TRAINING (CHF'000)

	Amount of pending solidarity / training compensation	Training	Solidarity	Original Due Date	Last Correspondence Date	Former club to whom training/solidarity is due	Comments
1	0	<input type="checkbox"/>	<input type="checkbox"/>				
2	0	<input type="checkbox"/>	<input type="checkbox"/>				
3	0	<input type="checkbox"/>	<input type="checkbox"/>				
4	0	<input type="checkbox"/>	<input type="checkbox"/>				
5	0	<input type="checkbox"/>	<input type="checkbox"/>				

6.1.4. Overdue transfer receivables schedule

Licensees must also complete the **overdue transfer receivables schedule** for players that the licensee has from transfers, either on loan or on permanent transfer, for whom there is an amount to be received from another club at the cut-off date of 30 June, 30 September and, if requested, at 31 December during the licence season.

The licensee must first enter information about the **total of transfer receivables** before entering the overdue transfer receivable details per player:

- Total amount receivable from other clubs for player transfers at cut-off date is the total balance to be received by the licensee as a result of obligations arising from transfers. It includes all amounts receivable by the licensee, whether overdue or not overdue at the relevant cut-off date;
- Subtotal transfer receivables from clubs registered with a UEFA member association. The licensee must disclose the amount receivable (overdue and not overdue) from clubs registered in the UEFA member association;
- Subtotal transfer receivables from clubs qualified for the UEFA club competitions. The licensee must disclose amount receivable (overdue and not overdue) from clubs registered in the UEFA member association and participating in a UEFA club competition in the licence season.

1) PLEASE ENTER THE TOTAL TRANSFER RECEIVABLES AT CUT-OFF DATE AS PER BALANCE SHEET OR UNDERLYING ACCOUNTING RECORDS:

	No Amount	(TRY'000)
Total accounts receivable from player transfer at assessment date	<input type="checkbox"/>	
Subtotal transfers receivable from clubs registered with a UEFA National Association	<input type="checkbox"/>	
Subtotal transfers receivable from clubs qualified for the UEFA competitions	<input type="checkbox"/>	

The licence will then be presented with a second screen, in which the licensee must disclose certain **information in respect of each player for which there are overdue receivable amounts at the cut-off date:**

- the amount receivable as at the cut-off date, rounded to the nearest thousand;
- the category of the receivable amount due, by selecting whether the receivable is fixed transfer compensation, realised conditional transfer compensation, or solidarity contributions/training compensation receivable by the licensee;
- the original due date for the instalment to be received, in accordance with the original transfer agreement between the clubs;
- if applicable, the amount and date of any overdue instalments received between the cut-off date and the deadline;
- if applicable, whether the receivable instalment has been deferred or become disputed between the cut-off date and the deadline (and provide the additional requested information).

In the **transfer details schedule**, the ageing of any overdue amount will be automatically calculated as the number of days between the due date of the instalment and the deadline.

Choose Transfer Type:

LOAN

TRANSFER

Transfer Status (at Cut-Off Date)

1/1

Overdue, Deferred, Disputed, Pending Solidarity / Training

Transfer Currency

1/1

EUR

Buyer Club

1/1

Inter Club d'Escaldes

Date of Transfer:

20/01/2022

CONTINUE

DATA-ENTRY CONTROLS

If there is a transfer status "Overdue, Deferred, Disputed", there must be an amount or a tick at "NO AMOUNT" in the Overdue Payables question.

Disclose the amount receivable at the Cut-Off date:

OVERDUE RECEIVABLES

No Amount

(EUR'000)

☐

200,000


OPTIONAL - Amounts due to be received after Cut-Off date (incl. Deferrals):

No Amount	Due in "Days" 0-30	Due in "Days" 30-60	Due in "Days" 60-90	Due in "Days" 90-120	Due in "Days" 120-150	Due in "Days" 150-180	Due in "Days" 180-365	Due in "Days" >365	TOTAL
<input type="checkbox"/>	30,000		15,000		15,000				

☒ Transfer Type: Loan
☒ Transfer Status (at Cut-Off Date): Overdue, Deferred, Disputed, Pending Solidarity / Training
☒ Transfer Currency: EUR
☒ Buyer Club: Inter Club d'Escaldes

Date of Transfer: 20/01/2022 Total Receivables at Cut-Off Date: 260,000

Overdue	Deferred	Disputed
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 **CONTINUE**

OVERDUE (EUR'000)

	Overdue Amount at Cut-Off Date	Fixed	Conditional	Solidarity / Training	Due Date	Amount Paid between Cut-Off Date and Deadline	Date of Payment between Cut-Off Date and Deadline?	Tick if deferred between the Cut-Off Date and deadline?	Tick if disputed between the Cut-Off Date and deadline?	Comments
1	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
2	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
3	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
4	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
5	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
6	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
7	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
8	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
9	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	
10	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		0		<input type="checkbox"/>	<input type="checkbox"/>	

6.1.5. Employee table

6.1.5.1. Information to be input by all licensees

In respect of Article 81, each licensee must disclose certain information in the **employee table schedule** for each of the 15 July and 15 October deadlines.

A licensee will only be required to submit information in respect of no overdue payables as at 15 January if the licensee has overdue payables as at 15 July or as at 15 October, or if it has deferred payables as at 15 October, or if otherwise requested by the CFCB.

In accordance with Annex H (notion of overdue payables), for the purpose of Article 81, employee payables are not considered as overdue if the licensee is able to prove by the applicable deadline (i.e. 15 July, 15 October and 15 January respectively) that:

- the relevant amount has been settled;
- the settlement date has been deferred; or
- the relevant amount is subject to a dispute by way of a legal claim or open proceedings.

The following information must be disclosed:

- The **total amount of payables to employees as at the cut-off date**. The definition of payables to employees is the same as for club licensing purposes - see Paragraph 71.02 (payables) and Paragraphs 71.03 to 71.05 (the term "employees"). For the avoidance of doubt, this amount must be equal to or greater than the sum of overdue payables, disputed amounts and deferred payables;
- Select from the drop-down list when employee's salary for month M is paid;
- A declaration confirming whether or not payables to employees are overdue at the cut-off date, by selecting Yes or No for:
 - overdue payables to employees as at the cut-off date;
 - overdue payables to employees that have been settled in whole or in part between the cut-off date and the deadline. If Yes, the amount settled since the cut-off date must be separately disclosed, and must also be included in the 'total employee payables at the cut-off date' balance;
- A declaration confirming payables to employees that are not overdue but are disputed or deferred as at the cut-off date, by selecting Yes or No for:
 - amounts to employees that were disputed;
 - amounts to employees that were deferred under a written agreement with the employee;
- A declaration confirming overdue payables to employees as at the cut-off date that are fully paid by the deadline, by selecting Yes or No.

The financial information in the **employee table schedule** is automatically aggregated, converted to euros, and included in the payable summary schedule.

For the avoidance of doubt, **payables** are all forms of consideration due in respect of employees as a result of contractual or legal obligations, including wages, salaries, image rights payments, bonuses and other benefits as specified in Annex K.1.2(c). Amounts payable to people who, for various reasons, are no longer employed or engaged by the licensee or any entity within the legal group structure of the licensee fall within the scope of this requirement and must be settled within the period stipulated in the contract or defined by law.

All forms of consideration for the benefit of employees must be accounted for in the books of one of the entities included in the reporting perimeter.

For the purpose of the no overdue payables in respect of employees, under Article 81 (for club monitoring), the term '**employees**' refers to the following persons:

- all professional players according to the applicable FIFA Regulations on the Status and Transfer of Players;
- All administrative, technical, medical and security staff performing any of the functions referred to in Article 36 to Article 52 i.e. the administrative, technical, medical and security staff, the general manager, finance officer, media officer, medical doctor(s), physiotherapist(s), youth team medic(s), match organisation officer, safety and security officer, football social responsibility officer, supporter liaison officer, disability access officer, head coach of the first squad, assistant coach of first squad, goalkeeper coach of first squad, head of the youth development programme, youth coaches and goalkeeper coach of youth teams; and
- Service providers performing any of the roles referred to in Article 36 to Article 52.

If any of the "employees" is employed by, contracted to, a consultant of or otherwise provides services to an entity within the legal group structure or the reporting perimeter other than the licensee, these payables must be also included in the scope of the requirement.

If the licensee declares that it does not have any overdue payables towards employees as at the cut-off date, or any deferrals or disputes, it does not need to disclose further information unless otherwise requested by the licensor or the CFCB.

If the licensee declares that it does have overdue, deferred or disputed payables towards employees as at the cut-off date, it must disclose further information as set out in the **employee table schedule** and further described below.

6.1.5.2. Additional information to be disclosed by licensees where applicable

OVERDUE AMOUNTS

If the licensee declares that it does have **overdue payables to employees at the cut-off date and those overdue payables have not been fully paid by the deadline**, it must disclose the following information in the **employee table schedule**:

- employee's position, by selecting the applicable role;
- employee's name;
- the amount overdue at the deadline, and the month in which it was originally due to be paid to the employee, specifying amounts in each of the three monthly periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months' and inputting any amounts older than three months in the '> 3 Months' cell;
- If the licensee has made partial payments against overdue payables to employees between the cut-off date and the deadline, then the licensee must also disclose the amount and date of any payment to the employee since the cut-off date, in respect of payables overdue at the cut-off date and paid/settled before the deadline;
- if applicable, whether the overdue payment has been deferred or become disputed between the cut-off date and the deadline, and provide the additional requested information.

If the licensee declares that it does have **overdue payables to employees at the cut-off date and they are fully paid by the deadline**, the total amount of overdue payable at the cut-off date must be disclosed.

DISPUTED AMOUNTS

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate disputed amounts at the deadline, then such payables are not considered as overdue.

If the licensee has disputed amounts at the deadline, then the licensee must enter the details in respect of each employee including:

- employee's position, by selecting the applicable role;
- employee's name;
- the disputed amount, and the month in which it was originally due to be paid to the employee, specifying amounts in each periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months' and inputting any amounts older than three months in the '> 3 Months' cell.

In respect of disputed amounts with employees, licensees must also provide:

- the name of the party that opened the dispute and the date on which the proceedings were opened;
- the date on which the proceedings have been contested;
- the competent authority with which the dispute has been opened;
- the dispute case reference number provided by that authority;
- a brief summary to explain the nature of the case, the type of payable being disputed, e.g. salary, bonus or signing fees;
- relevant case documentation by attaching the document(s) to the **overdue payables package** on submission.

DEFERRED AMOUNTS

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate deferred amounts at the deadline (i.e., an agreement has been concluded in writing with the employee to extend the due date for the payable amount), then such payables are not considered as overdue.

If the licensee has deferred amounts at the deadline, then the licensee must enter the details in respect of each employee including:

- employee's position, by selecting the applicable role;
- employee's name;
- the amount subject to deferral, and the month in which it was originally due to be paid to the employee, specifying amounts in each periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months' and inputting any amounts older than three months in the '> 3 Months' cell;
- if there is more than one additional payment date, the latest date on which payment is to be made;
- the earliest date for the amount(s) to be paid to the employee under a written agreement;
- the date on which the deferral agreement with the employee was entered into.

The written agreement with an employee must not be obtained under duress or coercion.

6.1.6. Social/tax table

6.1.6.1. Information to be input by all licensees

In respect of Article 82, each licensee must disclose certain information in the **social/tax table schedule** for each deadline of 15 July and 15 October.

A licensee will only be required to submit information in respect of no overdue payables as at 15 January if the licensee has overdue payables as at 15 July or as at 15 October, if it has deferred payables as at 15 October, or if otherwise requested by the CFCB.

In accordance with Annex H (notion of overdue payables), for the purpose of Article 82, social/tax payables are not considered as overdue if the licensee is able to prove by the applicable deadline (i.e., 15 July, 15 October and 15 January respectively) that:

- a) the relevant amount has been settled;
- b) the settlement date has been deferred;

- c) the relevant amount is subject to a dispute by way of a legal claim or open proceedings; or
- d) the settlement of the relevant amount is pending a decision by a competent authority.

Each licensee must disclose:

- a declaration confirming whether or not payables to social/tax authorities are overdue at the cut-off date, by entering a tick under Yes or No for:
 - overdue payables to social/tax authorities as at cut-off date;
 - overdue payables to social/tax authorities that have been settled in whole or in part between the cut-off date and the deadline. If Yes, the amount settled since the cut-off date must be separately disclosed, and must also be included in the 'total social/tax payables at the cut-off date' balance;
- a declaration confirming payables to social/tax authorities that are not overdue but are disputed, deferred or pending, by entering a tick under Yes or No for:
 - payables to social/tax authorities at the cut-off date that have been disputed;
 - payables to social/tax authorities at the cut-off date that have been deferred under a written agreement with the social/tax authority;
 - payables to social/tax authorities at the cut-off date that are subject to a pending decision by a competent authority;
- the total amount of payables to social/tax authorities at the cut-off date and fully paid by the deadline. For the avoidance of doubt, this amount must be equal to or greater than the sum of overdue payables, disputed payables and deferred payables.

The financial information in the **social/tax table schedule** is automatically aggregated, converted to euros, and included in the **payable summary schedule**.

If the licensee declares that it does not have any overdue payables to social/tax authorities at the cut-off date, or any deferrals, disputes or pending amounts, it does not need to disclose further information unless otherwise requested by the licensor or the CFCB.

If the licensee declares that it does have overdue, deferred, disputed and/or pending payables towards social/tax authorities at the cut-off date, then it must disclose further information as set out in the **social/tax authority table schedule** and as further described below.

6.1.6.2. Additional information to be disclosed by licensees where applicable

OVERDUE AMOUNTS

If the licensee declares that it does have **overdue payables towards social/tax authorities as at the cut-off date and those overdue payables have not been paid in whole by the deadline**, then it must disclose the following information in the **social/tax authority table schedule**:

- the name of relevant social/tax authority;
- the amount that is overdue, and the month in which it was originally due to be paid, specifying amounts in each periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months', and inputting any amounts older than three months in the '> 3 Months' cell;
- If the licensee has made partial **payments against overdue payables towards social/tax authorities between the cut-off date and the deadline**, it must also disclose the amount and date of any payment since the cut-off date and before the deadline, in respect of overdue payables at the cut-off date;
- if applicable, whether the overdue payment has been deferred or become disputed between the cut-off date and the deadline, and provide the additional requested information.

If the licensee declares that it does have **overdue payables towards social/tax authorities at the cut-off date and they are fully paid by the deadline**, the total amount of overdue payable must be disclosed.

DISPUTED AMOUNTS

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate disputed amounts at the deadline, then such payables are not considered as overdue.

If the licensee has disputed amounts at the deadline, then the licensee must enter the details in respect of each employee including:

- The name of the social/tax authorities;
- the disputed amount, and the month in which it was originally due to be paid to the employee, specifying amounts in each periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months' and inputting any amounts older than three months in the '> 3 Months' cell.

In respect of disputed amounts with the social/tax authorities, licensees must also provide:

- the name of the **party that opened the dispute** and the **date** on which the proceedings were opened;
- the competent authority with which the dispute has been opened;
- the dispute case reference number provided by that authority;
- the date on which the proceedings have been contested;
- the status of the dispute;
- a brief summary to explain the nature of the case, the type of payable being disputed;
- relevant case documentation by attaching the document(s) to the **overdue payables package** on submission.

DEFERRED AMOUNTS

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate deferred amounts at the deadline (i.e., an agreement has been concluded in writing with the social/tax authority to extend the due date for the payable amount), then such payables are not considered as overdue.

If the licensee has deferred amounts at the deadline, then the licensee must enter the details in respect of each employee including:

- the name of relevant social/tax authority;
- the amount subject to deferral, and the month in which it was originally due to be paid to the employee, specifying amounts in each periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months' and inputting any amounts older than three months in the '> 3 Months' cell;
- the earliest post-deferrals due date for the amount(s) to be paid under a written agreement with the social/tax authority;
- if there is more than one additional payment date, the latest date on which payment is to be made.

DEFERRED AMOUNTS PENDING DECISION BY A COMPETENT BODY

In accordance with Annex H (notion of overdue payables), if the licensee has legitimate pending amounts at the deadline in respect of social/tax payables, then such payables are not considered as overdue.

The settlement of the relevant amount is pending if the licensee has requested a competent body, in writing and in accordance with the applicable law, to extend the deadline for payment of payables to social/tax authorities (as defined by Article 72 and Article 82), and the competent authority has confirmed in writing that this request has been deemed admissible and still pending by the deadline (15 July, 15 October or 15 January respectively).


If the licensee has pending amounts at the deadline, then the licensee must enter the details including:

- the name of relevant social/tax authority;
- the amount subject to a pending decision, and the month in which it was originally due to be paid to the employee, specifying amounts in each periods prior to the cut-off date i.e., '1-30 days', '> 1 Month', '> 2 Months' and inputting any amounts older than three months in the '> 3 Months' cell;
- the date of submission of the request for deferral made by the licensee;
- the date confirmation was received from the competent body;
- a brief summary explaining why the amount is pending.

	(TRY'000)	NO
Total Social and Tax Payables at Cut-Off Date	30,000	<input type="checkbox"/>

Do you have any of the following at cut-off date?	YES	NO	TOTAL AMOUNT (TRY'000)
Social and Tax-Overdue	<input type="checkbox"/>	<input type="checkbox"/>	
Social and Tax-Dispute	<input type="checkbox"/>	<input type="checkbox"/>	
Social and Tax-Deferrals	<input type="checkbox"/>	<input type="checkbox"/>	
Social and Tax-Pending Decision by comp. body	<input type="checkbox"/>	<input type="checkbox"/>	

Social and Tax-Overdue fully paid by Deadline	<input type="checkbox"/>	<input type="checkbox"/>
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 **CONTINUE**

6.1.7. Payables summary schedule

The **payables summary schedule** is automatically populated with data from other schedules in the **overdue payables package**. The amounts in the **payables summary schedule** are denominated in euros to enable comparisons between licensees.

The **payables summary schedule** summarises the disclosed payables at the cut-off date, converted to euros, for:

- transfer payables, categorised as 'agreed transfer compensation', 'realised conditional transfer compensation' or 'solidarity contributions/training compensation';
- employee payables; and
- social/tax payables.

For each type of payables, the **payables summary schedule** separately identifies:

- the amount of overdue payables at the cut-off date;
- amounts that have been deferred by written agreement at the cut-off date;
- amounts in dispute at the cut-off date;
- amounts pending in respect of solidarity contributions/training compensation at the cut-off date;
- amounts pending in respect of social/tax authorities at the cut-off date;
- amounts overdue at the cut-off date:
 - amounts paid/settled between the cut-off date and deadline;
 - amounts deferred between the cut-off date and deadline;
 - amounts disputed between the cut-off date and deadline;
 - remaining amounts not settled between the cut-off date and deadline;
 - The number of instalments for which payment is overdue more than 90 days.

For transfer payables, the **payables summary schedule** has a separate tab in which **amounts overdue, disputed, deferred or pending solidarity contributions/training compensation at the deadline are disclosed on an individual player basis**, split by:

- 'agreed transfer compensation';
- 'realised conditional transfer compensation';
- 'solidarity contributions/training compensation'.

The categorisation of transfer payables is the same as outlined for the **payables summary schedule** above.

The **payables summary schedule** has a separate tab in which it identifies transfer details disclosed at the cut-off date for each player:

- transfer type (e.g. permanent or loan);
- transfer status (e.g. free transfer);
- the name of the creditor club;
- the transfer currency and date of transfer;
- contract duration;

- (vi) fixed transfer compensation;
- (vii) maximum conditional transfer compensation;
- (viii) realised conditional transfer compensation;
- (ix) not realised conditional transfer compensation;
- (x) solidarity contributions/training compensation;
- (xi) other compensation in the scope of the transfer agreement;
- (xii) total payable at the cut-off date;
- (xiii) amount paid or payable to agent or intermediary as well as the other direct costs of the transfer;
- (xiv) details of any third party payable.

6.1.8. Management representation schedule

The executive body of the licensee must disclose any overdue payables in respect of UEFA as defined in Article 83.

The **licensee must validate the overdue payables package** prior to submission by completing the management representation schedule confirming that the information input to the package is complete, accurate and in compliance with UEFA's requirements.

The licensee's management representative must be on the list of authorised signatories registered for club licensing.

The management representation schedule also provides the licensee with the possibility to disclose any other explanatory comments about items contained in the package, by entering a brief description in the box provided and describing any other documentation attached to the package.

6.2. Licensor's responsibilities

6.2.1. Assessment procedures for the overdue payables package

To assess the completeness and accuracy of the information submitted in the payables schedules, the licensor's minimum assessment procedures in respect of the no overdue payables requirements of Articles 80 to 82 are as follows:

Schedule	Licensor's assessment
Transfer payables	<ul style="list-style-type: none"> Check the licensee's completed transfer payables schedule and transfer payables table and make additional enquiries of the licensee if there is any payables information (e.g. overdue, deferred or disputed payables, or pending solidarity contributions/training compensation) that may be incomplete and/or inaccurate, based on the licensor's existing knowledge of the licensee from club licensing and/or other reasonable information sources.*
Employee table	<ul style="list-style-type: none"> Check the licensee's completed employee payables schedule and make additional enquiries of the licensee if there is any payables information (e.g. overdue, deferred or disputed payables) that may be incomplete and/or inaccurate, based on the licensor's existing knowledge of the licensee from club licensing and/or other reasonable information sources.*
Social/tax table	<ul style="list-style-type: none"> Check the licensee's completed social/tax payables schedule and make additional enquiries of the licensee if there is any payables information (e.g. overdue, deferred or disputed payables, or payables subject to pending decision by a competent authority) that may be incomplete and/or inaccurate based on the licensor's existing knowledge of the licensee from club licensing and/or other reasonable information sources.*
Management representation	<ul style="list-style-type: none"> Check that the licensee's signatory in the management representation schedule is on the list of authorised signatories as already held for club licensing purposes.

* Examples of information sources include media reports, notifications of dispute cases, decision of a competent authority regarding termination of a contract by a player and correspondence from other football bodies, football clubs, the licensee's directors and employees, and social/tax authorities.

7. BUSINESS PLAN PACKAGE

The **business plan package** is used:

- for the licensee's submission of projected financial information for calculating football earnings for reporting period T+1 and subsequent reporting periods, if requested by UEFA/CFCB.

7.1.1. Licensee's responsibilities

If requested by UEFA/CFCB, a licensee may be required to submit projected information.

As part of the process for entering a settlement agreement, the licensee may be requested to submit the business plan package including the projected football earnings information for future specified reporting period(s).

UEFA administration will provide additional instructions and guidance for the licensee to complete the schedules in the business plan package.

The business plan package includes profit and loss account, balance sheet, cashflow and adjustments schedules similar to the financial information package.

7.1.2. Projected football earnings information

Projected information for a reporting period must be prepared as follows:

- using the same entity or combination of entities (i.e., the same reporting perimeter) as that used by the licensee for reporting period T for the football earnings information, unless there has been a change;
- using the same accounting policies as for the annual financial statements, except for subsequent accounting policy changes that are not due to be taken into account before the next annual financial statements;
- using the same reporting currency as used for the licensee's preceding annual financial statements and entered to the nearest thousand;
- using the management's assumptions as adequately disclosed in the notes to the projected information, and clearly explaining the underlying rationale for the assumptions;
- using information and reasonable assumptions that are as up to date as practically possible. This means that management confirms that the assumptions are appropriate as of the date of submission, even though the projected information may have been prepared in the few weeks preceding submission.

Management's underlying rationale for determining their assumptions may be based on a combination of information such as:

- historical financial information;
- historical non-financial information such as the club's on-pitch performance in league and cup competitions, number of matchday attendees, number of employees;
- revenue distribution arrangements of competition organisers;
- contractual arrangements, such as sponsorships, stadium advertising, employment contracts, player transfer arrangements with other clubs, debt servicing and repayment.

Any licensee subject to assessment of the projected football earnings information may be requested to provide an update of the projected information during the licence season.

7.1.3. Management representation schedule

The **licensee must validate the business plan package** prior to submission by completing the management representation schedule confirming that the information input to the package is complete, accurate and in compliance with UEFA's requirements.

The licensee's management representative must be on the list of authorised signatories registered for club licensing.

The management representation schedule also provides the licensee with the possibility to disclose any other explanatory comments about items contained in the package, by entering a brief description in the box provided and describing any other documentation attached to the package.

7.1.4. Licensor's responsibilities

The licensor does not need to conduct any assessment procedures in respect of a licensee's business plan package.

APPENDIX 1: USING THE IT SOLUTION

User login

Licensees must log in at:

<https://uefa-c1.board.com/#/screen/?capsulePath=CLUB%5CClub.bcps>

Use a PC or Mac with a suitable web browser: Google Chrome, Microsoft Edge, or Mozilla Firefox. Your user password must contain:

- 1 lower-case letter, 1 upper-case letter, 1 special character, 1 digit
- at least 8 characters

Technical support

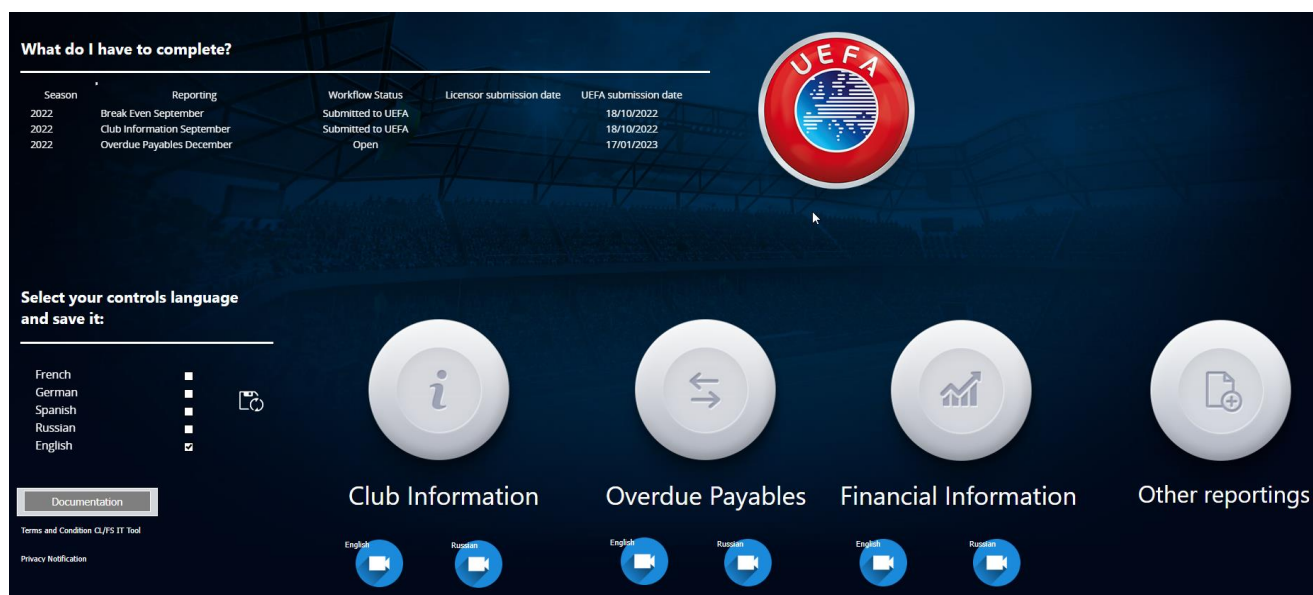
User technical support is available from the UEFA administration. Contact fs.support@uefa.ch

Club Homepage – package status notification and selection

The Club Homepage displays:

- ‘What do I have to complete?’ summarising the workflow status for the various packages at the time of login for the next Licensor and UEFA submission deadlines.
- Packages available for selection.
- Language options.
- Documentation with a copy of the deadlines for the monitoring process, the “UEFA club licensing and financial sustainability regulations”, the IT Solution Toolkit and some training contents.



To return to the Club Homepage click on the  icon.



Selecting schedules

- The homepage for each package displays the data input, validation and submission schedules.
- The homepage of each package may also display output reports, that are read-only schedules automatically updated from information in the data input schedules.
- Click on a tile to open a schedule.
- Data input schedules must be completed in full before running the validation controls and submit the schedules.



Entering data

- Input boxes are shaded yellow.
- Some schedules contain additional guidance displayed alongside the icon. 
- Click on the save and refresh icon to save data entries and tick-box selections and refresh the screen. 

Attaching documents

- Attach documents by clicking on the attachments icon and following the instructions. Please ensure the mandatory documents are attached to the different packages before submitting the information.
- Attachments must be in a Windows Zip compressed format and no larger than 15MB.

Controls status schedule

- Each package contains certain control checks for licensees, to ensure the completeness and accuracy of data entries.
- The controls status schedule, with its expandable/collapsible sections, shows the user which controls have been resolved  and which have not yet been resolved. 
- All checks in the control's status schedule must be resolved before a package can be submitted.

Submitting a package

- Once all data input and validation and submission schedules have been completed (for licensees, including the management representation schedule) and all control checks have been resolved, the package can be submitted using the icon.

Licensors returning a package to a licensee

- Once the licensee's package(s) have been submitted to the licensor, the licensor must assess them and complete the licensor assessment schedule.
- Once the licensor's assessment is complete, the licensor may either:
 - reject the packages and return to the licensee for the licensee to provide additional information and resubmission to the licensor for assessment; or
 - submit the packages (including the licensor assessment schedule) to UEFA using the submission icon.

APPENDIX 2: LEGAL GROUP STRUCTURE AND REPORTING PERIMETER

A. Legal group structure – Article 62

For club monitoring purposes, the licensee must attach the legal group structure to the club information package for that reporting period, including the reporting perimeter as defined in Article 62. It should be presented in a chart and approved by the management.

The legal group structure must clearly identify and include the reporting perimeter and the information on the parties as set out below.

- a) **The licensee and, if different, the registered member of the UEFA member association**
- b) **Any subsidiary entity of the licensee and, if different, the registered member of the UEFA member association**

A **subsidiary** is an entity that is controlled by another entity (known as a parent entity). **Control** is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. **Control may be gained** by share ownership (e.g. more than 50% ownership/voting rights), or contractual arrangements (e.g. statutes or agreements).

The legal group structure document must include any subsidiary of a subsidiary.

- c) **Any associate entity of the licensee and, if different, the registered member of the UEFA member association**
- d) **Any party that has 10% or greater direct or indirect ownership of the licensee, or 10% or greater voting rights**

The legal group structure document must disclose:

- any person or legal entity that owns 10% or more of the licensee's shares (i.e. direct ownership) or its voting rights.
- any person or legal entity that indirectly owns 10% or more of the licensee's shares or its voting rights, through its shareholding in the licensee's parent entity. For example, if person X owns 40% of entity A and entity A owns 75% of the licensee, then person X has indirect ownership of 30% of the licensee and must, therefore, be disclosed in the legal group structure.

- e) **Any direct or indirect controlling entity of the licensee;**

A **direct controlling entity** is an immediate parent entity of the licensee. An **indirect controlling entity** is a parent entity of an immediate parent entity of the licensee.

The **ultimate controlling party** (of the licensee and, if different, the registered member of the UEFA member association). The ultimate controlling party will usually be one of the following:

- a natural person;
- an association, e.g. member club;
- a foundation, e.g. an entity governed by trustees;
- a limited company, e.g. a non-listed or listed company, but only if there is no controlling shareholder of such company; or
- a government, e.g. a public authority, a government agency, government department or sovereign wealth fund.

If a licensee has no ultimate controlling party, then this must be disclosed.

- f) **Any other football club**

Any other football club in respect of which any of the parties identified in (a) to (e) above or any of their key management personnel have any **ownership interest, voting rights, membership or any other involvement or influence** whatsoever in its management, administration or sporting performance in relation to the governance of its financial and operating policies.

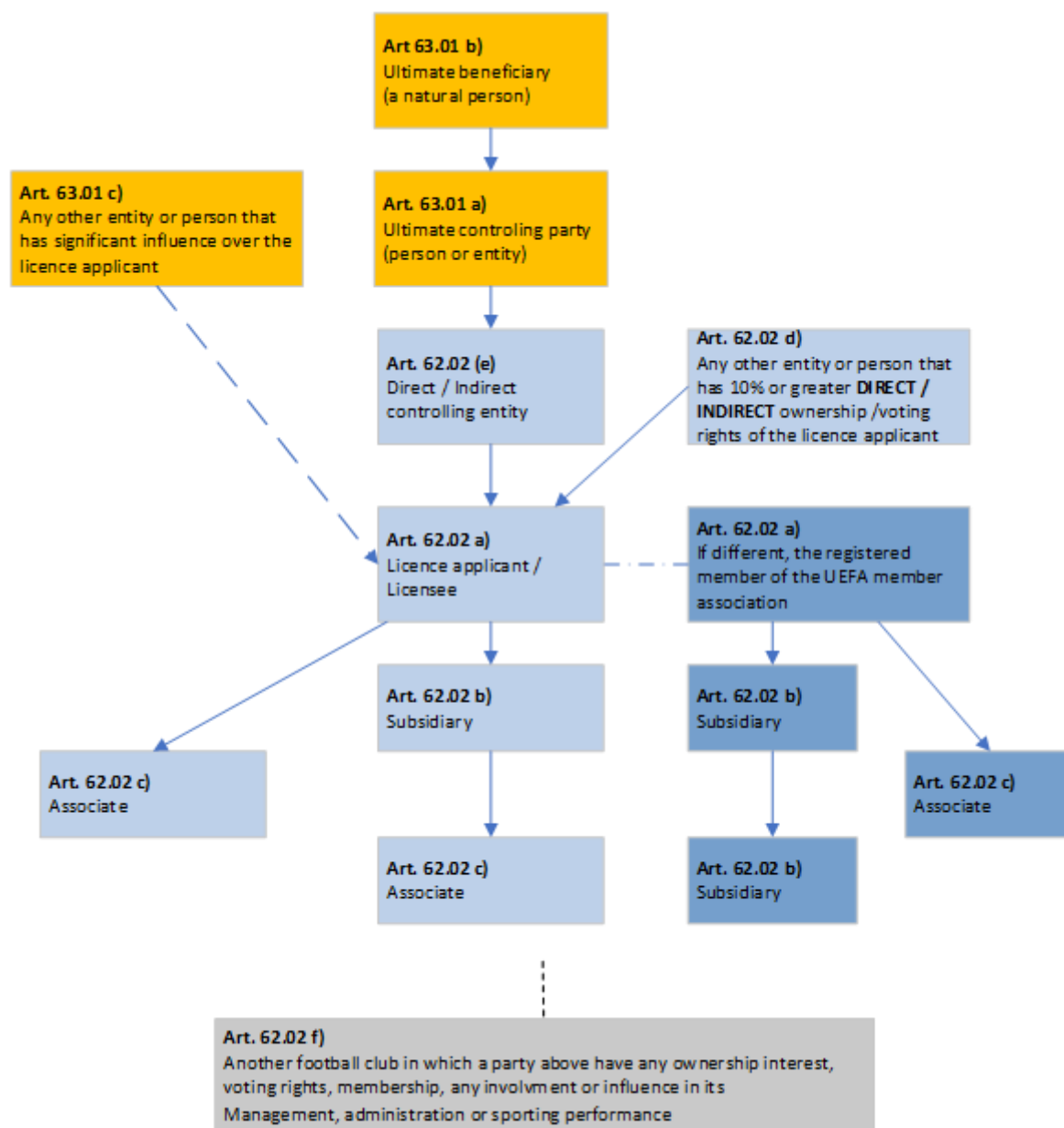
- g) **Key management personnel of the licensee**

Natural person and, if applicable, governing bodies that decide the strategy and oversees the management of the club. The licensee must provide

- Entity's president/chair;
- Entity's directors;
- Structure of the governing bodies, e.g. board of directors, including information on their members;
- Any other parties that can be considered as key management personnel under the Regulations.

If deemed relevant, the licensor or the CFCB may ask the licensee to provide information about additional persons or entities not otherwise included in the legal group structure.

Legal group structure



Note: Under Paragraph 62.02(f) if applicable, the legal group structure must disclose any other football club in which any of the parties identified in the legal group structure, or any of their key management personnel, have any ownership interest, voting rights or membership or any other involvement or influence whatsoever in its management, administration or sporting performance.

B. The reporting perimeter – Article 65

All licensees should describe their reporting perimeter as set out in Article 65 of the Regulations. The reporting perimeter is the entity, consolidation or combination of entities for which financial information must be submitted for the purposes of club licensing and club monitoring.

The licensee **must use the same reporting perimeter for financial criteria used to fulfil the club licensing criteria and for each of the monitoring requirements** unless there has been a change of circumstances.

The regulations require the licensee to report financial information about entities in the reporting perimeter that might be different from the legal group structure.

Article 65 defines the reporting perimeter based on the following:

- Scope of entities (paragraph 65.02)
- Football activities (paragraph 65.03)
- Conditions to exclude an entity from the reporting perimeter (paragraph 65.04)

Depending on the individual licensee's situation, **the reporting perimeter will comprise** either:

- **solely the licensee (single entity)**, as the entity that is the registered member of the UEFA member association or its affiliated league, for which financial information covers solely the single reporting entity; or
- **a group of two or more entities (consolidation)**, including the licensee and, if different, the registered member entity, for which financial information is consolidated as if they were a single company, e.g. the club has its commercial entity in a legal entity other than the club. Both the club and its commercial entities are in the reporting perimeter and must be consolidated; or
- **two or more entities (combination)**, including the licensee and, if different, the registered member entity, for which financial information is combined as if they were a single company, e.g. the club has all its professional teams in one entity, whereas the youth development and the registration with the national association are with another entity that is an association. The association and the club must be in the reporting perimeter and combined.

Examples

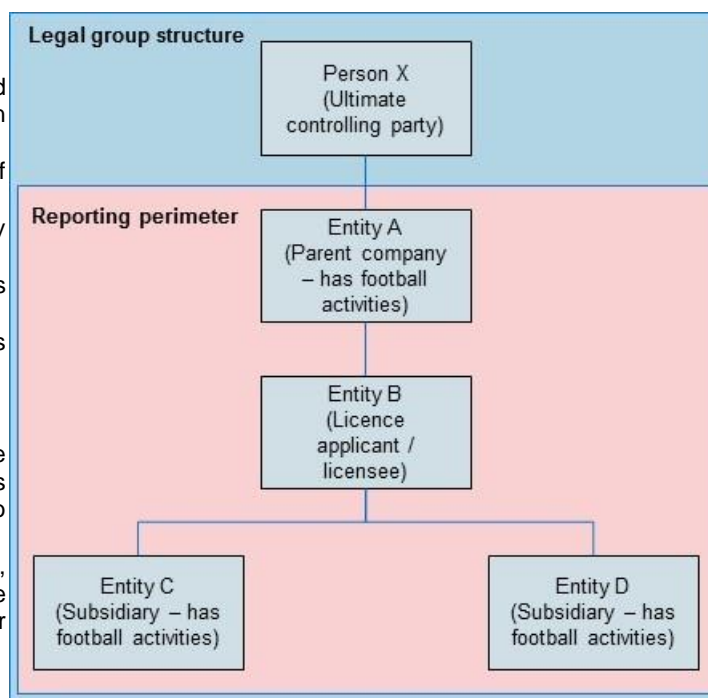
Example 1

The legal group structure:

- Entity B is the licensee and registered member of a UEFA member association or its affiliated league.
- Entity A is the direct controlling entity of entity B. Entity A has football activities.
- Person X is the ultimate controlling party of entity A and entity B.
- Entity C is a subsidiary of entity B and has football activities.
- Entity D is a subsidiary of entity B and has football activities.

In addition to the licensee (entity B), the reporting perimeter must include:

- Entity A, under Art. 65.02 (c/d), because entity A generates revenues or performs services or incurs costs with respect to football activities; and
- Entities C and D, under Art. 65.02(b), because entities C and D generate revenues or perform services or incur costs with respect to football activities.



Note: Financial statements will be consolidated.

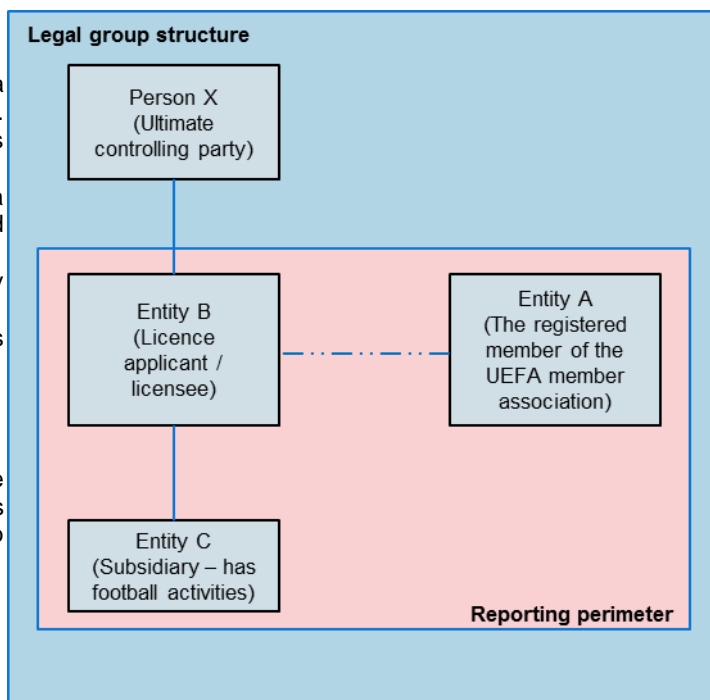
Example 2

The legal group structure:

- Entity B is the licensee and has a contractual relationship with entity A. Under Article 14, entity B is described as a 'football company'.
- Entity A is the registered member of a UEFA member association or its affiliated league.
- Person X is the ultimate controlling party of entity B.
- Entity C is a subsidiary of entity B and has football activities.

In addition to the licensee (entity B), the reporting perimeter must include:

- Entity A, under Art. 65.02(a);
- Entity C, under Art. 65.02(b), because entity C generates revenues or performs services or incurs costs with respect to football activities.



Note: Financial statements will be combined.

Example 3

The legal group structure:

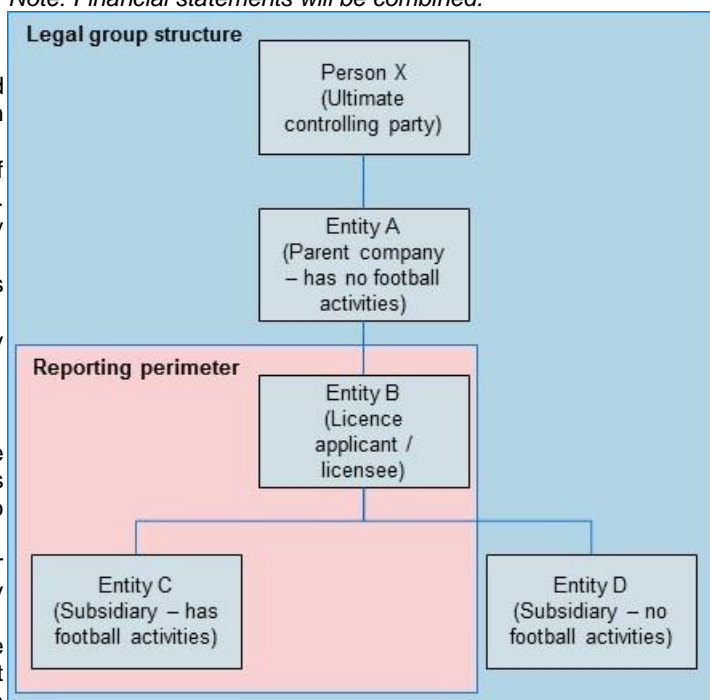
- Entity B is the licensee and registered member of a UEFA member association or its affiliated league.
- Entity A is the direct controlling entity of entity B. Entity A has no football activities.
- Person X is the ultimate controlling party of entity A and entity B.
- Entity C is a subsidiary of entity B and has football activities.
- Entity D is a subsidiary of entity B. Entity D is dormant.

In addition to the licensee (entity B), the reporting perimeter must include:

- Entity C, under Art. 65.02(b), because entity C generates revenues or performs services or incurs costs with respect to football activities.

The reporting perimeter may exclude entity D, under Art. 65.04(a), because entity D does not perform any of the football activities defined in Art. 65.03.

Alternatively, entity D may be included in the reporting perimeter, in which case the licensee must consider whether adjustments are required for the football earnings calculation under Annex J..



Note: If entity D is excluded from the reporting perimeter, financial statements will be combined. Alternatively, if entity D is included in the reporting perimeter, financial statements will be consolidated.

Example 4

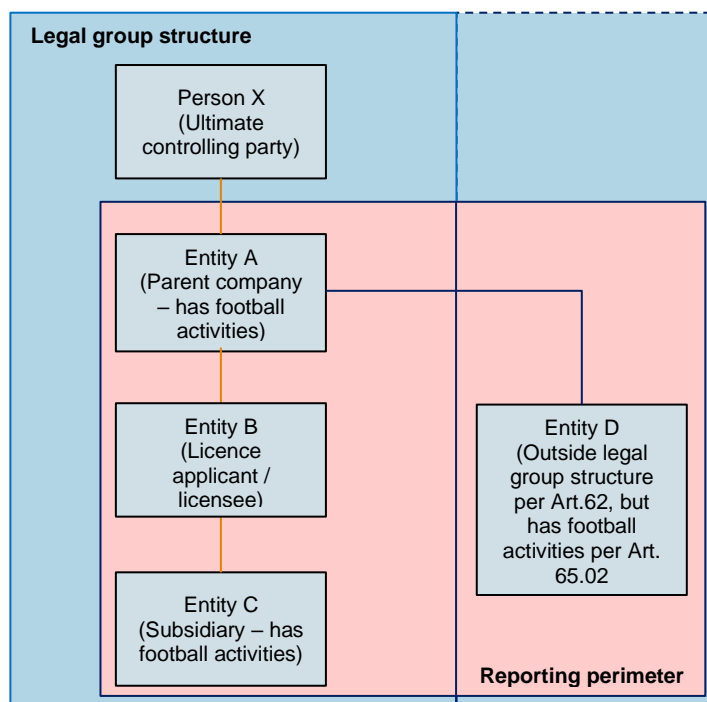
The legal group structure under Article 62:

- Entity B is the licensee and registered member of a UEFA member association or its affiliated league.
- Entity A is the direct controlling entity of entity B and includes football activities, e.g. employees involved in sponsorship activities for the football club.
- Person X is the ultimate controlling party of entity A and entity B.
- Entity C is a subsidiary of entity B and has football activities.

Notes: Entity D is a subsidiary of entity A and, prima facie, does not need to be disclosed in the legal group structure under Article 62. However, entity D performs services and incurs costs in respect of football activities as defined in Art. 65.03(a/b) and such costs have not already been reflected in the financial statements of entity A, B or C.

In addition to the licensee (entity B), the reporting perimeter must include:

- Entity A, under Art. 65.03(c/d), because entity A generates revenues or performs services or incurs costs with respect to football activities;
- Entity C, under Art. 65.02(b), because entity C generates revenues or performs services or incurs costs with respect to football activities;
- Entity D, under Art. 65.02(d).



C. Ultimate Controlling Party, Ultimate Beneficiary, Party with Significant Influence – Article 63

1. Ultimate controlling party

In addition to the legal group structure, all licensees must prepare a separate document that clearly refers to the natural persons who ultimately own or control a club and any natural persons on whose behalf control is being held.

Ultimate controlling party can be determined as follows:

- **Step 1:**
 - (a) Identify the natural persons, whether acting alone or together, who exercise control over the legal person through ownership, i.e. who ultimately have a controlling ownership interest in the licensee.
 - (b) If there is any doubt whether the persons with controlling ownership are the beneficial owners or, when no natural person exerts control through ownership interests, identify any natural persons exercising control of the football club by other means.
- **Step 2:** When no natural person is identified under (a) or (b) above, the licensee should indicate the ultimate majority shareholders in its legal group structure and verify the identity of the natural person who holds the position of key management personnel.

An licensee organised as an association or a foundation may not have ultimate controlling parties or ultimate beneficiaries due to its legal form. Furthermore, the majority shareholder of the club may be an association or foundation with a number of members. As already described in Step 2, the licensee should disclose the name of the association's/foundation's president and the composition (names, positions) of the executive decision-making body or any other body or individuals that determine the entity's financial, operating and sporting policies.

Below are examples of parties performing ultimate control:

- Any party holding the majority of the shareholders' or members' voting rights
- Any party having the right to appoint or remove a majority of the members charged with the governance of an entity, e.g. any administrative, management or supervisory bodies

- c. Any party that is a minority shareholder or a member of the entity and alone, under an agreement with other shareholders or members of the entity or by any other means, is able to exercise control (including as defined under (a) or (b))

2. Ultimate beneficiary

In the majority of cases, the ultimate controlling party and **the ultimate beneficiary** are the same person. The ultimate beneficiaries may also include the family members of the ultimate controlling party. In principle, the ultimate beneficiary is a natural person on whose behalf an entity or arrangement is owned or controlled, or a transaction is conducted.

- Natural persons who exert control of a legal person such as by means of personal connections to persons that have ownership
- Natural persons who, without ownership, exert control by participating in the financial, operating or sporting policies of the licensee because of close and intimate family relationships or historical or contractual associations
- Natural persons who, without ownership, exert control by participating in the financial, operating or sporting policies of the licensee because of the specific financial arrangements (e.g. a loan to a football club) or because a football club or its shareholders/group entities default on certain payments

Furthermore, control or beneficiary status may be presumed even if control is never actually exercised, such as by using, enjoying or benefiting from the assets owned by the licensee.

3. Party with significant influence

The CL&FS Regulations require the licensee to report any party that may have a **significant influence** over the football club. The definition of significant influence is stipulated in the CL&FS Regulations. The parties with significant influence should be taken into account in the information on ultimate controlling party and ultimate beneficiary.

Significant influence is the power to participate in deciding financial, operating or sporting policies of an entity, but not in control or joint control of that entity by means of share ownership, voting power, constitutional documents (statutes), agreement, or otherwise.

Examples of significant influence include any party that:

- a. directly or indirectly holds between 20% and 50% of the shareholders' or members' voting rights;
- b. has the ability to influence the appointment or removal of a majority of the members charged with the governance of an entity, e.g. any administrative, management or supervisory bodies of an entity;
- c. is a minority shareholder or a member of the entity and alone, under an agreement entered into with other shareholders or members of the entity or by any other means, is able to exercise significant influence, including as defined under a) and b);
- d. provides an amount equivalent to at least 30% of the entity's total revenue in one reporting period, either alone or in aggregate with parties under the same ultimate controlling party or government (excluding UEFA, a UEFA member association or an affiliated league).

4. Disclosure requirements

Under Article 63.02, the licensee must submit the following information about (a) its ultimate controlling party; (b) its ultimate beneficiary (if different from ultimate controlling party); and (c) any party with significant influence over the licensee:

- Full legal name;
- Main activity/activities performed;
- Percentage of ownership interest and, if different, percentage of voting rights in respect of the licensee;
- Full name and role of key management personnel (when the declared ultimate controlling party is a legal person);
- Name of any other football club(s) in respect of which the party, or any of its key management personnel, has any ownership interest, voting rights, membership or any other involvement or influence whatsoever.

If no ultimate controlling party or beneficiary is identified, a management representation explaining the reasons for the absence of the ultimate controlling party and ultimate beneficiary must be submitted on behalf of the club's executive body/authorised signatories.

If necessary, information should be disclosed about other parties potentially exercising control by other means or having significant influence.

Depending on the legal form, the licensee must disclose the following details about any party that has 10% or greater ownership of the licensee, or 10% or more voting rights:

- Name and legal form of the party;
- Activities of the party;
- Whether the licensee's shares are held directly or through additional entities. If there is both direct and indirect ownership, indicate which has control by holding a greater percentage of voting rights;
- Total percentage (direct and indirect) of share capital and voting rights;
- Nationalities of the parties or the country in which the owning entity is registered;
- Date on which the party first acquired a stake in the club; and
- Date on which the party reached the current percentage of ownership.

If deemed relevant, the licensee may be requested to provide information about additional persons or entities not otherwise included in the legal group structure. For example, any other subsidiary or associate of a direct controlling entity, indirect controlling entity, or ultimate controlling entity of the licensee.

D. Consolidation / combination requirements – Annex G.2

The steps involved in creating combined or consolidated financial statements are basically the same. The major difference between them is the ownership of the entities involved.

When the reporting perimeter includes a **group**, in which a parent company has a controlling interest in one or more subsidiary companies, the licensee must **consolidate** the financial results and position of the parent and the subsidiaries in one set of financial statements. The rationale behind this requirement is that, because these companies are all operating together as a single enterprise, they should report their results as though they were a single company.

When the reporting perimeter has multiple entities operating as a single company even though there is no parent-subsidiary relationship between them, the licensee must **combine** the financial results and position of the entities in one set of financial statements. In this case, although there is no international and national accounting practice requirement to do so, the Regulations require the financial statements of the entities to be combined to provide an appropriate overall picture.

The presentations of consolidated and combined financial statements are largely the same. There are more similarities than differences between combined and consolidated statements. In both cases, intercompany transactions are eliminated and minority interests are presented the same way. However, equity accounts are typically adjusted in consolidated statements (so that ownership balances are not duplicated), whereas in combined statements, equity accounts are typically added together (unless the companies have ownership in each other).

APPENDIX 3: FINANCIAL INFORMATION PACKAGE – KEY INPUT SCHEDULES

This Appendix provides guidance for some of the key data input schedules: balance sheet schedule, balance sheet reconciliation schedule, profit and loss account schedule, and cash flow schedule.

A. Balance sheet schedule – Annex F.2

The balance sheet presents the financial position for the licensee's reporting perimeter, which is the relationship between the assets, liabilities and equity as at the end date of a reporting period.

The licensee must submit balance sheet information in the prescribed format based on the annual financial statements (or restated financial statements, if applicable), supplementary information and underlying accounting records.

Amounts must be entered as follows:

- in the licensee's presentation currency;
- rounded to the nearest thousand, e.g. EUR 1,234,567 should be entered as EUR 1,235;
- all items must be input **as positive amounts**.

The balance sheet schedule lines are listed below.

The account lines marked with ■ are included in the calculation of net debt.

	20XX	
Current Assets		
Cash and Cash Equivalents		
Accounts Receivable from Player Transfers		
Accounts Receivable from Group Entities & Related Parties		
Other Accounts Receivable		
Tax assets		
Inventories		
Other Current Assets		
Total current assets	-	
Non Current Assets		
Tangible Fixed Assets		
Intangible Assets - Players and other personnel		
Intangible Assets - Other		
Accounts Receivable from Player Transfers (nc)		
Accounts Receivable from Group entities & related parties (nc)		
Tax assets (nc)		
Investments		
Other Non-current Assets		
Total non current assets	-	
Total assets	-	
Current Liabilities		
Bank Overdrafts		
Bank and other loans		
Loans/Accounts Payable to Group Entities/Related Parties		
Accounts Payable relating to Player Transfers - to Club		
Accounts Payable relating to Player Transfers - Factoring		
Accounts Payable to Employees		
Accounts Payable to Social/Tax Authorities		
Accruals and deferred Income		
Other Accounts Payable		
Other Tax Liabilities		
Short-term Provisions		
Other Current Liabilities		
Total Current Liabilities	-	
Non Current Liabilities		
Bank and other loans (nc)		
Loans/Accounts Payable to Group Entities/Related Parties (nc)		
Accounts Payable Relating to Player Transfers - to Club (nc)		
Accounts Payable Relating to Player Transfers - Factoring (nc)		
Accounts Payable to Employees (nc)		
Accounts Payable to Social/Tax Authorities (nc)		
Deferred Income		
Other Tax Liabilities (nc)		
Long-term Provisions (nc)		
Other Non-Current Liabilities		
Total Non current liabilities	-	
Net Assets / (Liabilities)		
Equity		
Share/Fund Capital		
Retained Earnings		
Other Reserves		
Revaluation reserve		
Total equity	-	
Total Equity and Total Liabilities		

1. Current assets and non-current assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised, sold or consumed in the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be realised within the 12 months following the balance sheet date;
- the asset is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

All other assets are classified as non-current.

Cash and cash equivalents

- Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Accounts receivable from player transfers (current and non-current)

- Amounts receivable for the transfer of a player's registration, including training compensation and solidarity contributions.

Accounts receivable from group entities and other related parties (current and non-current)

- Amounts receivable from group entities are amounts receivable from other entities within the same sphere of control, including parent companies, subsidiaries and fellow subsidiaries. Related parties are as defined in **Article 4.01**.

Other current accounts receivable

- These include trade and other receivables, such as trade debtors, other debtors, prepayments and accrued income, other than those categorised separately as receivable from player transfers or from group entities and other related parties.

Tax assets (current and non-current)

- Tax assets refers to the amount of income taxes recoverable in future periods.

Inventories

- These are goods held for resale, such as replica football shirts and other club merchandise.

Other assets (current and non-current)

- These include current assets not otherwise included in one of the other balance sheet lines.
- This balance sheet line may include non-current assets held for sale for which relevant accounting standards prescribe the required accounting treatment. Note that placing a player on the transfer list or disposal of a player's registration post year end will not, in themselves, be sufficient evidence to qualify as an asset held for sale.

Tangible assets

- Tangible assets refers to the balance of capitalised costs and associated depreciation/impairment with respect to assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes on a continuing basis in the entity's activities.

Intangible assets – player registrations and other personnel

- If the licensee's accounting policy is to capitalise and amortise the direct costs of obtaining player registrations (rather than expense them in the year of acquisition), the intangible assets are the unamortised balance of these capitalised costs. This balance should be zero for any reporting entity whose accounting policy is to expense all the direct costs of obtaining player registrations in the year of acquisition.
- In accordance with **Annex G.3.4**, locally trained players must not be included in the balance sheet as only the directly attributable costs of a player's registration are to be capitalised.
- If requested, a licensee must also disclose supplementary information in the player identification table schedule, to reconcile the aggregated net book value of player registrations with the amount in the balance sheet. For further guidance, see **Appendix 3 (B)**.
- As set out in **Annex G.3.7**, the accounting requirements for player registrations apply by analogy to any amounts paid to another club or receivable from another club for the release of any other personnel (e.g. head coach).

Intangible assets – other

- An intangible asset is an identifiable non-monetary asset without physical substance. This includes all intangible assets except for those relating to player registrations, e.g. goodwill.

Investments

- Investments include investments by the entity in subsidiaries, jointly controlled entities and associates.

2. Current liabilities and non-current liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled during the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled less than 12 months after the balance sheet date;
- the entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

All other liabilities are classified as non-current.

Bank overdrafts

- A bank overdraft is a way of borrowing money from a bank.

Bank and other loans (current and non-current)

- Loans in current liabilities are defined as loans (not from group entities or related parties), or parts thereof, that are due to be settled not later than one year after the balance sheet date, for example, loans from banks or other commercial lenders.
- Non-current loans are defined as loans (not from group entities or related parties), or parts thereof, which are due to be settled more than one year after the balance sheet date – and are to be included under non-current liabilities.
- Lease liabilities should be included in bank and other loans.
- Lease liabilities should be classified as current or non-current loans based on the total minimum lease payments at the balance sheet date for subsequent periods not later than one year and later than one year.

Accounts payable to group entities and other related parties (current and non-current)

- Accounts payable and loans owed to group entities are amounts payable to other entities within the same sphere of control, including parent companies, subsidiaries and fellow subsidiaries. Related parties are as defined in **Article 4.01**.

Accounts payable relating to player transfers (current and non-current)

- These are amounts payable as a result of transfer activities, including training compensation and solidarity contributions.
- Such liabilities are classified as current or non-current based on the total minimum payments at the balance sheet date for subsequent periods not later than one year and later than one year.
- If the counterpart of the licensee entered into some other form of financing arrangement with another party with respect to a player for whom the licensee holds the registration, amounts payable to that other party should be disclosed under accounts payable for player transfers - Factoring.

Accounts payable to employees (current and non-current)

- Amounts payable to employees as employee benefit expenses.

Accounts payable to social/tax authorities (current and non-current)

- Accounts payable to social/tax authorities are the taxes payable in future periods for current tax liabilities relating to employees, such as salaries, bonuses, withholding tax on player income, etc.

Accruals and deferred income (current and non-current)

- Accruals are estimated expenses that are incurred during a reporting period for which no invoices have been received nor payments made.
- Deferred income is money received for goods to be delivered or services to be performed in the future.

Other current accounts payable

- These include trade and other payables, excluding accruals and deferred income, which are disclosed separately.

Other tax liabilities (current and non-current)

- Other tax liabilities, including deferred tax liabilities, such as income tax, property tax, VAT, etc.

Provisions (short-term and long-term)

- Provisions are a subset of liabilities, as they are a liability of uncertain timing or amount, e.g. a legal claim.
- Provisions will be classified as current or non-current based on the liability at the balance sheet date for subsequent periods not later than one year and later than one year.

Other liabilities (current and non-current)

- Other liabilities not otherwise included in one of the other balance sheet lines.

3. Net debt

Net debt is calculated as the aggregate of:

- net borrowings, i.e. the net total of bank overdrafts, bank and other loans, accounts payable to group entities and other related parties, minus cash and cash equivalents;
- net player transfer balance, i.e. the net total of accounts receivable for player transfers and accounts payable for player transfers;
- (non-current) accounts payable to social/tax authorities.

Net debt is used in the calculation of condition 3 (sustainable debt ratio) in Paragraph 87.03 and defined in **Annex J.6.1**.

4. Equity

Share/Fund capital

- This includes share capital, share premium and treasury shares. Treasury shares are an entity's own equity instruments, held by the entity or other members of the consolidated group. The entity cannot recognise a gain or loss in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

Other reserves

- This includes other reserves, including any other form of reserves that is not contained in revaluation reserves and any other form of reserve other than retained earnings, and minority interest. Any restrictions on the distribution of the balance to shareholders must be disclosed.

Retained earnings

- Retained earnings are the accumulated profit or loss as at the financial year end.

Revaluation reserve

- In respect of items of property, stadium, equipment and/or intangible assets stated at revalued amounts. Any restrictions on the distribution of the balance to shareholders must be disclosed.

B. Balance sheet reconciliation schedule – Annex F.2

The financial information package contains a balance sheet reconciliation schedule for reconciliations of:

- total equity;
- intangible assets (player registrations); and
- tangible assets.

Some licensees may also be requested to complete the player identification table schedule.

20XX

Total equity reconciliation check

Total equity - brought forward at beginning of period

Total equity - prior period adjustment / change of reporting perimeter (from previous reporting period)

Profit/(Loss) after dividends

Capital increase/equity contributions

Change in revaluation reserve

Other movements in equity/reserves during the period

Total equity - carried forward at end of period[Reminder of closing net book value of Total equity in the Balance Sheet](#)*Check***Cost of player registrations and other personnel (c.p.r)**

Aggregate Cost at Start of Period (c.p.r.)

Prior period adjustment / change of reporting perimeter (from previous reporting period) (c.p.r.)

Cost of additions in the period (c.p.r.)

Historical cost of player registrations disposed in the period (c.p.r.)

Aggregate Cost at End of Period (c.p.r.)**Amortisation of player registrations and other personnel (a.p.r)**

Aggregate Amortisation at Start of Period (a.p.r.)

Prior period adjustment / change of reporting perimeter (from previous reporting period) (a.p.r.)

Amortisation of intangible fixed assets (player registrations) in the period (a.p.r.)

Accumulated amortisation of player registrations disposed in the period (a.p.r.)

Impairment of intangible fixed assets (player registrations) in the period (a.p.r.)

Amortisation/impairment of intangible assets (other personnel)

Accumulated amortisation of other personnel disposed in the period (a.p.r.)

Impairment of intangible fixed assets (other personnel) in the period (a.p.r.)

Aggregate Amortisation at End of Period (a.p.r.)**Net book value**

NBV at Start of Period (p.r.)

NBV at End of Period (p.r.)[Reminder of closing net book of intangible assets Players in the Balance Sheet](#)*Check***Cost of tangible fixed assets**

Aggregate Cost at Start of Period (t.f.a.)

Prior period adjustment / change of reporting perimeter (from previous reporting period) (t.f.a.)

Cost of additions in the period (t.f.a.)

Historical cost of tangible fixed assets disposed in the period (t.f.a.)

Aggregate Cost at End of Period (t.f.a.)**Depreciation of tangible fixed assets**

Aggregate Depreciation at Start of Period (t.f.a.)

Prior period adjustment / change of reporting perimeter (from previous reporting period) (t.f.a.)

Depreciation of tangible fixed assets

Accumulated depreciation of tangible fixed assets disposed in the period (t.f.a.)

Impairment of tangible fixed assets during the period (t.f.a.)

Aggregate Amortisation at End of Period (t.f.a.)**Net Book value**

NBV at Start of Period (t.f.a.)

NBV at End of Period (t.f.a.)[Reminder of closing net book of tangible assets in the Balance Sheet](#)*Check*

Reconciliation of total equity

- The licensee must ensure that brought-forward total equity, together with the profit or loss after dividends as recorded in the profit and loss account schedule and other movements in equity/reserves in the reporting period included in the equity reconciliation, correctly reconciles with the total equity in the balance sheet schedule. Only if applicable, the licensee may also use the 'Prior period adjustment/change of reporting perimeter (from previous reporting period)' line, which is defined below.
- If there are no other movements in equity/reserves, and no items of recognised income or expense other than profit (or loss) for the reporting period, the brought-forward total equity balance plus (or minus) the net profit (or loss) for the reporting period should equal the total equity balance at the end of the reporting period.

The calculated net assets/liabilities on the balance sheet at the end of the reporting period must match the net assets/liabilities on the balance sheet of the appropriate annual financial statements.

Reconciliation of intangible assets (player registrations)

Licensees that use the capitalisation and amortisation method of accounting for player registrations must complete the reconciliation of player registrations, which reconciles the movements of the cost, amortisation and net book value of player registrations for the reporting period.

This requires the following disclosures, as applicable:

- total historical cost and accumulated amortisation at the start of the period, which will automatically calculate the net book value at the start of the period;
- any prior period adjustment/change of reporting perimeter compared with the previous period;
- cost of player registrations added during the period;
- historical cost and accumulated amortisation of any player registrations disposed of during the period;
- amortisation expense for the period, as entered in the profit and loss account schedule; and
- any impairment expense against player registrations during the period.

If the balance sheet line for intangible assets (player registrations and other personnel) includes any amounts in respect of other personnel, then a reconciling adjustment will be necessary.

Reconciliation of tangible assets

The licensee that recognises tangible assets must complete the tangible asset reconciliation, which reconciles the movements of the cost, depreciation and net book value of tangible assets during the reporting period.

This requires the following disclosures, as applicable:

- total historical cost and accumulated depreciation at the start of the period, which will automatically calculate the net book value;
- any prior period adjustment/change of reporting perimeter compared with the previous period;
- cost of tangible asset additions during the period;
- historical cost and accumulated depreciation of any tangible assets disposed of during the period;
- depreciation charge for the period, as entered in the profit and loss account schedule;
- any impairment charge against tangible assets during the period.

Note: For the calculation of football earnings, if the depreciation/impairment charge of tangible assets for the period includes amounts for right-of-use assets (operating leases), any such amount must be disclosed as part of the 'costs of right-of-use assets (operating leases)' and therefore included in the calculation of football earnings.

Prior period adjustments/changes to reporting perimeter

Prior period adjustments may occur to correct errors in the annual financial statements of a reporting entity or a previous input error in the IT Solution. A restatement of prior period amounts in annual financial statements may also arise if there are any changes to accounting policies.

The reasons for the restatement or prior period error will be considered, along with the impact on football earnings for each reporting period and in aggregate for a monitoring period. If deemed necessary, the licensee may be requested to resubmit the football earnings information for the prior period using the updated reporting perimeter, rather than just entering the aggregate impact in the total equity reconciliation.

Player identification table

As set out in **Annex F.6**, for the purpose of club licensing, all licensees must prepare and submit a player identification table to their licensor that reconciles with the balance sheet and profit and loss account in the audited financial statements.

Some licensees will be required to disclose supplementary player-by-player information in the player identification table schedule in the financial information package, for which the aggregated amounts must reconcile with the relevant amounts in the balance sheet and profit and loss account in the audited financial statements. This requires the following disclosures with respect to each player registration:

Player identification:

- player's name;
- player's date of birth;
- start date of original contract, i.e. the date on which the player's registration was transferred-in permanently and the original employment contract began. For international transfers, this date should be the same as that required in FIFA's Transfer Matching System;
- duration of contract (months), i.e. the aggregate number of months of the employment contract(s) from the original start date of the contract (as above), to the contracted end of the current employment contract (rounded to nearest month).

Costs of acquiring a player's registration:

- aggregate cost at start of period – the total accumulated costs of acquiring/holding the player's registration at the start of the reporting period;
- transfer fee in the period, i.e. the cost of acquiring a player's registration incurred during the reporting period, comprising amounts paid or payable for fixed transfer compensation, realised conditional transfer compensation, and solidarity contributions/training compensation. This excludes any internal development or other costs;
- other capitalised costs in the period, i.e. other costs of acquiring a player's registration incurred during the reporting period: amounts paid or payable for agents/intermediaries fees and other direct costs of acquiring the player's registration, e.g. transfer fee levy;
- historical cost of player registrations disposed of in the period, i.e. a deduction for the accumulated costs of a player's registration at the time of the player's transfer-out;
- aggregate cost at end of period, i.e. the sum of aggregate cost at the start of the reporting period and the transactions during the reporting period.

Amortisation and impairment of costs of acquiring a player's registration:

- aggregate amortisation at start of period - the total accumulated amortisation/impairment with respect to the costs of acquiring/holding the player's registration at the start of the reporting period;
- amortisation of intangible assets (player registrations) in the period, i.e. the amortisation entered in the profit and loss account during the reporting period;
- accumulated amortisation of player registrations disposed of in the period, i.e. a deduction for the accumulated amortisation/impairment of a player's registration at the time of the player's transfer-out;
- impairment of intangible assets (player registrations) in the period, i.e. impairment entered in the profit and loss account during the reporting period;

- aggregate amortisation at end of period, i.e. the sum of amortisation/impairment at start of the reporting period and the charges/transactions at the end of the reporting period.

Net book value:

- NBV at start of period, i.e. the calculated net book value of the player's registration at the start of the reporting period;
- NBV at end of period, i.e. the calculated net book value of the player's registration at the end of the reporting period.

Other information:

- Sell-on rights (or similar), i.e. the description and, if possible, quantification of any sell-on rights to a football club that formerly held the player's registration, excluding any training compensation or solidarity contributions.




C. Profit and loss account schedule – Annex F.3 and Annex J.1 to J.5

The licensee must submit profit and loss account information for its reporting perimeter for each relevant reporting period, as set out in the financial information package, based on the audited financial statements, supplementary information for club licensing and underlying accounting records.

Amounts must be entered as follows:

- in the licensee's presentation currency;
- rounded to the nearest thousand, e.g. EUR 1,234,567 should be entered as EUR 1,235;
- all income items must be input as positive amounts and all expense items as negative amounts.

The account lines in the **profit and loss account schedule** are as follows:

- Account lines highlighted in green  are used to determine relevant income net of adjustments;
- Account lines highlighted in red  are used to determine relevant expenses net of adjustments;
- Account lines highlighted in yellow  will be automatically excluded from the calculation of football earnings.

Some licensees must also provide additional information in their **financial information package**, by:

- completing the applicable **supplementary schedules**, as highlighted in the table below;
- ensuring that the disclosures in the supplementary schedules are also recorded in the profit and loss account schedule. Where a licensee is required to complete one or more supplementary schedules, the licensee must ensure that the applicable supplementary schedules are properly completed and that revenues/expenses are disclosed as far as possible in the account lines other than 'other'. The amount in the 'other' account line must be no greater than the percentage of the relevant total as displayed.

The requirement to complete one or more supplementary schedules is determined on the basis of the data entered in the profit and loss account schedule and the licensee is notified automatically in the financial information package (by "I") or is notified by the UEFA administration.

The disclosure requirements for each account line are defined in Annex F.3 and further explained in this Toolkit, together with the requirements for supplementary schedules.

Licensees subject to the squad cost rule with an annual accounting reference date ending on or before 31 July must complete and submit the **interim profit and loss account schedule** in the financial information package in respect of the relevant interim reporting periods, as set out in section 4.1.5 and section 5.1.5 in this Toolkit.

In many respects the format of the interim profit and loss account schedule is the same as the profit and loss account schedule described in this Appendix 3. The licensee must enter amounts in accordance with the account line definitions in the interim profit and loss account schedule and as further explained in Appendix 3.

P&L	20xx
Gate Receipts - Season Tickets	
Gate Receipts - Membership Fees	
Gate Receipts - Premium tickets/match day hospitality	
Gate Receipts - National Competitions	
Gate Receipts - UEFA Club Competitions	
Gate Receipts - Other/Non-Split	
Total Gate Receipts	
Sponsorship and Advertising - Kit-Sponsor (Manufacturer)	
Sponsorship and Advertising - Main (front) shirt sponsor	
Sponsorship and Advertising - Stadium (naming right) Sponsor	
Sponsorship and Advertising - Pitch-perimeter and Board Advertising	
Sponsorship and Advertising - Other/Non-Split	
Total Sponsorship and Advertising	
Broadcasting Rights - National Competitions	
Broadcasting Rights - Other/Non-Split	
Total Broadcasting Rights	
Commercial - National Competitions	
Commercial - Merchandising	
Commercial - Non-matchday usage of facilities	
Commercial from Membership (non matchday related)	
Commercial - Other/Non-Split	
Total Commercial activities	
UEFA Club Competitions - Broadcasting Rights, Commercial, Prize money	
UEFA Club Competitions - Solidarity Payments	
UEFA Solidarity and Prize Money - Other/Non-Split	
Total UEFA Solidarity and Prize Money	
Subsidies, Donations or other amounts from National Football Bodies	
Subsidies, grants and other money from the government of the territory of the licensee	
Donations from non related parties	
Contributions/Donations from related parties	
Income from Non-Football Operations	
Exceptional income	
Other operating income - Other/Non-Split	
Total Other Operating Income	
Total Revenue	
Costs directly attributable to merchandise sales	
Cost of Sales/Materials - Other/Non-Split	
Total Cost of Sales/Materials	
Players - Wages and Salaries	
Players - Social Security Contributions	
Players Benefits Expenses - Other/Non-Split	
Total Players Benefits Expenses	

P&L	20xx
Technical staff - Wages and Salaries	
Technical staff - Social Security Contributions	
Technical staff - Other/Non-Split	
Total Technical staff Benefits Expenses	
Other Employees - Wages and Salaries	
Other Employees - Social Security Contributions	
Other Employees - Other/Non-Split	
Total Other Employees Benefits Expenses	
Total Employee Benefit Expenses	
Depreciation of Tangible Fixed Assets	
Impairment of tangible fixed assets	
Amortisation of Other Intangible Assets (excluding player registrations)	*
Impairment of other intangible assets (excluding player registrations)	*
Total Depreciation, Amortisation & Impairment (excluding player registrations)	
Cost of right-of-use assets (operating leases)	
Matchday expenses	
Sponsorship and advertising expenses	
Commercial activities expenses	
Property & Facilities expenses	
Expenses of Non-Football Operations	
Exceptional expenses	
Other operating expenses - Other/Non-Split	
Total Other Operating Expenses	
Total Operating Expenses (excluding player registrations)	
Transfer of players and other personnel	
Amortisation of intangible assets (players registrations)	
Impairment of intangible assets (player registrations)	
Profit on disposal of intangible fixed assets (player registrations)	
Loss on disposal of intangible fixed assets (player registrations)	
Cost of acquiring player registrations (including loan fees)	
Income from disposal of player registrations (including loan income)	
Amortisation/impairment of intangible assets (other personnel)	
Profit/loss on release of other personnel	
Income from/cost of release of other personnel	
Non capitalised costs agent fees / intermediaries	
Costs incurred with connected parties	
Total Player Transfers and other personnel	
Profit/(Loss) on Disposal of Tangible Fixed Assets	
Profit/(Loss) on Disposal of Other Intangible Assets	
Total Profit/(Loss) on Disposal of Assets	
Finance income	
Finance expenses	
Net Foreign Exchange Gains/(Losses)	

P&L	20xx
Net Finance Income / (Expenses)	
Other Income (non operating)	
Other Expenses (non operating)	
Net Non-Operating Income /(Expense)	
Tax Income/ (Expense)	
Profit/(loss) after Tax	
Dividends paid / Minority interests	
Profit/(loss) after dividends	

Profit and loss account schedule (continued)

* For the calculation of football earnings, the amortisation and impairment of other intangible assets (excluding in respect of player registrations and other personnel) are excluded from relevant expenses, except for the amortisation/impairment of an other intangible asset that generates or has generated relevant income.

1. Revenue – gate receipts – Annex J.2.1(a)

Gate receipts refers to revenue derived from spectators that have paid to attend the club's football matches, e.g. general admission season tickets, single matchday tickets, or a premium/hospitality ticket package. If a club provides any spectators with tickets free of charge or for a nominal fee, this should not be considered as revenue. Gate receipts should be recorded net of discounts, levies, VAT or other sales taxes.

For the football earnings information, gate receipts may be broken down into the following account lines:

- season tickets: for the purposes of this analysis, this revenue, including both general admission and premium/corporate tickets, may either be included in this account line or apportioned to matches in national competitions and UEFA club competitions;
- gate receipts from national competition matches (general admission and premium/corporate attendees);
- gate receipts from UEFA club competition matches (general admission and premium/corporate attendees);
- membership fees, i.e. some form of arrangement whereby the club provides paying members with benefit(s) in terms of their match attendance and involvement in the football club;
- gate receipts from premium ticket/match day with hospitality access provided;
- other gate receipts, such as those from friendly matches.

The licensee should provide explanatory comments, covering matters such as the number of tickets sold, match attendance data, significant variations compared to other reporting periods and, if known and applicable, why there may be significant variations compared to other licensees playing in the same national competitions.

In the absence of a breakdown of gate receipts as set out above, the licensee must input the gate receipts total into the 'gate receipts – other/non-split' account line.

Other revenue streams generated on a matchday, e.g. sales of food/beverages and match programmes, should be included separately in the appropriate account lines as described below.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for 'revenue – gate receipts', by completing the supplementary schedule and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

2. Revenue – sponsorship and advertising – Annex J.2.1(b)

Sponsorship and advertising revenue derives from arrangements under which the club receives monies from a party in exchange for some form of rights to be associated in some way with the club or advertise through a variety of club channels, e.g. match programmes, pitch-perimeter and other board advertising.

For the football earnings information, sponsorship and advertising may be broken down into the following account lines:

- **Kit-sponsor (Manufacturer)**, i.e. any sponsorship and advertising revenue from the company that provides the first team's kit and other apparel, excluding any amount from that party that relates to merchandising sales, which should be included in commercial -merchandising.
- **Main (front) shirt sponsor**, i.e. any sponsorship and advertising revenue from the primary sponsor; typically the main sponsor on the front of the first team's shirts. The disclosure should include all amounts derived from the arrangement with the sponsor, and will typically include sponsorship rights in addition to the front of the first team's shirts. This account line should only include revenue from the main sponsor. Any revenue from other sponsors that may also appear on a team's shirts/apparel, including but not limited to those on the front of a shirt, must be entered under sponsorship and advertising – other.
- **Stadium (naming rights) sponsor**, i.e. any sponsorship and advertising revenue from the party that has the stadium naming rights. The disclosure should include all amounts derived from the arrangements with the sponsor, which may include sponsorship rights in addition to stadium naming rights. This account line should only include revenue from the stadium naming rights sponsor. Any revenue from other sponsors with respect to the stadium, e.g. for naming rights for a particular stand within the stadium, must be entered under 'sponsorship and advertising – other'.
- **Pitch-perimeter and board advertising**, i.e. sponsorship and advertising revenue from arrangements for other parties to place some form of advertisement at the stadium. If arrangements with the three types of sponsors set out above include pitch-perimeter and board advertising, there should be no apportionment from those sponsors to this account line.
- **Other sponsorship and advertising**, i.e. any amounts not otherwise categorised.

In the absence of a breakdown of sponsorship and advertising revenue as set out above, the licensee must enter the sponsorship and advertising total under sponsorship and advertising – other/non-split'.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for 'revenue – sponsorship and advertising', by completing the supplementary schedule (excerpt below) and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

When requested, a licensee must complete the supplementary schedule to provide more detail and explanations.

For each of the kit-sponsor (manufacturer), the main (front) shirt sponsor, the stadium (naming rights) sponsor, other shirt and naming rights sponsors, pitch-perimeter and board advertising and other sponsorship arrangements (for arrangements contributing more than 10% of the total sponsorship and advertising revenue), the licensee must disclose:

- the name of the sponsor;
- whether the sponsor is a related party, by entering 'yes' or 'no';
- the sponsor's industry;
- the contract start date;
- the total contract duration (in months);
- the contract currency;
- any revenue recognised during the reporting period that was not conditional, i.e. was guaranteed to be received regardless of other factors;
- any revenue recognised during the reporting period that was conditional, i.e. was received as a result of a certain outcome, such as the licensee's league finishing position or progression in UEFA club competitions;
- explanatory comments summarising the rights and benefits provided to the other party or any additional information necessary to understand a type of relationship with a sponsor(s).

3. Revenue – broadcasting rights – Annex J.2.1(c)

Broadcasting rights revenue is derived from arrangements under which the club receives monies in exchange for the sale of broadcasting rights for matches taking place during the licence season and any football club generated

material for broadcast, through whatever broadcast medium, e.g. television, radio, internet, and mobile phones. Broadcasting rights revenue may be received either directly from a broadcaster or indirectly from a competition organiser.

For the football earnings information, broadcasting rights revenue may be broken down into the following account lines:

- broadcasting rights revenue from a club's participation in national competition matches during the licence season;
- broadcasting rights revenue for a club's participation in other types of matches during the licence season, or other types of club-generated broadcast content. Note that monies received from a club's participation in UEFA club competitions must be entered separately under 'UEFA solidarity & prize money'.

When monies are received from a competition organiser for the sale of broadcast rights and other commercial rights, if the amount derived from the sale of other commercial rights can be identified separately, then it must be entered under commercial activities. If the amount derived from the sale of other commercial rights is not separately identifiable, the full amount from a competition organiser must be disclosed under broadcasting rights.

If a licensee does not provide a breakdown of broadcasting rights revenue as set out above, it must enter the broadcasting rights total under 'broadcasting rights – other/non-split'.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for 'revenue – broadcasting rights', by completing the supplementary schedule and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

When requested, a licensee must complete the supplementary schedule to provide more detail and explanations covering:

- broadcast rights revenue from a club's participation in matches in national competitions during the license season, broken down according to the different types of matches;
- other broadcast rights revenue, disclosing separately any broadcast arrangements. The licensee should provide explanatory comments, covering such matters as significant variations compared to other reporting periods and, if known and applicable, why there may be significant variations compared to other licensees playing in the same national competitions.

4. Revenue – commercial activities – Annex J.2.1(d)

Revenue from commercial activities is derived from activities other than sponsorship and advertising and the sale of broadcasting rights. Such commercial revenue may be from activities relating to a specific match, e.g. food/beverage sales to both general admission matchday spectators and premium/corporate matchday packages, and sales of match programmes, or from any other commercial activities.

For the football earnings information, revenue from commercial activities may be broken down into the following account lines:

- commercial revenue from national competition matches;
- merchandising, i.e. revenue derived from the sale of goods, such as replica club shirts and other club-branded apparel/goods;
- non-matchday usage of facilities, e.g. conferences or music events at the club's stadium;
- membership (non-matchday related), i.e. some form of arrangement whereby the club provides some type of benefit for paying members other than match attendance;
- any other revenue from commercial activities not otherwise categorised above, e.g. lottery, licence fees and royalties for use of the club's brand, and commission.

In the absence of a breakdown of commercial revenue as set out above, the licensee must enter the commercial revenue total under 'commercial – other/non-split'.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for 'revenue – commercial activities', by completing the supplementary schedule and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

When requested, a licensee must complete the supplementary schedule to provide more detail and explanations covering:

- commercial revenue from a club's participation in national competition matches, broken down according to the different types of matches;
- merchandising revenue;
- the revenue generated from non-matchday usage of facilities, with revenue from major events, such as hosting pop concerts, to be disclosed separately from other events;
- commercial revenue from membership (non-matchday related), i.e. some form of arrangement whereby the club provides some type of benefit for paying members other than match attendance;
- other commercial revenue, disclosing separately any commercial arrangements contributing more than 10% of total commercial revenue.

The licensee should provide explanatory comments, covering such matters as significant variations compared to other reporting periods and, if known and applicable, why there may be significant variations compared to other licensees playing in the same national competitions. Where applicable, explanatory comments should include details of the major events held at the licensee's facilities and the name and terms of the merchandising and other commercial revenue that have been disclosed separately.

5. Revenue – UEFA solidarity and prize money – Annex J.2.1(e)

UEFA solidarity and prize money is revenue from UEFA's solidarity contributions or UEFA's payments to a club for fulfilling its obligations when participating in a UEFA club competition in the season, excluding match gate receipts, which must be included under 'gate receipts'.

For the football earnings information, revenue from UEFA solidarity and prize money may be broken down into the following account lines:

- broadcasting rights revenue, commercial revenue and prize money payments received from UEFA;
- solidarity payments received from UEFA;
- any other revenue received from UEFA in respect of solidarity contributions and/or payments for fulfilling obligations when participating in a UEFA club competition. In the absence of a breakdown of UEFA solidarity and prize money revenue as set out above, the licensee must enter the revenue total under 'UEFA solidarity and prize money – other/non-split'.

Guidance for licensees making an adjustment for financial contributions under a settlement agreement is provided in **Appendix 4 (J)**.

6. Revenue – other operating income – Annex J.2.1(f)

For the football earnings information, other operating income may be broken down into the following account lines:

- subsidies, donations or other amounts from national football bodies; this account line excludes any amounts from national football bodies for broadcasting rights and commercial activities for national competitions, and excludes any amount separately identifiable as UEFA solidarity contributions, each of which must be categorised accordingly;
- subsidies, grants or other money from the government of the territory of the licensee;
- donations from non-related parties, other than national football bodies or the government;
- contributions/donations received from related parties;
- income from non-football operations not included in another revenue account line;
- any other operating income not otherwise categorised above, such as rental income and dividends received/receivable.

The licensee must separately disclose any exceptional income derived from operating activities in the account line described as 'Revenue – other operating income – exceptional income'.

Further guidance about non-football operations is given in **Appendix 4 (F)**. If the profit and loss account includes amounts in respect of non-football operations not related to the club, adjustments must be made to exclude such amounts from the calculation of football earnings.

Exceptional income

Exceptional income is an income/credit item which is derived from an unusual event or transaction in the reporting period.

If the exceptional income is derived from operating activities, then the licensee **must disclose the amount of exceptional income in the account line described as ‘Revenue – other operating income – exceptional income’**. For example:

- Income/credit derived from broadcast rights in respect of future matches after the end of the reporting period;
- Credit from litigation settlement;
- Credit from reversal of unjustified provisions.

If the exceptional income is derived from non-operating activities, then the licensee must disclose the amount of exceptional income in the account line described as ‘Non-operating income’. For example: Profit/loss on disposal of investments.

For the avoidance of doubt, exceptional income does not include:

- Profit on disposal of tangible assets;
- Profit on disposal of other intangible assets;
- Profit on disposal of player registrations;
- Donations;
- Grants/subsidies;
- Revenue derived from broadcasting rights and/or consideration for participation in a competition in the reporting period which are variable amounts based on the club’s performance in the competition. Such revenue is to be recorded in the account line ‘Revenue – Broadcasting rights’;
- Revenue derived from sponsorship in the reporting period which are variable amounts based on based on the club’s performance in the competition. Such revenue is to be recorded in the account line ‘Revenue – Sponsorship and advertising’;

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for ‘revenue – other operating income’, by completing the supplementary schedule and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

	Revenue in reporting period - unadjusted (LC)	Explanatory Comment
From National Association		
Other state/municipal authorities		
Subsidies, Donations or other amounts from National Football Bodies		
Subsidies, Donations or other amounts from National Football Bodies in the P&L		
Check		
Authority 1 (>20% of total)	+ -	
Other state/municipal authorities		
Subsidies, grants and other money from the government of the territory of the licensee		
Subsidies, grants and other money from the government of the territory of the licensee in the P&L		
Check		
Donor 1 (>20% of total)	+ -	
Other donors		
Donations from non related parties		
Donations from non related parties in the P&L		
Check		
Related party 1	+ -	
Contributions/Donations from related parties		
Contributions/Donations from related parties in the P&L		
Check		
Income from Non-Football Operations		
Exceptional income		
Breakdown of Other Non-split Operating income		
Other operating income 1 (> 10% Other non-split)		
Other operating income 2 (> 10% Other non-split)	+ -	
Other operating income - Other/Non-Split		
Donations from non related parties in the P&L		
Check		
Total Other Operating Income		
Total Other Operating Income in the P&L		
Check		

When requested, a licensee must complete the supplementary schedule to provide more detail and explanations covering:

- subsidies, donations or other amounts received from national football bodies;
- subsidies, grants or other amounts received from the government of the territory of the licensee;
- donations from non-related parties
- contributions/donations from related parties,;
- income from non-football operations;
- exceptional income;
- other operating income – other, providing a further breakdown of significant types of other operating income.

Explanatory comments should be provided by the licensee, covering matters such as significant variations compared to other reporting periods, sources of income, and any repayable amounts.

7. Expenses – costs directly attributable to merchandise sales -Annex K

For the purpose of the football earnings information and the calculation of the squad cost ratio (if applicable), licensees must provide the total of costs directly attributable to merchandise sales separately to cost of sales/materials below.

Costs directly attributable to merchandise sales are only those costs for which (i) the expense would have been avoided if merchandise sales had not been undertaken, and (ii) the expense is separately identifiable without apportionment.

Costs directly attributable to merchandise sales include:

- The costs of acquiring from suppliers the goods which comprise merchandise sales (e.g. the costs to acquire replica team shirts, other club branded goods);
- Costs of fees and commissions to another party incurred wholly and exclusively for merchandise sales;

- Shipping costs.

8. Expenses – cost of sales/materials – Annex J.3.1(a)

For the purpose of the football earnings information, licensees must provide the total cost of sales/materials for all activities such as catering, merchandise, medical care, kits and sports materials, except for costs of purchase of merchandise. For the avoidance of doubt, this expense line will not include costs directly attributable to merchandise sales as stated above.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for ‘expenses – cost of sales/materials’, by completing the supplementary schedule and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

When requested, a licensee must complete the supplementary schedule to provide more detail and explanations covering:

- catering sales;
- medical care;
- kits and sports materials;
- other activities.

The licensee should provide explanatory comments, covering such matters as significant variations compared to other reporting periods and, if known and applicable, why there may be significant variations compared to other licensees playing in the same national competitions.

9. Expenses – employee benefit expenses (players, technical staff, and other employees) – Annex J.3.1(b&c)

For the purpose of the football earnings information, employee benefit expenses are to be broken down according to the type of employees, separately disclosing amounts for ‘players’ and ‘other employees’, and may be further broken down according to the nature of the employee benefit expenses, separately disclosing wages and salaries, social security contributions and other employee benefit expenses.

For the purpose of this breakdown:

- ‘players’ refers to all football players (men and women) registered during the reporting period, including youth football players;
- ‘Technical staff’ refer to non-players persons tied to player teams, e.g. the Sporting directors, head coach, assistant coaches, Athletic trainers, physicians, massage therapists, other football coaching staff; and
- ‘Other employees’ refers to all employees other than football players, including, but not limited to, directors, management and those charge with governance, administrative staff, matchday staff, members of the executive body and the employees of non-football operations.

Wages and salaries include, but are not limited to, wages, salaries, fees, signing-on fees, bonuses, image-rights payments and other incentive payments. Social security contributions are any contributions by the entity to any government, fund or arrangement. ‘Other’ refers to any other non-monetary benefits, post-employment benefits, other long-term employee benefits, termination benefits and share-based payment transactions.

In the absence of a breakdown of employee benefit expenses as set out above, the licensee must enter the total employee benefit expenses under ‘employee benefit expenses – other/non-split’.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for ‘expenses – employee benefit expenses’, by completing the supplementary schedule and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

A licensee must complete the supplementary schedule to provide more detail and explanations covering:

- football players (excluding youth football players) – employee benefit expenses broken down into (basic) wages and salaries, image-rights payments, bonuses/incentive payments, social security contributions, other employee benefit expenses, and the number of employees;
- youth football players – employee benefit expenses broken down into total wages and salaries, social security contributions, other employee benefit expenses, and the number of employees;
- football technical staff – employee benefit expenses broken down into total wages and salaries, social security contributions, other employee benefit expenses, and the number of employees;
- other employees, i.e. all employees other than football players, youth football players and football coaching staff – employee benefit expenses broken down into total wages and salaries, social security contributions, other employee benefit expenses, and number of employees.

The licensee should provide explanatory comments, covering such matters as significant variations compared to other reporting periods and, if known and applicable, why there may be significant variations compared to other licensees playing in the same national competitions.

10. Expenses – depreciation and impairment of tangible assets – Annex J.4.1(a)

Depreciation is the systematic allocation of the depreciable amount of a tangible asset over its useful life, i.e. the period over which an asset is expected to be available for use by an entity. An impairment loss is the amount by which the carrying amount of a tangible asset exceeds its recoverable amount, i.e. the higher of an asset's fair value minus costs to sell and value in use.

The licensee must enter the appropriate figure for each of the depreciation and impairment of tangible assets. For the football earnings calculation, the depreciation and impairment of certain tangible assets is excluded from relevant expenses, except for depreciation/impairment of right-of-use assets that are operating leases. This adjustment will be visible in the IT Solution.

If the licensee has any depreciation/impairment costs for right-of-use assets that are operating leases, they must be separately disclosed under 'other operating expenses' and will be included in relevant expenses for the football earnings calculation.

11. Expenses – amortisation/impairment of intangible assets other than player registrations and other personnel's release costs– Annex J.4.1(b)

Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life, i.e. the period over which an asset is expected to be available for use by an entity. An impairment loss is the amount by which the carrying amount of an asset exceeds its fair value less costs to sell.

The licensee must enter the appropriate amounts for the amortisation/impairment of intangible assets other than player registrations and other personnel's release costs.

For the football earnings calculation:

- If an intangible asset (excluding player registrations and other personnel) does not generate income, the amortisation/impairment of that intangible asset may be excluded from expenses by means of an adjustment (**see Appendix 4 (H)**);
- If an intangible asset (excluding player registrations and other personnel) generates or has previously generated income, then the amortisation/impairment of that intangible asset must be included in expenses.
- The amortisation/impairment of any finance costs, reflected as intangible assets, must be included in the football earnings calculation.

12. Expenses – other operating expenses – Annex J.3.1(d)

For the purpose of the football earnings information, other operating expenses may be broken down into the following account lines:

- matchday expenses, i.e. expenses relating to hosting matches at the home stadium, such as policing and stewarding;

- sponsorship and advertising expenses, i.e. expenses relating to activities undertaken to generate sponsorship and advertising revenue;
- commercial activities expenses, i.e. expenses relating to activities undertaken to generate commercial revenue;
- property and facilities expenses, i.e. expenses relating to the day-to-day use of the stadium, training facilities and other properties used by the entity, including the day-to-day servicing of the property, repairs and maintenance, and costs of conducting business in a property, e.g. rental payments, property-related payments to the government; for the avoidance of doubt, this account line must not include depreciation/impairment of tangible assets;
- depreciation/impairment costs of right-of-use assets that are operating leases;
- expenses for non-football operations not included in another expense account line;
- exceptional expenses not included in another expense account line;
- any other operating expenses not categorised above.

Further guidance about non-football operations is given in **Appendix 4 (F)**.

For the avoidance of doubt, 'other operating expenses' must not include any employee benefit expenses.

In the absence of a breakdown of other operating expenses as set out above, the licensee must enter the total other operating expenses under 'other operating expenses – other/non-split'.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for 'expenses – other operating expenses', by completing the supplementary schedule (excerpt below) and ensuring that the necessary disclosures are also recorded in the profit and loss account schedule.

	Expenses in reporting period - unadjusted (LC)	Explanatory Comment
Breakdown of Other/Non-split Operating expenses		
Provisions		
Travel expenses		
Legal and Consultancy expenses		
Other operating expenses 1 (> 10% Other non-split)		
Other operating expenses 2 (> 10% Other non-split)		
Other operating expenses 3 (> 10% Other non-split)		
Other operating expenses - Other/Non-Split		
Total Other operating Expenses in the P&L		
Check		

The licensee should provide explanatory comments, covering such matters as nature of expenses, significant variations compared to other reporting periods and, if known and applicable, why there may be significant variations compared to other licensees playing in the same national competitions.

Other operating expenses – other/non-split should be further broken down, with separate disclosure of significant types of other operating expenses.

13. Player transfers and other personnel – Annex J.2.1(g) and Annex J.3.1(g)

For the purposes of the football earnings information and for the squad cost rule, player transfers and other personnel are broken down into:

- Transfer of player registrations, whether or not the licensee uses the 'capitalisation and amortisation' method of accounting or the income and expense method of accounting; and
- Transfers of other personnel (including other personnel such as the head coach of the first team squad), whether or not the licensee uses the 'capitalisation and amortisation' method of accounting or the income and expense method of accounting.

Accounting for the permanent transfer of a player's registration

The amounts entered in the profit and loss account schedule must be those in the licensee's annual financial statements. Licensees apply either the 'capitalisation and amortisation' method or the 'income and expense' method.

When a licensee uses the ‘capitalisation and amortisation’ method of accounting for player registrations in its annual financial statements, the same method must be applied to relevant income and relevant expenses.

If a licensee that uses the ‘income and expense’ method of accounting for player registrations in its annual financial statements chooses to apply the ‘capitalisation and amortisation’ method, it must make appropriate adjustments for the calculation of football earnings by completing the player accounting adjustment schedule. The method chosen must be applied consistently from one reporting period to the next.

If a licensee that uses the ‘capitalisation and amortisation’ method does not apply the minimum accounting requirements as described in **Annex G.3**, it must make appropriate adjustments when calculating football earnings by completing the player accounting adjustment schedule.

Amortisation of intangible assets (player registrations)

For a reporting entity that uses the ‘capitalisation and amortisation’ method of accounting for player registrations in its annual financial statements, the amortisation or impairment of costs of acquiring player registrations in a reporting period must be calculated in accordance with the minimum accounting requirements as described in **Annex G.3.4**.

If the duration of a player’s club contract falls entirely within an annual reporting period, the direct costs of acquiring that player’s registration will be fully amortised in the reporting period and should be reported under ‘amortisation of player registrations’ rather than ‘costs of acquiring player registrations (including loan fees)’.

Impairment of intangible assets (player registrations)

A reporting entity that uses the ‘capitalisation and amortisation’ method of accounting for player registrations should consider the need to recognise an impairment loss in the net book value of the costs of a player’s registration. In general, the need to recognise an impairment loss is rare and clear evidence is required to validate the accounting treatment. **Annex G.3.4(d)** describes exceptional circumstances for full impairment and outlines events which do not represent a cause for recognising impairment loss.

Profit on disposal of intangible assets (player registrations)

For a reporting entity that uses the ‘capitalisation and amortisation’ method of accounting for player registrations, the profit on disposal of a player’s registration is calculated by deducting the net book value of the player’s registration at the time of the transfer from the net disposal proceeds received and receivable.

A profit made on disposal of a player’s registration will be reported if the net proceeds exceed the net book value of the player’s registration at the time of the transfer. Any such profit must be included in relevant income for the calculation of football earnings.

As set out in **Annex J.2.1(g.v)**, any income/profit generated from a player for whom the licensee retains the registration must be excluded from football earnings by making the necessary adjustment in the ‘player accounting adjustment’ schedule.

This means that any profit from the disposal of economic or similar rights on a player to any other party must be deferred and a profit can only be recognised in the football earnings calculation following the permanent transfer of a player’s registration to another club.

Loss on disposal of intangible assets (player registrations)

The loss on disposal of a player’s registration is calculated by deducting the net book value of the player’s registration at the time of the transfer from the net disposal proceeds received and receivable.

A loss on disposal of a player’s registration will be reported if the net disposal proceeds are less than the net book value of the player’s registration at the time of the transfer. Any such loss must be included in relevant expenses for the calculation of football earnings.

Costs of acquiring player registrations (including loan fees)

For a reporting entity that uses the ‘income and expense’ method, the cost of acquiring a player’s registration is recorded in a reporting period. These costs include the transfer compensation to another football club, fees to agents/intermediaries and other direct costs of acquiring the registration.

Under the accounting requirements set out in **Annex G.4.2**, any loan fees incurred in a reporting period for the temporary transfer-in of a player's registration must be included in this account line.

Income from disposal of player registrations (including loan income)

For a reporting entity that uses the 'income and expense' method, income from the disposal of a player's registration is the net disposal proceeds generated from the transfer of the player's registration to another club.

Under the accounting requirements set out in **Annex G.4.2**, any loan fees arising in a reporting period for the temporary transfer-out of a player's registration must be included in this account line.

Amortisation / impairment of intangible assets (other personnel)

For a reporting entity that uses the 'capitalisation and amortisation' method of accounting for the recruitment of other personnel in its annual financial statements, the amortisation or impairment of costs of acquiring other personnel in a reporting period must be calculated as if the minimum accounting requirements as described in **Annex G.3.4** applied to the other personnel.

If the duration of an other personnel's club contract falls entirely within an annual reporting period, the direct costs of acquiring that other personnel's registration will be fully amortised in the reporting period and should be reported under 'amortisation of player registrations' rather than 'costs of acquiring player registrations (including loan fees)'.

Profit / loss on release of other personnel

For a reporting entity that uses the 'capitalisation and amortisation' method of accounting for the recruitment of other personnel, the profit / loss on disposal of an other personnel's registration is calculated by deducting the net book value of the registration at the time of the transfer from the net disposal proceeds received and receivable.

A profit made on disposal of an other personnel's registration will be reported if the net proceeds exceed the net book value of the registration at the time of the transfer. Any such profit must be included in relevant income for the calculation of football earnings.

A loss on disposal of an other personnel's registration will be reported if the net disposal proceeds are less than the net book value of the registration at the time of the transfer. Any such loss must be included in relevant expenses for the calculation of football earnings.

Income from / costs of release of other personnel

For a reporting entity that uses the 'income and expense' method, the income from disposal of other personnel is the net disposal proceeds received from another club in respect of that other personnel's services.

For a reporting entity that uses the 'income and expense' method, the cost of acquiring the services of other personnel is recorded in a reporting period.

Non capitalised costs of agent fees/intermediaries

Costs of agents/intermediaries are costs incurred by a licensee in respect of a natural or legal person who represents/advises players and/or other personnel and/or clubs in negotiations with a view to concluding a new or revised employment contract or represents/advises clubs in negotiations with a view to concluding a transfer agreement.

Costs of agents/intermediaries do not need to be separately disclosed in the new account line if:

- such costs are otherwise included in employee benefit expenses; and/or
- such costs have initially been capitalised as an intangible asset as part of the costs of a player's registration or costs in respect of other personnel, and the subsequent amortisation/impairment is costed (or to be costed in a future reporting period) to the profit and loss account.

Costs incurred with a connected party

Costs of connected parties are all costs paid to a connected party and incurred by the licensee, any entity of the reporting perimeter or a third party in respect of a relevant person (i.e. player or head coach) as set out in Annex K.1.4.

Supplementary schedules

As stated in the financial information package, licensees may be required to provide information for player transfers by completing the supplementary schedule

When requested, a licensee must complete the supplementary schedule to provide more detail and explanations covering:

- the player's name;
- the name of the club to which the player's registration was transferred or the entity;
- the date the player's registration was transferred to the acquiring club or the date the economic rights were sold.

For licensees using the 'capitalisation and amortisation method' of player accounting:

- the disposal proceeds received and receivable from the acquiring club or, if applicable, from other parties;
- the net book value of the player's registration at the date the player's registration was transferred to the acquiring club;
- any direct costs incurred by the licensee as a result of the transfer;
- the profit or loss on disposal.

For licensees using the 'income and expense method' of player accounting:

- whether the player has been transferred out permanently (select 'transfer') or transferred out temporarily to another club (select 'loan');
- income from the transfer/loan of the player's registration.

Explanatory comments should be provided by the licensee to provide details including the name(s) of the acquirer(s) of the player's economic or similar rights.

14. Profit/loss on disposal of tangible assets – Annex J.4.1(a)

The profit/loss on disposal of a tangible asset is the difference between the net proceeds and the carrying amount of the tangible asset item at the time of disposal.

A profit or loss on the disposal of a tangible asset is excluded from the calculation of football earnings; this adjustment will be made automatically in the IT Solution.

If a licensee meets the conditions stated in **Annex J.2.1(h)** and chooses to provide supplementary information, it may include the excess proceeds on the disposal of a tangible asset in the football earnings calculation. See **Appendix 4 (G)** of this document for further guidance about this adjustment.

15. Profit/loss on disposal of other intangible assets (excluding player registrations and other personnel) – Annex J.4.1(b)

The profit/loss on disposal of an intangible asset, excluding player registrations and other personnel, is the difference between the net disposal proceeds and the carrying amount of the item at the time of disposal.

A profit or loss on disposal of intangible assets, excluding player registrations and other personnel, is excluded from football earnings.

16. Finance income and finance costs – Annex J.2.1(j) and Annex J.3.1(i)

Finance income must be disclosed separately in the profit and loss account schedule, rather than netted against finance costs, so that the relevant income can be calculated for football earnings.

For the calculation of football earnings, relevant income only includes finance income which is in respect of interest from the use by others of entity assets yielding interest - **Annex J.2.1(j)**.

Finance income (other) must be separately disclosed. Finance income (other) is for any amounts which are not in respect of interest from the use by others of entity assets yielding interest. For the calculation of football earnings, any such amount is to be excluded from relevant income by way of an adjustment – see Appendix 4.

Finance costs must be disclosed separately in the profit and loss account schedule so that relevant expenses can be calculated for football earnings - **Annex J.3.1(e)**.

The foreign exchange result is the net of gains and loss on monetary items, whether realised or unrealised, which must be included for the calculation of football earnings. **Annex J.2.1(k)**

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for finance income and finance costs, by completing the supplementary schedule (excerpt below).

	Revenue/Expense in reporting period - unadjusted (LC)	Explanatory Comment
Finance income (interest received)		
Finance income (revaluations)		
Finance income (disposal of investment)		
Finance income (other) >20% of Total finance income	+ -	
Total Finance income		
Total Finance income in the P&L		
Check		
Finance expense (interest paid)	+ -	
Finance expense (revaluations)		
Finance expense (other) >20% of Total finance expenses		
Total Finance expenses		
Total Finance expenses in the P&L		
Check		
FX gains		
FX losses		
Net Foreign Exchange Gains/(Losses)		
Net Foreign Exchange Gains/(Losses) in the P&L		
Check		
Net Finance income / expense		

Finance income is in respect of interest revenue arising from the use by others of entity assets yielding interest. By analogy, finance income from the revaluation of interest rate of assets/liabilities are also considered as relevant income.

For avoidance of doubt, income from investments is not relevant income.

Financing arrangements between the licensee and another entity (such as a bank, other financial institution or owner/related party) that are not included in the listed categories and contribute more than 20% of total finance income/costs must be separately disclosed.

Explanatory comments should be provided by the licensee, covering matters such as significant variations compared to other reporting periods and, for those arrangements that are not listed and that contribute more than 20% of total finance income/costs or are with an owner/related party, nature of the arrangement, a name of the lender/borrower and the key terms of the arrangement (length, interest rate and any secured assets).

17. Other non-operating income and non-operating expenses

Any non-operating income and non-operating expenses not included in another line in the profit and loss account schedule must be disclosed separately.

It is unusual that amounts will be disclosed in non-operating income or non-operating expenses because the typical income and expenses of football club activities are normally included in one of the other account lines in the prescribed format of the profit and loss account schedule.

If exceptional income is derived from non-operating activities, then the licensee must disclose the amount of exceptional income in the account line described as 'Non-operating income'. For example:

- Profit/loss on disposal of investments.

Supplementary schedule

As stated in the financial information package, licensees may be required to provide additional information for other income and other expenses, by completing the supplementary schedule.

18. Tax income/expense – Annex J.4.1(c)

The licensee must enter the appropriate figure for current or deferred tax income/expense, i.e. the aggregate amount included as profit or loss for the period. Tax expense does not include value added taxes or tax and social security contributions for employees.

The tax figure – whether a credit or a debit in the profit and loss account – is not included in the calculation of football earnings. This line item will be adjusted automatically in the IT Solution to exclude from football earnings.

19. Dividends paid / Minority interests – Annex J.3.1(i)

Dividends are distributions paid to holders of equity instruments. If dividends are recognised in the financial statements, regardless of whether the dividends are presented in the profit and loss account or an alternative statement, the amount must be included as relevant expenses.

Minority interest is the equity in a subsidiary owned by an entity other than the parent. The amount of annual profit or loss allocated to minority interests in this subsidiary should be proportional to the equity they own.

The amounts for profit/loss after dividends paid or payable and minority interests in the profit and loss account schedule are automatically included in the balance sheet schedule as part of a reconciliation.

D. Cash flow schedule – Annex F.4

The cash flow statement provides information about changes in cash and cash equivalents for the licensee's reporting perimeter in a reporting period, and for operating activities, investing activities and financing activities. The licensee must submit cash flow information for each reporting period in the format prescribed in the financial information package, based on the annual financial statements, supplementary information and underlying accounting records.

Amounts must be entered as follows:

- in the licensee's presentation currency;
- rounded to the nearest thousand, e.g. EUR 1,234,567 should be entered as EUR 1,235;
- all **cash inflow items must be input as positive** amounts and **cash outflow items as negative** amounts.

20XX

Net cash inflow/(outflow) from operating activities

Net cash inflow/(outflow) from operating activities**Cash flows from investing activities**

Cash receipts from sale of player registrations

Cash (payments) from purchase of player registrations

Cash receipts from sale of tangible or intangible assets

Cash (payments) from purchase of tangible or intangible assets

Cash inflow/(outflows) from investing activities - other / non-split

Cash inflow/(outflow) from investing activities**Cash flows from financing activities**

Cash receipts from borrowings - shareholders & related parties

Cash (payments) on borrowings - shareholder & related parties

Cash receipts from borrowings - financial institutions

Cash (payments) on borrowings - financial institutions

Cash receipts from increase in capital/equity

Cash (payments) on dividends paid to owners/shareholders

Cash inflow/(outflows) from financing activities - other / non-split

Cash inflow/(outflow) from financing activities**Other cash inflow/(outflow)****Net cash inflow/(outflow) in reporting period****Reconciliation of cash and cash equivalents:**

Brought forward at start of reporting period

Prior period adjustment / change of reporting perimeter (from previous reporting period)

Net cash flow in reporting period

Carried forward at end of reporting period

Cash and cash equivalents less bank overdrafts in the balance sheet**Reconciliation of cash and cash equivalents**

The brought-forward cash and cash equivalents in the cash flow schedule, together with the net cash flow in the reporting period, should aggregate to the carried-forward cash and cash equivalents in the cash flow schedule. Only if applicable, the licensee may also use the line 'prior period adjustment/ change of reporting perimeter (from previous reporting period)'.

The cash and cash equivalents at the end of the reporting period in the cash flow statement schedule will be checked against the equivalent items in the balance sheet schedule.

Cash equivalents are short-term, highly liquid investments held to meet short-term cash commitments rather than for investment or other purposes. An investment therefore normally only qualifies as a cash equivalent when it has a short maturity of, say, three months or less from the date of acquisition. Bank overdrafts are normally considered financing activities similar to borrowing. However, if they are repayable on demand and form an integral part of an entity's cash management, bank overdrafts are a component of cash and cash equivalents for the purposes of the cash flow statement

APPENDIX 4: FINANCIAL INFORMATION PACKAGE – ADJUSTMENTS

A. Calculating relevant income, relevant expenses, relevant investments and football earnings – Articles 84, 86, 89 and Annex J

Relevant income, relevant expenses, relevant investments and football earnings for a reporting period are calculated based on the amounts entered in the profit and loss account schedule and the adjustment schedules.

	Calculating relevant income	Calculating relevant expenses
Relevant amounts for calculating football earnings	<ul style="list-style-type: none"> Revenue – Gate receipts Revenue – Sponsorship and advertising Revenue – Broadcasting rights Revenue – Commercial activities Revenue – UEFA solidarity and prize money Revenue – Other operating income Profit on disposal of player registrations (and income from disposal of player registrations) Profit on / Income from release of other personnel Other non-operating income Finance income Foreign exchange result 	<ul style="list-style-type: none"> Expenses – Cost of sales/materials Expenses – Costs directly attributable to merchandise sales Expenses – Employee benefit expenses Expenses – Other operating expenses Amortisation/impairment of player registrations and/or costs of player registrations Loss on disposal of player registrations / cost of acquiring player registrations Amortisation/impairment of release costs for other personnel or release costs for other personnel Loss on release of other personnel Non capitalised costs of agents /intermediaries Costs incurred with connected parties Other non-operating expenses Finance costs and dividends
Manual adjustments (if applicable), using adjustment schedules	<p><u>Relevant income must be reduced</u> if any of the elements above include:</p> <ul style="list-style-type: none"> Non-monetary credits/income Income transaction(s) above fair value Income from non-football operations not related to the club Non relevant income : <ul style="list-style-type: none"> Income in respect of a reduction of liabilities arising from procedures providing protection from creditors Finance income (other) <p><u>Relevant income may be increased for:</u></p> <ul style="list-style-type: none"> Excess proceeds on disposal of tangible assets 	<p><u>Relevant expenses must be increased</u> if any of the elements above include:</p> <ul style="list-style-type: none"> Expense transaction(s) below fair value <p><u>Relevant expenses must be increased</u> with the amortisation/impairment of intangible assets (other than player registration and other personnel costs)_ if:</p> <ul style="list-style-type: none"> Intangible asset generates or generated relevant income <p><u>Relevant expenses may be reduced</u> if any of the elements above include:</p> <ul style="list-style-type: none"> Non-monetary debits/charges Expenditure directly attributable to non-football operations not related to the club Costs related to decisions of the CFCB <p><u>Relevant expenses may be reduced</u> if any of the elements above include relevant investments:</p> <ul style="list-style-type: none"> Expenditure directly attributable to youth development activities Expenditure directly attributable to community development activities Expenditure directly attributable to women's football activities Expenditure directly attributable to non-football operations related to the club Finance costs directly attributable to the construction or substantial modification of tangible assets Costs of leasehold improvements
Automatic adjustments	<p>Relevant income excludes:</p> <ul style="list-style-type: none"> Profit on disposal of tangible assets 	<p>Relevant expenses exclude:</p> <ul style="list-style-type: none"> Depreciation/impairment of tangible assets

	Calculating relevant income	Calculating relevant expenses
excluded from football earnings	<ul style="list-style-type: none"> Profit on disposal of other intangible assets (excluding player registrations and other personnel) Tax income 	<ul style="list-style-type: none"> Loss on disposal of tangible assets Loss on disposal of other intangible assets (excluding player registrations and other personnel) Tax expense

The adjustment schedules will only propose account lines which are relevant for the adjustment, as opposed to each account line from the profit and loss schedule.

The licensee must complete the disclosure requirements in each relevant adjustment schedule for each reporting period. Further guidance for each of these adjustment schedules follows in this Appendix.

A licensee subject to the squad cost rule must input certain amounts in the adjustment schedules, which will be used for calculating the squad cost ratio

Certain amounts in the adjustment schedules in the financial information package (in respect of annual reporting periods) will be used to calculate the relevant elements of the squad cost ratio. Therefore, **a licensee subject to the squad cost rule must input amounts in the adjustment schedules in respect of:**

- Non-football operations related to the club – in respect of:
 - employee benefits expenses;
 - amortisation/impairment;
 - costs of agents/intermediaries;
 - costs directly attributable to non-football operations related to the club; and
 - net amount of profit/loss on disposal of registrations and other costs/income in respect of (non-football) players.
- Women's football activities – in respect of:
 - employee benefits expenses;
 - amortisation/impairment;
 - costs of agents/intermediaries; and
 - net amount of profit/loss on disposal of registrations and other costs/income in respect of (non-football) players.
- Downwards adjustment for income transactions above fair value;
- Downwards adjustment for income from non-football operations not related to the club;
- Downward adjustment in respect of player exchange transactions, for player exchange transactions between the licensee and another party or other parties in accordance with Annex J.9.

Further adjustments may also be made to a licensee's relevant income and relevant expenses: (i) by the UEFA administration to reclassify amounts between account lines, with no impact on football earnings (**'FS reclassification'**), and (ii) by the CFCB, based on the assessment of the monitoring documentation, to make adjustments to certain account lines that will impact football earnings (**'FE correction'**).

B. Adjustments to aggregate football earnings for relevant investments – Annex J.5

As set out in Paragraphs 86.03 and 89.02, aggregate football earnings for a monitoring period may be adjusted upwards if relevant expenses include relevant investments, and only if the aggregate amount of any such adjustment is covered either (i) by contributions in reporting period T, or (ii) by equity at the end of reporting period T, that have not already been used to cover the acceptable deviation.

I) Expenditure on youth development activities – Annex J.5.1(a)

Information to be disclosed

If a licensee chooses to make an adjustment for expenditure on youth development activities, the following information must be disclosed in the appropriate schedule by completing each line of the profit and loss account schedule that contains expenditure on youth development activities:

- the directly attributable expenditure on youth development activities as in each selected line of the profit and loss account schedule;
- in the explanation cell, any commentary necessary to clarify the adjustment.

Employee benefits for staff who are youth players aged 18 or over as at the licensee's statutory closing date cannot be excluded from relevant expenses. This age criterion provides an objective way to ensure consistency between all licensees and licensors. On the other hand, employee benefits for players under 18 at the licensee's statutory closing date and who play in the first team can be excluded from the football earnings calculation.

II) Expenditure on community development activities – Annex J.5.1(b)

Information to be disclosed

If a licensee chooses to make an adjustment for expenditure on community development activities, the following information must be disclosed in the appropriate schedule by completing each line of the profit and loss account schedule that contains expenditure on community development activities:

- the directly attributable expenditure on community development activities in each selected line of the profit and loss account schedule;
- in the explanation cell, any commentary necessary to clarify the adjustment.

III) Expenditure on women's football activities – Annex J.5.1(c)

Information to be disclosed

If a licensee chooses to make an adjustment for expenditure on women's football activities, the following information must be disclosed in the appropriate schedule by completing each line of the profit and loss account schedule that contains expenditure on women's football activities:

- the directly attributable expenditure on women's football activities in each selected line of the profit and loss account schedule;
- in the explanation cell, any commentary necessary to clarify the adjustment.

IV) Expenditure directly attributable to non-football operations related to the club – Annex J.5.1(d)

1. Definition of non-football operations

The income and expenses on non-football operations are a distinguishable component of an entity that provides product(s) or service(s) subject to risks and returns that are different from those of its football club operations.

In some cases, an entity's annual financial statements may include separate disclosure of income and expenses on football club operations, and income and expenses on non-football operations (such as other sporting operations or from property development) in the notes to the accounts if this is a requirement under national law or accounting practice. However, the absence of separate disclosure of income and expenses on non-football operations in its annual financial statements does not necessarily mean that a club does not have non-football operations.

The factors that determine whether or not there are non-football operations in the licensee's reporting perimeter include:

- the nature of the products and services and how they are branded and marketed to customers;
- the type or class of customer for the products or services;
- the methods used to distribute the products or provide the services;
- the nature of the regulatory environment;
- geographical location of operations;
- the quantitative contribution of operations relative to the football club operations, in terms of revenue, profit/loss and assets;
- the way in which operating results are reviewed by the entity's chief operating decision-maker to decide on resources to be allocated to the operations and assess performance.

2. Distinction between non-football operations related to the club and non-football operations not related to the club

Having determined that there are non-football operations within the reporting perimeter, the Regulations draw a distinction between:

- i) **non-football activities/operations that are not related to the activities, locations or brand of the football club**, for which the income must be excluded from the football earnings calculation and the expenses may be excluded from the football earnings calculation;
- ii) **non-football activities/operations that are related to the activities, locations and/or brand of the football club**, for which the income may be included in the football earnings calculation if the corresponding expenses are also included.

In general, non-football operations that are related to the locations of the football club are those physically based at or in close proximity to a club's home stadium or training facilities – such as a hotel, restaurant, conference centre, business premises (for rental), health-care centre – or other sports teams. There are also non-football operations that are related to the brand of the football club in that they clearly using the name/brand of a club as part of their operations at the location and in customer/marketing collateral.

A licensee must bear in mind the substance of the relationship between the non-football operations and the football club, including both the current and historical relationship, the history of the legal ownership of the non-football operations, the financing of the non-football operations (whether or not the development of a non-football operation has been financed from the football club's own resources), and the completeness of financial reporting of the non-football operations (all expenses).

3. Potential implications for the football earnings calculation

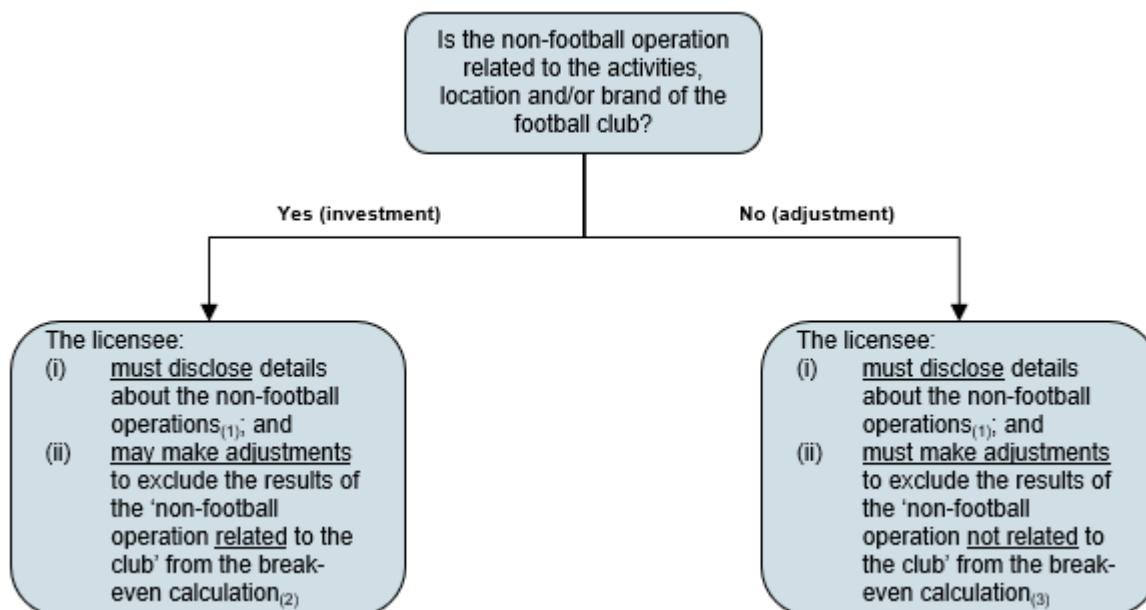
For non-football operations not related to the club:

- Income from non-football operations not related to the club (i.e. not related to the football activities, locations or brand of the football club) **must be excluded** from the calculation of relevant income.
- The expenses of non-football operations not related to the club (i.e. not related to the football activities, locations or brand of the football club) **may be excluded** from the calculation of relevant expenses.

For non-football operations related to the club:

- Income from non-football operations related to the club (i.e. related to the activities, locations or brand of the football club) **may be included** in the calculation of football earnings if the corresponding expenses are also included. In this case both must be included consistently from one reporting period to another.
- The expenses of non-football operations related to the club (i.e. related to the activities, locations or brand of the football club) **must be included** in the football earnings calculation **if the corresponding income is also included**. In this case both must be included consistently from one reporting period to another.

If an entity that is included in the reporting perimeter has non-football operations, the following applies:



- (1) The licensee must disclose certain information about each non-football operation that is part of an entity in the reporting perimeter, regardless of whether or not the licensee makes an adjustment for the football earnings calculation.

If a licensee's reporting perimeter does include an entity that has 'non-football operations related to the club' (e.g. other sports), the licensee **may process exclusion adjustments** and therefore decide to exclude results (all income and all expenses) of the 'non-football operations related to the club' for the purpose of the football earnings calculation by using the adjustment schedule for 'non-football operations'. The selected treatment (inclusion or exclusion) must be applied consistently from one reporting period to the next.

- (2) If a licensee's reporting perimeter does include an entity which has some 'non-football operations not related to the club', the licensee **must process exclusion adjustments** and therefore exclude the income (and may exclude the expenses) of the 'non-football operations not related to the club' for the purpose of the football earnings calculation by using the adjustment schedule for 'non-football operations' (see also **Appendix (3)**).

4. Information to be disclosed

If the licensee processes exclusion adjustments for the football earnings calculation, it must use the 'non-football operations' adjustment schedule to:

- enter the amount of income or expense to be adjusted for each of the relevant profit and loss account lines (the total value of the account line will be displayed);
- provide further explanatory commentary.

Regardless of whether or not an adjustment is required or has been made for the football earnings calculation, the licensee must disclose all non-football operations performed by any entity in the reporting perimeter.

A licensee must complete both parts of the supplementary schedule (non-football operations – details, as shown below) to provide more detail and explanations covering both:

- non-football operations adjusted for the football earnings calculation, which are operations included in the reporting perimeter and for which the licensee is making some adjustments for the football earnings calculation;
- non-football operations not adjusted for the football earnings calculation, which are operations included in the reporting perimeter and for which the licensee is not making adjustments as the non-football operations are deemed to relate to the club in terms of activities, location or brand.

V) Finance costs directly attributable to the construction and/or substantial modification of tangible assets

1. Guidance

A licensee may exclude any finance costs from the calculation of football earnings up until the asset is ready for use if they are directly attributable to the construction or substantial modification of an asset to be used for the club's football activities and provided the finance costs have been expensed in a reporting period rather than capitalised as part of the cost of the asset.

The amount of the adjustment is the actual interest expense (not otherwise capitalised) minus any income from temporarily investing the amount borrowed. The relevant interest is from the date when the entity incurs expenditure for the asset, incurs borrowing costs and/or undertakes activities that are necessary to prepare the asset for its intended use or sale, up to the date the asset is ready for use.

Once the asset's construction or substantial modification has been completed, all finance costs must be included in the calculation of football earnings.

2. Relevant finance costs

Adjustable finance costs are those finance costs that would have been avoided had the expenditure on the qualifying asset not been made. When funds are borrowed specifically for the purpose of acquiring, building or substantially modifying a qualifying asset, the adjustable finance costs correspond to the actual costs incurred on those funds during the relevant period. When a qualifying asset is funded from a pool of general borrowings, the amount of the adjustable finance costs should be determined by applying an appropriate interest rate to the expenditure on the qualifying asset.

A **qualifying asset** is an asset for the club's football activities, which will usually be a stadium or football training facilities, that necessarily takes a substantial period of time to prepare for its intended use. Examples of substantial modification of a qualifying asset include building an extension to an existing stand in a stadium, or the addition of a new roof to an existing stand.

The **financing arrangements** may result in specific borrowings being drawn down prior to some or all of the funds being utilised to finance the qualifying asset. In such circumstances, any investment income earned on temporarily investing the funds, pending their expenditure on the qualifying asset, should be deducted for the adjustment calculation.

For the avoidance of doubt, if the entity adopts an accounting treatment such that it capitalises finance costs as part of tangible assets in its annual financial statements, no further adjustment is required for the calculation of football earnings.

3. Commencement date and end date for calculating the adjustment

The **commencement date for calculating the adjustment** is when all three conditions set out in the Regulations are first met, i.e. (i) the licensee incurs expenditure for the asset, and (ii) incurs borrowing costs, and (iii) undertakes activities that are necessary to prepare the asset for its intended use or sale. Activities that are necessary to prepare the asset for its intended use include initial technical and administrative work, such as activities associated with obtaining permits, prior to the start of the physical construction/substantial modification of the asset. Merely holding an asset, without any associated development activities, does not entitle an entity to make an adjustment for related finance costs, for example, holding land that is not undergoing activities necessary to prepare it for its intended use.

The adjustment calculation should generally continue for as long as the three above-listed conditions are met. If, however, development-related activities are suspended for an extended period, the finance costs should not be included in the adjustment calculation until activities resume. Such development interruptions may occur, for example, due to cash flow difficulties or a desire to hold back development, in which case the finance costs incurred during the suspension are not considered to be a necessary development cost and therefore cannot be included in the adjustment. On the other hand, finance costs incurred during temporary delays that are necessary or expected in the process of preparing an asset for its intended use, or that result from a natural delay such as adverse weather conditions common to the location, can be included in the adjustment.

Finance costs should cease to be included in the adjustment when all of the activities necessary for preparing the qualifying asset for its intended use are substantially complete. An asset is normally ready for its intended use when the physical construction work is finished, even when routine administrative work continues. If only minor modifications remain, this indicates that all the activities are substantially complete.

4. Information to be disclosed

The following information must be disclosed in the adjustment schedule by selecting the finance costs line in the profit and loss account schedule:

- the adjustable finance costs, i.e. finance costs directly attributable to the construction of tangible assets as defined in **Annex J.5.1(e)**;
- In the explanation cell, at least:
 - a description of the qualifying asset;
 - the commencement date for the adjustment calculation;
 - the end date for the adjustment calculation or disclosure 'asset not completed at statutory reporting date';
 - whether the funds are borrowed specifically for the purpose of acquiring, constructing or substantially modifying a qualifying asset, or funded from a pool of general borrowings.

VI) Costs of leasehold improvements

1. Guidance

A licensee may adjust subsequent construction or substantial modification costs it has incurred on a tangible asset that has been leased for at least ten years from the calculation of football earnings, if such costs: (i) can be measured reliably; (ii) will result in future economic benefits for the licensee; (iii) are not otherwise capitalised.

For the avoidance of doubt, day-to-day servicing and regular maintenance costs in relation to specific items of property, plant or equipment cannot be offset.

Licensees that do not capitalise leasehold improvements but meet the criteria outlined above may exclude such costs from football earnings by completing the adjustment schedule shown below. The licensee must disclose the length of the original lease and the remaining term of the lease at the end of the reporting period in the explanation box.

For the avoidance of doubt, in the case of those licensees that do capitalise leasehold improvements, the depreciation charge in the profit and loss account is automatically adjusted to exclude depreciation costs from football earnings, so no further adjustment is therefore required.

Examples of leasehold improvements include building executive boxes or adding new seats.

C. Fair value transactions –Annex J.7 & J.8

1. Definition of fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. An arrangement or a transaction is deemed not to be an arm's length transaction if it has been entered into on terms more favourable to either party to the arrangement than would have been otherwise obtained.

The best evidence of the fair value of a transaction is typically a price in a binding agreement in an arm's length transaction or a market price in an active market. If there is no binding agreement or active market, fair value should be based on the best information available to reflect the amount that an entity could obtain or would have to incur, as appropriate, at the date of the deal in an arm's length transaction between knowledgeable willing parties.

In determining this amount, the licensee should also consider different types of evidence, such as the process for arriving at a transaction, e.g. the details of offers from other parties; the outcome of similar transactions, both historic and current arrangements; and similar transactions by comparable football clubs.

2. Adjustments for the football earnings calculation

Fair value assessment

In situations where the declared fair value of a transaction is assessed by the CFCB, an independent third-party assessor will perform a fair value assessment conform to standard market practices and assign a fair value to the transaction. The licensee may choose an independent third-party assessor which has been approved by UEFA.

The assessment of commercial transactions must be based on the procedure approved by the CFCB.

If the licensee initiates a fair value assessment or the CFCB reviews a fair value declared by the licensee as per these regulations, the licensee can appoint an independent third-party assessor from the shortlist of entities approved by UEFA to perform such fair-value assessment. The third-party assessor must not be subject to any conflict of interest with the licensee or a related party of the licensee (e.g. otherwise contracted with the licensee or licensee's related party in any other business during the relevant period including the current license season) and will be required to confirm its independence.

If the fair value assessment performed by a third-party assessor appointed by the licensee is deemed satisfactory by the CFCB, the corresponding assigned fair value is then used for the calculation of football earnings and/or the squad cost ratio.

The CFCB reserves the right to mandate additional approved third-party assessors to perform an additional fair value assessment of the same transaction under review. In this situation, the fair value used for the calculation of football earnings and/or the squad cost ratio corresponds to the average of fair values indicated in the two fair value assessment reports.

3. Information to be disclosed

The licensee must disclose **all transactions not at fair value**, whether the transaction is with a related party or not.

The licensee must also disclose any other transactions between an entity in the reporting perimeter and a related party that the licensee deems to be at fair value.

The licensee must first select the profit and loss account line(s) that contain(s) the transaction(s) not at fair value.

For each account line containing one or more related-party transactions, the licensee must also disclose further details for each related-party transaction, including:

- the amount of the transaction as recorded in the annual financial statements and underlying accounting records;
- the fair value of the transaction;
- the name of the party, i.e. the name of the person or legal name of the entity, as appropriate;
- a description of the nature of the transaction and a summary of the various types of evidence to support the deemed fair value of the transaction;
- the difference (i.e. adjustment), if any, between the recorded value and the fair value (for transactions not at fair value).

The licensee is not required to disclose intra-group transactions that are eliminated on consolidation (or if applicable, combination) if the consolidated results are being used as the basis for the submission for the profit and loss account schedule.

Transactions of a similar nature may be disclosed in aggregate, except where separate disclosure is necessary for an understanding of adjustments. Transactions with parties with similar relationships with an entity may be disclosed in aggregate, unless a transaction is individually significant or separate disclosure is necessary for an understanding of adjustments. A significant transaction with a specific party should not be concealed within an aggregated disclosure.

If the transaction relates to the disposal of a tangible asset, the fair value adjustment is instead made through the excess proceeds on tangible assets schedule (see **Appendix 4 (G)**).

D. Fair value assessment of player exchange transactions – Annex J.9

If the CFCB has doubts about the fair value of any exchange transactions between the licensee and another party or other parties, it can request the licensee to adjust the proceeds resulting from the disposal of a player's registration (for the calculation of the profit on disposal of the player's registration for clubs using the capitalisation and amortisation method of accounting for player registrations) by considering the proceeds to be the lower of:

- i) the actual transaction proceeds on disposal; and
- ii) the net book value in respect of the costs of the player's registration in the licensee's financial statements.

E. Non-monetary items – Annex J.2.1(I) & J.3.1(I)

1. Guidance

Appropriate adjustments must be made so that **non-monetary credits are excluded from relevant income** for the football earnings calculation.

Appropriate adjustments may be made so that **non-monetary debits/charges are excluded from relevant expenses** for the football earnings calculation.

Monetary items are defined as units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency. The essential feature of a monetary item is a right to receive, or an obligation to deliver, a fixed or determinable number of units of currency.

Adjustments to exclude non-monetary items from the football earnings calculation are expected to be rare because the typical income and expenses of football club activities are monetary items, other than depreciation/impairment of tangible assets (which is excluded from the football earnings calculation anyway) and amortisation/impairment of player registrations (for which there must not be exclusion adjustments for the football earnings calculation).

For the avoidance of doubt:

- the amortisation or impairment of player registrations must be included in football earnings as in **Annex J.1.2(e)**, i.e. there must not be any adjustments to exclude amortisation or impairment of player registrations;
- the amortisation or impairment of intangible assets (excluding player registrations), such as goodwill, is a non-monetary debit/charge item that is, in any case, automatically excluded from football earnings.

Revaluations of tangible and intangible assets/inventories do not meet the definition of monetary items as the revaluation of an asset does not result in an entity receiving the right to receive a fixed or determinable amount of cash or cash equivalents as a result of the revaluation process.

Similarly, write-backs of depreciation or amortisation charges for tangible assets do not result in the entity receiving the right to receive a fixed amount of cash or cash equivalents, so they are considered to be non-monetary items.

Conversely, the sale of goods and services by an entity (for example, the sale of a football season ticket) results in the entity receiving a fixed and determinable amount of cash from the customer, so this is a monetary item.

A foreign exchange gain or loss will be classed as either a monetary or a non-monetary item, depending on whether the gain/loss relates to a monetary or a non-monetary item. For the avoidance of doubt, it does not depend on whether the foreign exchange gain or loss is realised or unrealised.

Foreign exchange gains/losses on monetary items – whether they are realised or unrealised – are monetary items and should be included in the football earnings calculation.

Foreign exchange gains/losses on non-monetary items – whether they are realised or unrealised – are non-monetary items and should be excluded from the football earnings calculation.

For example, it is typical accounting practice that if a club has a monetary debtor or creditor at the year-end (e.g. a transfer fee receivable or payable, debt/borrowings), the balances will be translated at the year-end exchange rate (or at the exchange rate of a related instrument, if appropriate). This will generate an unrealised gain or loss that will be reflected in the profit and loss account in the annual financial statements. In turn, such a gain or loss should be included in the football earnings calculation as it is a monetary item because it relates to a monetary debtor or creditor. The procedure for the football earnings requirement is to follow the accounting treatment.

Both the recognition of a **provision** for liabilities (debit/charge) and the release of a provision (credit/income) are monetary items.

2. Information to be disclosed

The licensee must identify each non-monetary credit and complete the adjustment schedule for each such item.

The licensee may identify non-monetary debits/charges and may also include adjustments for any such items.

The following information must be disclosed for each non-monetary item to be adjusted by selecting the non-monetary items line in the profit and loss account schedule:

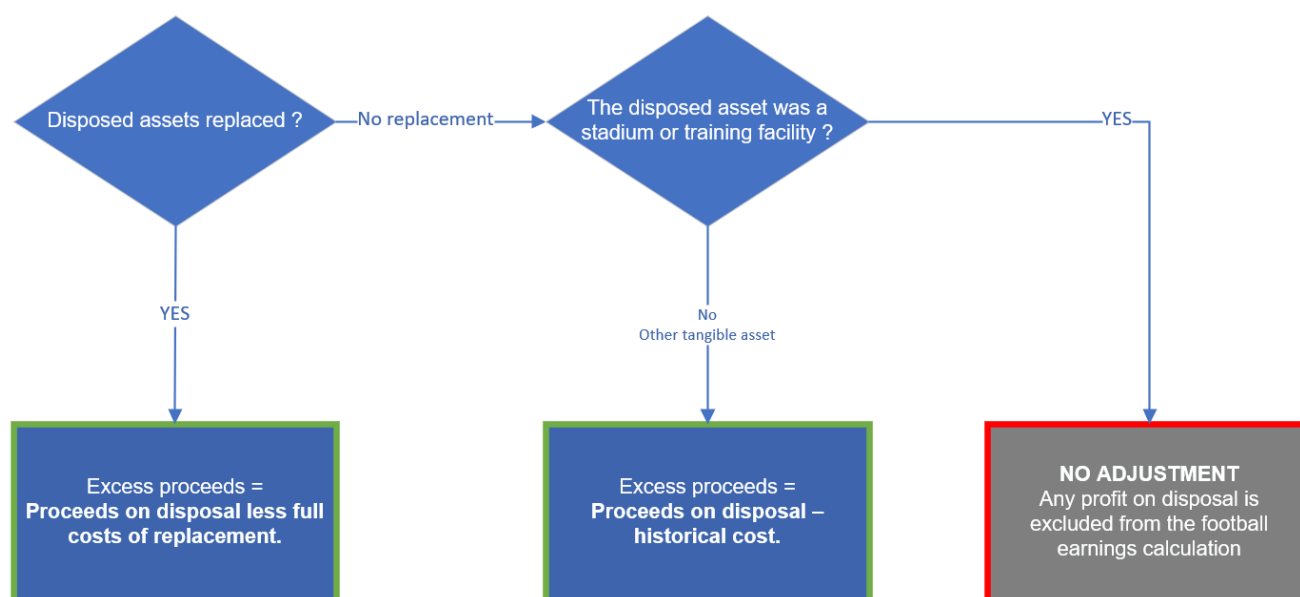
- the amount of the non-monetary item to be adjusted;
- in the explanation cell, as a minimum, a description of the nature of each non-monetary item.

F. Excess proceeds on disposal of tangible assets – Annex J.2.1(h)

1. Guidance

Treatment of disposals of tangible assets for the football earnings calculation

- (1) When a disposed asset other than a club's stadium or training facility is not being replaced, an adjustment to include relevant income in the football earnings calculation may be made using the excess proceeds on disposal of tangible assets (other asset not being replaced) schedule. The adjustment cannot exceed the profit on disposal recognised in the audited financial statements.
- (2) When a disposed asset is being replaced, an adjustment may be made to include relevant income in the football earnings calculation using the excess proceeds on disposal of tangible assets (asset being replaced) schedule. The adjustment cannot exceed the profit on disposal recognised in the audited financial statements.



2. Timing of initial recognition of excess proceeds on disposal of tangible assets

Excess proceeds on the disposal of tangible assets should be entered as income in the same reporting period in which the related profit (or loss) is recorded in the annual financial statements.

3. Stadium and training facilities

‘Stadium’ means the venue for a competition match including, but not limited to, all properties and facilities nearby, e.g. offices, hospitality areas, press centre and accreditation centre.

‘Training facilities’ means the venue(s) where a club’s registered players undertake football training and where youth development activities regularly take place.

For the avoidance of doubt, if a stadium or training facilities asset is disposed of and is not being replaced, any profit on disposal must be excluded from the calculation of football earnings and no excess proceeds adjustment must be made.

4. Net proceeds on disposal

Net proceeds on disposal is the consideration received/receivable at the time of sale in exchange for the asset being disposed of.

For the avoidance of doubt, and as set out in **Annex J.2.1(h)** for the calculation of relevant income and relevant expenses, the proceeds on disposal must reflect the fair value of any such transaction. The fair value of the asset disposed of should be determined and demonstrated by management. The best evidence of the fair value of a transaction is typically a price in a binding agreement in an arm’s length transaction or a market price in an active market. The fair value of land and buildings, such as stadiums and training facilities, is usually determined from market-based evidence, such as an appraisal undertaken by independent professionally qualified valuers.

5. Historical cost of the asset

Historical cost is the amount of cash or cash equivalents paid, or the fair value of any other consideration given, to acquire an asset at the time of its acquisition or construction. The historical cost of an acquired asset comprises the purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates) and any directly attributable costs of bringing the asset to the location and any conditions necessary for it to be capable of operation.

6. Full cost of the replacement asset

The full cost of the replacement asset includes all costs of acquiring or building the new asset and bringing it to the location and any conditions necessary for it to be capable of operation, as a replacement for the asset disposed of.

If the full cost of the replacement asset is unknown because part or all of the costs have yet to be incurred, the licensee should prudently estimate the full replacement cost of the asset based on information and evidence that is available at the time the football earnings documentation is submitted. Subsequently, the licensor/CFCB must be notified of any material change to the full cost of the replacement asset that would have resulted in a materially different amount being recognised as excess proceeds on disposal of tangible assets.

7. Information to be disclosed

The licensee may complete the excess proceeds on disposal of tangible assets (asset being replaced) schedule or the excess proceeds on disposal of tangible assets (other asset not being replaced) schedule, as appropriate.

The following information must be disclosed for each transaction by selecting the account line for profit/loss on disposal of tangible assets:

- the figure for the profit on disposal of the asset, i.e. the amount recorded for the specific asset in the annual financial statements for the reporting period;
- the figure for the proceeds on disposal of the asset; this figure must reflect the fair value of the asset disposed of;
- for an asset other than stadium/training facilities that is not being replaced, the historical cost of the asset;
- for the replacement asset (if any), the figure for the full replacement cost;
- the excess proceeds adjustment, determined as:
 - for an asset that is being replaced, the profit on disposal and proceeds minus replacement cost;
 - for an asset other than stadium/training facilities that is not being replaced, either the profit on disposal or proceeds minus historic cost, whichever is lower;
- in the explanation cell, as a minimum:
 - a description of the disposed asset;
 - if the disposal was not at fair value, the recorded amount and the fair value amount;

- if the asset is being replaced, a description of the replacement asset, development status, and commentary on the cost of replacement.

Example 1

A club disposes of a tangible asset that is neither a football stadium nor training facilities and the asset will not be replaced. Proceeds from the disposed asset are EUR 3 million. The historical cost of the asset was EUR 1 million and at the time of disposal it was recorded in the financial statements at a net book value of EUR 0.6 million.

Profit on disposal of asset in the financial statements	Proceeds minus historic cost
Calculation: Proceeds: EUR 3 million Net book value: EUR 0.6 million Profit: EUR 2.4 million	Calculation: Proceeds: EUR 3 million Historical cost: EUR 1 million Balance: EUR 2 million
Outcome: amount that may be included in the football earnings calculation = EUR 2 million	

Example 2

A club disposes of its old stadium, receiving net proceeds of EUR 75 million. The historical cost of the stadium was EUR 40 million and at the time of disposal it was recorded at a net book value of EUR 15 million. The club buys/builds a new stadium as a replacement asset at a cost of EUR 65 million.

Profit on disposal of asset in the financial statements	Proceeds minus replacement cost
Proceeds: EUR 75 million Net book value: EUR 15 million Profit: EUR 60 million	Proceeds: EUR 75 million Replacement cost: EUR 65 million Proceeds minus replacement cost: EUR 10 million
Outcome: amount that may be included in the football earnings calculation = EUR 10 million	

G. Amortisation/impairment of other intangible assets (excluding player registrations and other personnel) – Annex J.4.1(b)

1. Guidance

For the football earnings calculation, the amortisation or impairment of an intangible asset (excluding player registrations or in respect of other personnel) may be excluded from relevant expenses, if the intangible asset does not generate or has not generated any relevant income.

If the licensee has an intangible asset that generates or has generated any relevant income, the related amortisation/impairment expenses cannot be part of the adjustment and must be recognised in relevant expenses.

2. Information to be disclosed

The following information must be disclosed in the adjustments schedule:

- a description of the qualifying asset;
- a declaration that the intangible asset does not generate or has not generated any relevant income;
- the amount of amortisation and/or impairment expense with respect to the intangible asset.

Amortisation				
	Breakdown of the P&L amount	Adjustment (automatic)	Adjusted amount	Explanation
- 2018				
Intangible assets that generate(d) Relevant Income				
Intangible assets that do/did not generate Relevant Income :				
Intangible asset type 1				
Intangible asset type 2				

Impairment			
	Breakdown of the P&L amount	Adjustment (automatic)	Adjusted amount

H. Credit for a reduction in liabilities from procedures providing protection from creditors and finance income (other) – Annex J.2.1(o)

1. Guidance

If a licensee's profit and loss account includes credit/income relating to a reduction in liabilities from procedures providing protection from creditors and/or finance income (other), the licensee must make an adjustment to effectively exclude that credit/income amount from the football earnings calculation.

For the purpose of this adjustment, this relates to any form of procedures providing protection from creditors pursuant to relevant laws or regulations, including procedures that may be referred to as administration procedures, bankruptcy, liquidation and insolvency.

As a result of such procedures, a licensee may benefit from a reduction in liabilities (i.e. the amount the licensee owes to creditors is reduced) and should recognise related credit/income in its profit and loss account. However, the required exclusion adjustment means the licensee's football earnings will not benefit from any such credit/income.

For the purpose of this adjustment, finance income (other) refers to any type of credit/income recorded in finance income which is not in respect of interest revenue arising from the use by others of entity assets yielding interest.

2. Information to be disclosed

The licensee must select the account line in the profit and loss account schedule that contains the credit/income, and enter the following in the adjustment' schedule:

- the amount of the adjustment;
- in the 'explanation' cell, additional explanatory information, including a brief description of the nature and timing of the procedures providing protection from creditors and the identity of entities within the reporting perimeter that were subject to the procedures and/or the nature of finance income (other).

I. Costs related to decisions of the CFCB – Annex J.3.1(m)

Any revenue from UEFA distributions should be recognised in the football earnings calculation in full, as explained in **Appendix 3 (B)**.

A licensee may be required to make financial contributions set out in a settlement agreement and/or a financial contribution imposed by the CFCB in respect of the football earnings rule and/or squad cost rule.

A licensee may make an adjustment in the football earnings calculation to exclude the cost of a financial contribution from relevant expenses using the following adjustment schedule.

J. Squad cost adjustment schedule

Licensees subject to the squad cost rule must complete and submit the squad cost adjustment schedule in the financial information package, as set out in Sections 4.1.5 and 5.1.6 of this Toolkit.

- For licensees with an annual accounting reference date ending on or before 31 July, the squad cost adjustment schedule must be completed in respect of each relevant annual and interim reporting period.
- For licensees with an annual accounting reference date ending after 31 July, the squad cost adjustment schedule must be completed in respect of each relevant annual reporting period.

The licensee must enter the amount of adjustment for each of the relevant periods included in the calculation of the squad costs.

Squad costs adjustment schedules available for a licensee with a reference date ending on or before 31 July

- Head coach benefit expenses
- Women football's activities
- Non football activities
- Income transactions above fair value

Squad costs adjustment schedules available for a licensee with a reference date after 31 July

- Head coach benefit expenses

Head coach benefit expenses: Licensee must enter the head coach(es) benefit expenses for each period available in the schedule (annual and interim if applicable)

- Schedules for a licensee with a reference date ending on or before 31 July

Head coach Benefits Expenses	Interim T (Jul-Dec 2022)	P&L 2023	Interim T+1 (Jul-Dec 2023)	Total
Head coach - Wages and Salaries				
Head coach - Social Security Contributions				
Head coach - Other/Non-Split				
Subtotal				

- Schedule for a licensee with a reference date after 31 July

Head coach benefit expenses:

Head coach Benefits Expenses	Total
Head coach - Wages and Salaries	
Head coach - Social Security Contributions	
Head coach - Other/Non-Split	
Subtotal	

Non-football operation related and not related to the club:

The licensee must enter the non-football amounts for each the interim periods. Amounts entered in the annual reporting period for the football earning calculation are reminded.

Non-football operations not related to the club will decrease the adjusted revenue used for the calculation of squad costs ratio.

Revenue – Other operating income will be net of costs directly attributable to non-football operations related to the club.

- If the other operating net result from non-football operation is a surplus, the adjusted revenue will be decreased by the other operating expenses of non-football operation related to the club.
- If the other operating net result from non-football operation is a deficit, the adjusted revenue will be decreased by the other operating income of non-football operation related to the club.

	Jul- Dec 2022			Reporting period 2023			Jul- Dec 2023		
	Adjustments		Investments	Adjustments		Investments	Adjustments		Investments
	Actual	Non football operation not related to the club	Non football operation related to the club	Actual	Non football operation not related to the club	Non football operation related to the club	Actual	Non football operation not related to the club	Non football operation related to the club
Gate Receipts - Season Tickets	6'000	2'000		15'000	3'000	-	7'000	1'500	
Gate Receipts - Membership Fees	0			5'000	0	2'000	1'000		
Gate Receipts - Premium tickets/match day hospitality	0			5'000	0	-	0		
Gate Receipts - National Competitions	9'000			5'000	0	-	9'000		
Gate Receipts - UEFA Club Competitions	6'000			5'000	0	-	6'000		
Gate Receipts - Other/Non-Split	5'000			5'000	0	-	0		
Sponsorship and Advertising - Kit-Sponsor (Manufacturer)	5'000			16'000	0	-	5'000		
Sponsorship and Advertising - Main shirt sponsor	6'000			25'000	0	-	10'000		
Sponsorship and Advertising - Stadium Sponsor	0			0	0	-	0		
Sponsorship and Advertising - Pitch-perimeter and Board Advertising	28'000			32'000	0	-	55'000		
Sponsorship and Advertising - Other/Non-Split	1'000			0	0	-	2'000		
Broadcasting Rights - National Competitions	38'000			132'000	0	-	46'000		
Broadcasting Rights - Other/Non-Split	7'000			10'000	0	-	6'000		
Commercial - National Competitions	0			0	0	-	0		
Commercial - Merchandising	1'000			4'000	0	-	1'000		
Commercial - Non-matchday usage of facilities	0			0	0	-	0		
Commercial from Membership (non matchday related)	1'000			2'000	0	-	0		
Commercial - Other/Non-Split	0			0	0	-	0		
UEFA Club Competitions - Broadcasting Rights, Commercial, Prize Money	23'000			65'000	0	-	26'000		
UEFA Club Competitions - Solidarity Payments	0			0	0	-	0		
UEFA Solidarity and Prize Money - Other/Non-Split	0			0	0	-	0		
Subsidies, Donations or other amounts from National Football Federation	2'000			9'000	0	-	2'000		
Subsidies, grants and other money from the government of the country	0			0	0	-	0		
Donations from non related parties	2'000			0	0	-	2'500		
Contributions/Donations from related parties	4'000			0	0	-	3'000		
Income from Non-Football Operations	0			0	0	-	0		
Exceptional income	5'000			0			5'000		
Other operating income - Other/Non-Split	7'000			10'000	0	-	6'000		

Women football activities:

Relevant persons included in the squad cost numerator and in the 'net profit of loss' does not include women players. Consequently, the licensee may decrease the squad cost ratio for the relevant expenses related to women's football activities.

It must complete the adjustments schedules related to the profit on disposal of women's player registration.

Income above fair value:

Transactions in the squad cost ratio must be reported at fair-value. If a transaction is not reported at fair value, the licensee must complete the squad costs adjustment schedule to adjust the transaction to its fair value.

APPENDIX 5: FINANCIAL INFORMATION PACKAGE – REPORTING PERIODS OTHER THAN 12 MONTHS

A. Financial information to be submitted by the licensee

For the purpose of the football earnings rule, a licensee must submit financial information based on and reconciled to audited financial statements for a reporting period ending in each relevant calendar year, regardless of its actual annual accounting reference date.

Typically, a licensee's reporting period will cover a twelve-month period and its annual accounting reference date will be the same from one year to the next.

The licensee must ensure that the pre-populated reporting period closing month shown in the club information and financial information packages is correct. If it is incorrect, the licensee must contact the UEFA administration before entering any data.

If a licensee changes its annual accounting reference date and consequently does not have a annual accounting reference date in a particular calendar year, it must still prepare audited financial statements for a reporting period ending in that calendar year.

Example

- A licensee changes its annual accounting reference date from 31 December 2025 to 30 June 2026, so it has annual financial statements covering the 12 months to 31 December 2024 and then 18 months to 30 June 2026.
- It therefore has no annual accounting reference date in the 2025 calendar year.
- Under Article 68, for the licence season 2026/27, since the licensee's reporting period (i.e. the 12-month reporting period to 31 December 2024) ends more than six months before the deadline for submission of the list of licensing decisions to UEFA, the licensee must submit additional financial statements for the interim period which starts the day immediately after the end of the annual accounting reference date and ends on 31 December preceding the deadline for submission of the list of licensing decisions to UEFA (e.g. the 12 month period to 31 December 2025).

The football earnings information for licence season 2026/2027 will comprise:

- for reporting period T-2, the 12 months to 31 December 2024, based on audited annual financial statements;
- for reporting period T-1, the 12 months to 31 December 2025, based on audited interim financial statements to 31 December 2025;

for reporting period T, the 6 months to 30 June 2026, based on the audited financial statements for the 18 months to 30 June 2026, adjusted for the audited interim financial statements to 31 December 2025.

B. Flexing threshold levels for exemption (Paragraph 87.04)

As set out in Paragraph 79.04, a licensee participating in a UEFA club competition will be subject to the football earnings rule unless it can demonstrate that it had employee benefit expenses in respect of all employees below EUR 5 million in each of the reporting periods ending in T-1 and T-2. As set out in Paragraph 79.08, if the reporting period is greater or less than 12 months, the EUR 5 million exemption threshold is adjusted up or down according to the length of the reporting period. The licensee's employee benefits expenses are then compared against the adjusted threshold level.

Once a licensee has submitted its initial football earnings information, including information about the length of the reporting periods (as contained in the club information and financial information packages), the licensee will be notified if further football earnings information is required.

C. Flexing acceptable deviation (Paragraph 87.04)

As set out in Paragraph 87.04, if a monitoring period contains a reporting period which is greater or less than 12 months, then the acceptable deviation will be adjusted up or down according to the length of the monitoring period.

Example for a reporting period of less than 12 months

- This is illustrated below for a licensee that changes its annual accounting reference date from 31 December to 30 June 2024. Following this change to its annual accounting reference date, the licensee has a six-month reporting period in 2024.
- Therefore, for the purpose of the football earnings rule, the licensee's monitoring period for the licence seasons 2024/25, 2025/26 and 2026/27 will cover a period of 30 months, instead of 36 months.
- The level of acceptable deviation, is adjusted downwards for a monitoring period containing a reporting period of less than 12 months. This adjustment is applied to each of the acceptable deviation levels defined in Paragraph 87.02 and 87.03 (i.e. including the scenario where the football earnings deficit exceeds the acceptable deviation of EUR 5 million, and the licensee has sufficient contributions/equity to cover such excess, and where the licensee meets the financial conditions set out in Paragraph 87.03):

Licence season	Annual accounting reference date (i.e. reporting period end), and number of months in each reporting period						Number of months in the monitoring period	Acceptable deviation as defined in Paragraph 87.02	Increase in acceptable deviation as defined in Paragraph 87.03, if entirely covered by contributions or equity	Maximum possible increase in the acceptable deviation for a reporting period, as defined in Paragraph 87.03
	31.12.22	31.12.23	30.06.24	30.06.25	30.06.26	30.06.27				
								€m	€m	€m
2024/25	12	12	6				30	4.2	50	25
2025/26		12	6	12			30	4.2	50	25
2026/27			6	12	12		30	4.2	50	25
2027/28				12	12	12	36	5.0	60	30

D. Information to be submitted by the licensee for the squad cost rule

For the purpose of the squad cost rule, a licensee must submit financial information based on and reconciled to a combination of audited annual financial statements and reviewed/audited interim financial statements, regardless of its actual annual accounting reference date. See section 5.1.3 for further details.

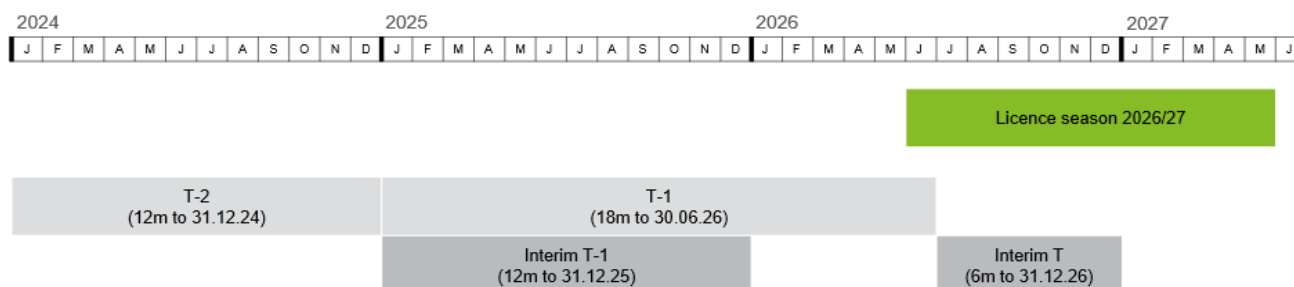
The relevant periods are (a) the 12 month period to 31 December during the licence season, for elements (i) to (iv) of the squad cost ratio as defined in Paragraph 92.01, and (b) the 36 month period to 31 December during the licence season, for element (v) of the squad cost ratio.

If a licensee changes its annual accounting reference date and has a reporting period of greater or less than 12 months (or an interim reporting period of greater or less than 6 months), the squad cost ratio is calculated accordingly, and the defined limit does not change. If the change of annual accounting reference date results in the licensee not having an annual accounting reference date in a particular calendar year, the licensee must still prepare interim financial statements for the 12 month period to 31 December during the licence season

Example 1:

- A licensee changes its annual accounting reference date from 31 December 2025 to 30 June 2026, so it has annual financial statements covering the 12 months to 31 December 2024 and then 18 months to 30 June 2026.
- It therefore has no annual accounting reference date in the 2025 calendar year.
- Under Article 68, for the licence season 2026/27, since the licensee's reporting period (i.e. the 12 month reporting period to 31 December 2024) ends more than six months before the deadline for submission of the list of licensing decisions to UEFA, the licensee must submit additional financial statements for the interim period which starts the day immediately after the end of the annual accounting reference date and ends on 31 December preceding the deadline for submission of the list of licensing decisions to UEFA (e.g. the 12 month period to 31 December 2025).
- For licence season 2026/27, for the purpose of the squad cost rule, the relevant periods are (a) the 12 month period to 31 December 2026 for elements (i) to (iv) of the squad cost ratio as defined in Paragraph 92.01, and (b) the 36 month period to 31 December 2026 for element (v) of the squad cost ratio.

- The licensee will therefore also have to prepare interim financial statements for the 6 month period to 31 December 2026.

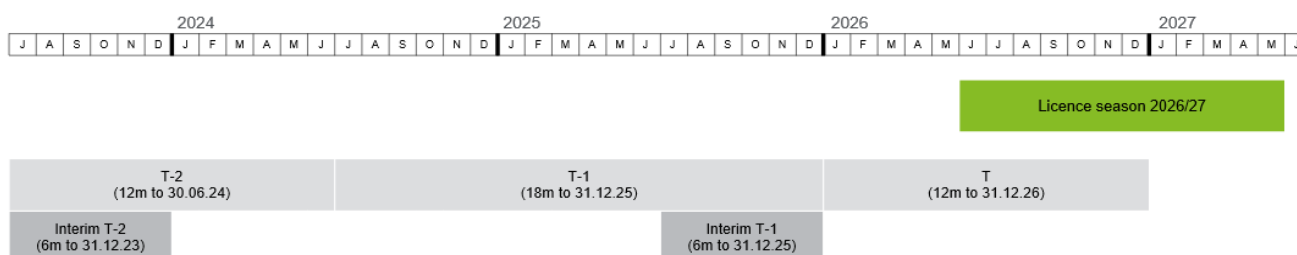


The squad cost information for licence season 2026/27 will comprise:

- For elements (i) to (iv) of the squad cost ratio as defined in Paragraph 92.01:
 - the 12 month period to 31 December 2026, comprising:
 - i. the 6 months to 30 June 2026, derived from the annual financial statements for the 18 months to 30 June 2026 (reporting period T-1) and deducting the 12 months to 31 December 2025 (from the interim financial statements for interim reporting period T-1); and
 - ii. the 6 months to 31 December 2026, derived from the interim financial statements for the 6 months to 31 December 2026 (interim reporting period T).
- For element (v) of the squad cost ratio as defined in Paragraph 92.01:
 - the 36 months to 31 December 2026, comprising:
 - i. the 12 months to 31 December 2024, derived from the annual financial statements for the 12 months to 31 December 2024 (reporting period T-2); and;
 - ii. the 18 months to 30 June 2026, derived from the financial statements for the 18 months to 30 June 2026 (reporting period T-1); and
 - iii. the 6 months to 31 December 2026, derived from the interim financial statements for the 6 months to 31 December 2026 (interim reporting period T).

Example 2:

- A licensee changes its annual accounting reference date from 30 June 2025 to 31 December 2025, so it has annual financial statements covering the 12 months to 30 June 2024 and then 18 months to 31 December 2025.
- Under Article 68, for the licence season 2025/26, since the licensee's reporting period (i.e. the 12 month reporting period to 30 June 2024) ends more than six months before the deadline for submission of the list of licensing decisions to UEFA, the licensee must submit additional financial statements for the interim period which starts the day immediately after the end of the annual accounting reference date and ends on 31 December preceding the deadline for submission of the list of licensing decisions to UEFA (e.g. the 6 month period to 31 December 2025).
- Under Article 68, for the license season 2024/25, the license will have already submitted interim financial statements for the 6 month period to 31 December 2023.
- For licence season 2026/27, for the purpose of the squad cost rule, the relevant periods are (a) the 12 month period to 31 December 2026 for elements (i) to (iv) of the squad cost ratio as defined in Paragraph 92.01, and (b) the 36 month period to 31 December 2026 for element (v) of the squad cost ratio.



The squad cost information for licence season 2026/27 will comprise:

- For elements (i) to (iv) of the squad cost ratio as defined in Paragraph 92.01:
 - the 12 month period to 31 December 2026, comprising:
 - i. the 12 months to 31 December 2026, derived from the annual financial statements for the 12 months to 31 December 2026 (reporting period T).
- For element (v) of the squad cost ratio as defined in Paragraph 92.01:
 - the 36 months to 31 December 2026, comprising:
 - i. the 6 months to 30 June 2024, derived from the annual financial statements for the 12 months to 30 Jun 2024 (reporting period T-2) and deducting the 6 months to 31 December 2023 (from the interim financial statements for interim reporting period T-2): and;
 - ii. the 18 months to 31 December 2025, derived from the financial statements for the 18 months to 31 December 2026 (reporting period T-1); and
 - iii. the 12 months to 31 December 2026, derived from the annual financial statements for the 12 months to 31 December 2026 (reporting period T).

E. Flexing the threshold levels for exemption for the squad cost rule (Paragraph 79.08)

As set out in Paragraph 79.05 and detailed in section 5.1.2, a licensee participating in a UEFA club competition will be subject to the squad cost rule unless:

- it does not qualify for the group stage of a UEFA club competition; or
- it qualifies for the group stage of a UEFA club competition, but demonstrates that it has employee benefit expenses in respect of all employees below EUR 30 million in the reporting period ending in the calendar year in which the UEFA club competitions commence (i.e. reporting period T) and reporting period immediately prior to that (i.e. reporting period T-1).

As set out in Paragraph 79.08, if a reporting period is greater or less than 12 months, the EUR 30 million exemption threshold is adjusted up or down according to the length of the reporting period. The licensee's employee benefit expenses are then compared to the adjusted threshold amount.

APPENDIX 6: FINANCIAL INFORMATION PACKAGE – CURRENCIES OTHER THAN EURO

A. Applicable exchange rates (Article 79)

If a licensee's **financial information is denominated in a currency other than euros**, the relevant figures are converted into euros at the **average exchange rate for the reporting period**, or at the assessment date in the overdue payables package, using exchange rates published by the European Central Bank or another appropriate source.

The licensee must check that the pre-populated information for the licensee's local/reporting currency in the club information and financial information packages is correct. If the pre-populated currency is incorrect, the licensee must contact the UEFA administration immediately, before entering any data.

For historical periods covering T-2, T-1 and T, the local/reporting currency is converted to euros using the average exchange rate for the period. For reporting periods that have yet to close i.e. in some cases T, the latest available exchange rates are used and extrapolated over 12 months.

B. Impact of converting accounts in local reporting currency into euros (Annex M (c))

The other factor in Annex M (impact of conversion of accounts from local reporting currency into euros) refers solely to the impact on the licensee's football earnings in euros because of converting the financial results from the local/reporting currency into euros.

The football earnings for a reporting period as calculated in the reporting entity's local/reporting currency will be converted into euros at the average exchange rate for the reporting period, in accordance with Paragraph 79.07. If exchange rates have changed over time such that there is an adverse impact on the licensee's football earnings denominated in euros for a reporting period or in aggregate for a monitoring period, compared with the currency used for its annual financial statements, then the amount of that impact will be taken into consideration.

If the aggregate football earnings in the local/reporting currency is positive, then the licensee should not, in principle, be sanctioned.

Each reporting entity has a selected local reporting currency for its annual financial statements. An entity may have transactions in currencies other than its local reporting currency or may have foreign operations. Each entity must account for any currency exchange differences in its annual financial statements, in accordance with applicable accounting standards. Such exchange differences do not constitute the 'other factor' listed under the impact of conversion of accounts in local currency into euros in Annex M. The management of currency risks remains the entity's responsibility and cannot be excluded from the football earnings calculation.

Examples

- The licensee complies with the stability requirement for the monitoring period using the local reporting currency of its financial statements in both example 1 and example 2.
- However, in example 2, due to the adverse movement of its local currency against the euro during period T, it breaches the football earnings denominated in euros. If the exchange rate had remained at 1.5 in reporting period T, as shown in example 1, the club would have complied with the stability requirement denominated in euros.
- This adverse impact of the exchange rate against the euro shown in example 2 will be taken into consideration by the CFCB as an 'other factor'.

Example 1

Reporting period	T-2	T-1	T	Aggregate football earnings
Football earnings local currency (LCm)	-16.0	5.0	11.0	0
Exchange rate	1.5	1.5	1.5	n/a
Football earnings (€m)	-24.0	7.5	16.5	0

Example 2:

Reporting period	T-2	T-1	T	Aggregate football earnings
Football earnings local currency (LCm)	-16.0	5.0	11.0	0
Exchange rate	1.5	1.5	1.0	n/a
Football earnings (€m)	-24.0	7.5	11.0	-5,5

C. Squad cost ratio and financial disciplinary measure

The squad cost ratio and the financial disciplinary measure will first be calculated in the reporting currency of the licensee's financial statements.

Then the amount of the financial disciplinary measure will be translated to Euros at the average exchange rate for the 12-month period over which the squad cost ratio is measured (e.g. the 12 months to 31 December during the licence season, or 12 months to 30 November if the licensee has applied for an alternative period under paragraph 92.05).

APPENDIX 7: DUTY TO REPORT SUBSEQUENT EVENTS

In accordance with Article 95, the licensee must promptly notify the licensor and UEFA in writing about any significant changes including, but not limited to, subsequent events of major economic importance up to at least the end of the licence season.

Examples of events or conditions that, individually or collectively, may be considered a significant change include, but are not limited to, the following:

- any alteration to the licensee's legal form or company structure, including, for example, changing its headquarters, name or club colours, or transferring shareholdings between different clubs;
- any alteration to the licensee's reporting perimeter;
- a material change to accounting policies, compared to the audited annual financial statements as submitted for club licensing;
- if a licensee is in breach of any conditions with respect to the issuing of the licence;
- if a licensee violates any of its obligations under the national club licensing regulations;
- fixed term borrowing approaching maturity without realistic prospects of renewal or repayment;
- indications of withdrawal of financial support by any of the material lenders to the licensee or any other entity in the reporting perimeter, including a breach of covenants;
- discovery of material fraud or errors that show the financial statements are incorrect;
- pending legal proceedings against the licensee or any other entity in the reporting perimeter are terminated, resulting in significant liabilities to be satisfied;
- the licensee's executive responsibilities are being undertaken by someone under some form of external appointment relating to legal or insolvency procedures;
- if the licensee (or the registered member of the UEFA member association that has a contractual relationship with the licensee under Article 14) or any other entity in the reporting perimeter seeks or receives protection from its creditors or is subject to insolvency proceedings pursuant to laws or regulations.