REPORT AND FINANCIAL STATEMENTS

THE FOOTBALL ASSOCIATION LIMITED

YEAR ENDED 31 JULY 2015

Company Registration No. 00077797

Investing in the game

During the 2015 season The FA invested a record £117 million back into the game. This level of investment looks set to continue following the launch of the 2016 National Game Strategy which commits investment into facilities, coaching, participation and the football workforce.

About The FA
Supporting football since 1863

The FA is the not-for-profit, governing body of football in England which re-invests over £100m back into the game each year. It grows participation, promotes diversity and regulates the sport for everyone to enjoy. Eight million players of all ages, 400,000 volunteers, 300,000 coaches and 27,000 qualified referees help The FA keep the grassroots game going.

The FA runs 24 England teams, across men's, women's, youth and disability football, utilising the world-class facilities of Wembley Stadium and St. George's Park.

Football is the nation's favourite game. The FA aims to grow it further in 2016. To find out more visit TheFA.com and follow @FA.

Highlights


CEREBRAL PALSY
MATCH PITCH 1


The FA People's Cup
WINNERS 2015


PARKLIFE
SHEFFIELD

Officers and professional advisers

Directors
G Dyke (Chairman)
M Glenn (Chief Executive Officer)
B W Bright
R F Burden
R Devlin
D Gill
K Lamb
M R Leggett
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P McCormick OBE
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*The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

Chairman's statement

Greg Dyke

At the end of the 2014/15 season, I marked two years as Chairman of The Football Association ("The FA").

Quite a lot has happened in that time, particularly over the last 12 months or so. At home, we have committed The FA to a significant new strategy that puts grassroots coaching and facilities at the core of what we want to be as a modern, diverse and dynamic organisation. Abroad, we have fostered ever closer links with our friends in Europe – securing hosting rights to major tournaments and re-establishing strong ties with other nations.

On the pitch, our women's senior team have set a global standard while the domestic league has been breaking new ground. Meanwhile, their male counterparts did all that was asked of them in EURO qualifying, winning 10 out of 10, and we have a new England DNA philosophy running through our development teams. Wembley and St. George's Park are world leaders in sporting excellence and The FA Cup remains the world's greatest domestic club knockout competition.

It is a positive picture but we know there is much more to be done and that scrutiny is greater than it has ever been. In particular, there are a couple of key areas that have energised me as we look to the short and long-term future.

Much has been made of my belief that England can target World Cup wins for the men and women in 2022 and 2023 respectively. I stand by that conviction – provided we do the hard work now.

We have made some tough decisions at Wembley and St. George's Park and reprioritised many millions of extra investment towards the grassroots. I must pay tribute to our new CEO Martin Glenn and his management team for the positive way they have responded to the challenge at what I am sure has been a challenging time for the entire FA workforce.

We should never lose sight of the pinnacle of the English game which is success for the senior national teams – and focusing everything we do in our daily work towards achieving that will have positive knock-on effects at all levels.

I hope one day that I, or my successor, will be reflecting in these annual notes on an England tournament performance as good, or even better, than the one the Lionesses achieved in Canada in the summer. But I still worry that we are not doing enough across the wider game to aid our chances – particularly when it comes to the pathway from the park pitches to the professional game.

Home grown heroes are fast becoming an endangered species, particularly amongst the top clubs. Last season only 22% of Premier League starts in the top four clubs were made by English players compared with 28% for the same top four clubs only two years ago. The downward trend continues.

It is easy to become distracted by what we see on the surface. Roy Hodgson blooded an extremely young squad at the World Cup in Brazil, the nucleus of which went on to dominate EURO qualifying. Players like John Stones and Harry Kane have hit the headlines for their displays – living up to the old Matt Busby mantra – "If you don't play them, you'll never know how good they are".

We have committed The FA to a significant new strategy that puts grassroots coaching and facilities at the core of what we want to be.

But let's not be fooled into thinking all is good and we can close the subject. Only a third of the players in our top league last season were eligible to play for England and yet millions of pounds have been invested in fantastic academies for, as yet, apparently little return.

Assessing the number of English qualified players in the Champions League against our major European rivals, does not look good for us either. Only 23 English players appeared in last season's competition compared with 83 Spanish, 55 German, 41 French and 32 Italian players. Something is going wrong and I remain convinced we need to do something about it.

Please don't get me wrong, the Premier League at the top of our wonderful football pyramid is fantastic – the fans worldwide adore it and the football is great. But I think, by working together with the clubs on the home grown issue, we can still keep the quality of the product as high as ever whilst seeing more young English players coming through the system.

Meanwhile, our credibility as an effective governing body is defined in part by how we handle the changing picture at FIFA. We rightly led the calls for presidential change but it must be stressed that the structure is more important than the individuals – and this must now be the paramount concern.

Nevertheless, the promise of a new FIFA president and, more importantly, a new era of transparency and accountability should leave us all feeling optimistic.

Other challenges remain of course – from furthering the Respect campaign to tackling discrimination in all its forms, from pushing for video technology trials to doing all we can to make the game accessible and affordable for the fans.

A lot has been done, but as ever there is a lot more to do.

Greg Dyke
Chairman, The Football Association

Strategic report
Chief Executive Officer's review of the year

Martin Glenn

When I took up my new role as Chief Executive of The FA back in May, I spoke about the huge honour I felt in being handed such a prestigious position.

Several months on, and that feeling has only been enhanced by the experiences I have had. In a relatively short space of time, I have witnessed some spectacular moments at Wembley Stadium and St. George's Park, and had the pride of watching England compete with success at various levels and in different tournaments.

I had a strong grounding in football before I joined, especially from my time as a grassroots coach, as a lifelong fan of Wolverhampton Wanderers and as a board member at Leicester City, but it is clear to me now that working for The FA brings a special responsibility unlike any other role in the game.

As guardians of English football at home and abroad, all of us who work for the organisation, wherever we are based and whatever our job, are tasked with developing and growing the game. As a 'not for profit' governing body, all connected to The FA also have a duty to put football first and do all we can for its benefit over and above any individual interests.

This approach has defined our work this past year and will of course guide our future plans.

National Game

Notably, at the start of the 2015/16 season, The FA committed itself to investing £260 million in the national game over the next four years to meet the challenges facing grassroots football.

We have identified four key areas in which we have committed to investing – facilities, coaching, participation and developing the football workforce. Our goals are ambitious, but achievable.

The impact of this investment will build over the coming years as we also look to build on our fantastic assets including The Emirates FA Cup, Wembley Stadium and St. George's Park.

Our reprioritisation towards these areas will also allow us to ensure hugely successful programmes like FA Skills – and its focus on schoolchildren – and our volunteering programmes are at the heart of it all. More than six million opportunities have been provided for young people from the Skills project to date since 2007 – a very strong number.

It is important that we continue to recognise our grassroots heroes through our annual awards around The FA Community Shield and also promote the importance of the Respect programme, particularly when it comes to young players. After seven seasons, the number of cautions for dissent – abuse or back chat to referees – has declined by 23%. We have improved the environment for young people by introducing designated spectator areas, Respect training for coaches, Codes of Conduct, Pitch Side Marshalls, Parent Briefings and Respect signage. Getting it right at the grassroots can only help at the elite level.

St. George's Park

St. George's Park is fast becoming a 'home from home' for winners with no less a team than Barcelona choosing the national football centre as the place to launch their treble-winning season that culminated in Champions League success in May. It says it all when their manager Luis Enrique hailed the St. George's Park facilities as fantastic and pledged to return.

We have identified four key areas in which we have committed to investing – facilities, coaching, participation and developing the football workforce. Our goals are ambitious, but achievable.

Everything I have experienced so far sums up what The FA should be about as we plot our future. It is a true centre of excellence for all and, if a new visitor isn't inspired to get their trainers on for at least a walk in the grounds, let alone a kickabout, something is wrong.

I was certainly immediately impressed and enthused. It is clear to me that St. George's Park ought to be the image one has in mind when the words 'The FA' are spoken.

Our development teams have also felt the benefit, training side by side with the seniors and thriving in an environment that is simply geared to success. UEFA endorsed this further when Michel Platini arrived in November. We were promptly awarded hosting rights to the 2018 UEFA Under-17 Euros, a major youth tournament that will feature the 16 best teams in Europe.

I must thank HRH The Duke of Cambridge. He is a wonderful supporter of our work and is passionate about everything we are trying to do. In particular, on a visit to St. George's Park, he took real interest in our vision of instilling a common thread between all our development teams and the role the national football centre can play. We are reliant on all of our ambassadors – whether they are giving Royal backing as President or through face to face coaching with youngsters as one of our unsung grassroots heroes.

Relationships

The U17 finals will also be fantastic preparation for UEFA EURO 2020. I am sure everyone was thrilled last September when – thanks to a superb bid – UEFA awarded Wembley the right to host the semi-finals and final of a tournament billed as a 'Euro for Europe'.

It is clear how we are perceived at home and abroad has never been more important. In particular, our positive reputation for refereeing excellence was furthered by Martin Atkinson at the Europa League final – while I know the superb way Michael Oliver handled the Manchester United-Arsenal FA Cup tie in March resonated in front of a global audience.

I must also praise Natalie Aspinall for her contribution as an assistant referee at the Women's World Cup. Upholding the laws of the game and furthering the Respect message have always gone hand in hand with The FA's work.

Our referees, thanks to the terrific work within The FA and PGMOL, have never been so fit, fast and capable but I think we are nearing the limit of what human performance can deliver and we should be open to how to enhance the crucial role of the referee with smart technical assistance.

The Lionesses proved their world-class ability and were ambassadors on a truly global scale. Women's football is absolutely the future.

One thing we know we have to keep working at is our commitment to equality, inclusion and anti-discrimination. The Inclusion Advisory Board is fully established as a credible body and it is right we respond to calls for increased opportunities around black and minority ethnic coaches and officials, through schemes like On the Board and the COACH bursary, and lead from the front on eradicating all forms of discrimination with our partners like Kick It Out and Level Playing Field.

To that end, I very much enjoyed attending the Cerebral Palsy World Championship here in June. Well done to England for reaching next summer's Olympics, where they will compete as Team GB, after their strong showing.

As well as being absolutely the right moral approach for a modern organisation to take, it is relevant for us to also be mindful of the simple 'business case' for improving diversity within our FA structures. If we become more diverse and reflective of wider society, it follows we will naturally make stronger, more informed decisions and get better results.

The Emirates FA Cup

My first fortnight in the job ended with Arsenal's masterclass in The FA Cup final – the culmination of a tremendous edition of the best club competition in the world. Brilliant support from our TV partners the BBC and BT Sport, and vibrant in-house marketing, helped bring some terrific stories to life – with giant-killings galore. Not least Bradford City's 4-2 fourth-round victory at Chelsea after being two goals down. It says something about the romance of the cup when that night's Match of the Day was the most watched edition of the programme all season.

The global interest saw the match shown in more than 150 territories while the new FA Cup sponsorship agreed with Emirates for the 2015/16 season onwards demonstrated the huge potential. The commercial team didn't stop there and quickly agreed a partnership with SSE that will give the FA Women's Cup an extra lift to go with the fact it was played at Wembley for the first time with Chelsea edging out Notts County for a historic first trophy.

Women's football

The Women's Super League goes from strength to strength with Liverpool retaining their title and the new second tier underlining the increased popularity for the women's game.

That led on to arguably the success story of the year and the Lionesses. The England senior team stormed to the FIFA Women's World Cup in Canada with ten wins out of ten. Once there, it was an inspiring adventure that captured the imagination of the whole nation. To see the way the squad bounced back from defeat by France to win their next four games was simply a superb sporting achievement that defied the doubters and thrilled the fans.

The outpouring of sympathy for Laura Bassett after the own goal that led to elimination in the semi-finals by Japan underlined the new respect and appreciation for the women's game. The Lionesses proved their world-class ability and were ambassadors on a truly global scale. My sincere thanks go to Mark Sampson, his backroom staff and the squad – plus everyone else involved behind the scenes – for a marvellous job well done.

We should also note how more than 45,000 fans braved miserable weather to watch their first match at the new Wembley against Germany in November. All in all, it was a privilege to travel to Canada twice for the tournament and the final in Vancouver also coincided with a major summit where the women's game was the only item on the agenda.

Women's football is absolutely the future and work is being done to grow participation, not least through our 'We Can Play' initiative aimed at younger girls. On that front, the decision in May to allow mixed football up to the age of 18 was right and will allow talented teenagers to improve their technical ability but we have to acknowledge that our historical resistance to allowing mixed football has put England at a competitive disadvantage with our rivals. We are now playing catch up.

Wembley Stadium

In October 2015 The FA put in place a new £300 million loan facility, replacing the previous facility which was in place for the construction of Wembley Stadium. The new loan will provide increased flexibility for the Group as well as delivering significant annual interest savings. This will increasingly allow the Group to channel investments into grassroots football, in line with its new objectives to increase the number of artificial football pitches in England, the quality of coaching and coach education and the ongoing development of England teams at the highest level.

Wembley remains a hugely important base for The FA and I am conscious we have a world-class reputation to protect and promote. The stadium is in demand – from our existing partners and from new event owners wanting to use our facilities and it is important we get the offering right for the next stage of the stadium's future.

We are using customer insight like never before and talking to people about what they think The FA needs to be doing and where we have been held back. There is great work being done across the County FA structure, with grassroots heroes at every turn, and we need to listen to what our millions of volunteers are saying about their daily experiences. The Whole Game System is key to this communication.

We should never underestimate the importance of fans. When it comes to cup final tickets or how we reward the England support, we have to listen and we have to learn. For the record, I am also a long-standing Club Wembley member and certainly have views I want to share as we take that important commercial offering forward from 2017 and beyond.

The stadium underlined its versatility yet again with three NFL matches last autumn as well as the Challenge Cup final and Saracens rugby. All were welcome warm-ups for the two Rugby World Cup dates in September including the might of the All Blacks. In terms of music, the diversity of acts that continue to play under the Arch sets a world standard.

Ed Sheeran hit the headlines with his sell-out run on the back of AC/DC's live show. Notably One Direction headlined the Capital Summertime Ball after their residency in 2014. Football will always be Wembley's priority, though, especially as the home of the senior men's national team.

England

We are all looking forward to UEFA EURO 2016. Congratulations to Roy and the senior men's squad for the way they bounced back after World Cup disappointment. England went through the whole season unbeaten before securing a place in France in September with games to spare. For all we do across the game, particularly with our huge grassroots push, thriving England's men and women's teams at the top level are absolutely vital.

I began this review talking about the importance of a winning mentality as embodied by Barcelona and naturally we all hope for a major title to come England's way in the near future. I have to stress though that we can't hope for something to happen, we have to keep working at it. St. George's Park and Wembley provide the right platform but they alone will not produce sustained success.

That is why last October the Chairman's England Commission published its second report and committed The FA – with your support – to an increased focus on facilities and coaching. In particular, greater investment in all-weather pitches as well as more resources to support and develop those men and women of all backgrounds who are committed to coaching – from the grassroots right through to the elite.

Towards the end of the season, there was plenty of debate about these areas and the Commission's conviction that we need to look again at how we get more players through the system – a point underlined by the Under-21s doing remarkably well to reach the summer finals only to fall short in the tournament. I am grateful to the Premier League and Football League, the PFA and the LMA, for their support and understanding around these issues. It is for all of us to find a solution as ultimately fans will not tolerate anything else.

Looking forward

Next year will mark the 50th anniversary of our 1966 triumph but that rightful commemoration will also expose that it has been half-a-century since The FA achieved major success. It is absolutely right the Chairman has set us an ambitious challenge for the World Cups of 2022 and 2023 provided we can quickly make the necessary changes. Here at The FA we have identified our new strategic priorities to help us focus on making success a reality.

Over the coming year, our radical new organisation will take shape. The management team has worked hard on these changes, targeting savings of £30 million a year against the 2014/15 plan across the Group to reprioritise our investment into the game through a focus on elite England teams, facilities and grassroots coaching. The refinancing of the Wembley Stadium debt completed in October 2015 will contribute a significant element of the cost saving, through reduced interest commitments. The remainder of the savings will come from cost-savings across the organisation, following the reorganisation of the Senior Management Team and other staff at Wembley Stadium and St. George's Park.

There is a collective will across The FA to embrace change and to put football first. That seems an obvious objective but I am not sure it has always been the case. This has of course made for some difficult decisions as we scrutinise all aspects of the organisation. We all have to play our part if we are to adapt to a rapidly changing world and maintain and even build on The FA's role as a thought leader and champion of this great game.

To those that might question our lofty aims for short and long-term success, I say 'why not?' I absolutely believe in striving for the ultimate and in uniting people behind the same vision. We all have our own aspirations and ambitions but there is no reason why we cannot have a collective goal for English football.

Finally, I would like to pay tribute to The FA staff for their hard work, endeavour and enthusiasm. From my first day they have responded to what we are trying to achieve with professionalism and positivity, even when it has meant difficult decisions on a personal level. They are a credit to English football and they truly embody The FA's values of excellence, pride, integrity and collaboration.

The last 12 months shows that we are doing a lot of good work in a lot of areas – I know we can and will achieve much more.

‘We Can Play’

In June The FA launched the ‘We Can Play’ campaign to shatter lingering pre-conceptions about women’s and girl’s football and boost participation.

Results in the 2014 /15 season

England Men's Senior Team

England 1 Norway 0 at Wembley on 3 September
Switzerland 0 England 2 in Basel on 8 September*
England 5 San Marino 0 at Wembley on 9 October*
Estonia 0 England 1 in Tallinn on 12 October*
England 3 Slovenia 1 at Wembley on 15 November*
Scotland 1 England 3 in Glasgow on 18 November
England 4 Lithuania 0 at Wembley on 27 March*
Italy 1 England 1 in Turin on 31 March
Republic of Ireland 0 England 0 in Dublin on 7 June
Slovenia 2 England 3 in Ljubljana on 4 June

FA Cup Final

Arsenal 4 Aston Villa 0 at Wembley on 30 May

FA Women's Premier League Cup Final

Charlton Athletic 0 Sheffield 0 in Nuneaton on 3 May
(Charlton Athletic won 4-2 on penalties)

FA Vase Final

North Shields 2 Glossop North End 1 at Wembley on 9 May

FA Youth Cup Final

First Leg: Man City 1 Chelsea 3 in Manchester on 20 April

Second Leg: Chelsea 2 Man City 1 in Chelsea on 27 April

*UEFA EURO 2016 European Qualifiers

England Women's Senior Team

England 4 Sweden 0 in Hartlepool on 3 August
Wales 0 England 4 in Cardiff on 21 August*
Montenegro 0 England 10 in Petrovac on 17 September*
England 0 Germany 3 at Wembley on 23 November
England 0 USA 1 in Milton Keynes on 13 February
England 3 Finland 1 in Larnaca on 5 March^
Australia 0 England 3 in Nicosia on 6 March^
The Netherlands 1 England 1 in Nicosia on 9 March^
Canada 0 England 1 in Larnaca on 12 March^
England 2 China 1 in Manchester on 9 April
Canada 1 England 0 in Ontario on 29 May
France 1 England 0 in Moncton on 9 June+
England 2 Mexico 1 in Moncton on 13 June+
England 2 Colombia 1 in Montreal on 17 June+
Norway 1 England 2 in Ottawa on 22 June+
England 2 Canada 1 in Vancouver on 27 June+
Japan 2 England 1 in Edmonton on 1 July+
Germany 0 England 1 in Edmonton on 4 July+

FA Women's Cup Final

Chelsea 1 Notts County 0 at Wembley on 1 August 2015

FA WSL Continental Cup Final

Manchester City 1 Arsenal 0 at Adams Park on 16 October

FA Trophy Final

North Ferriby United 3 Wrexham 3 at Wembley on 29 March

(North Ferriby United won 5-4 on penalties)

FA Sunday Cup Final

Campfield 2 OJM 0 in Blackburn on 26 April

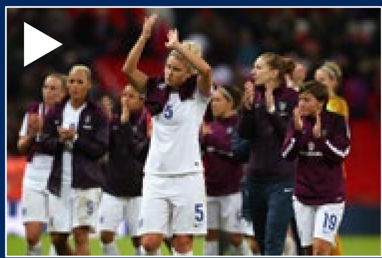
FA County Youth Cup Final

Cheshire 3 Middlesex 2 in Barnet on 12 April

*FIFA Women's World Cup 2015 Qualification
+FIFA Women's World Cup 2015
^2015 Cyprus Cup

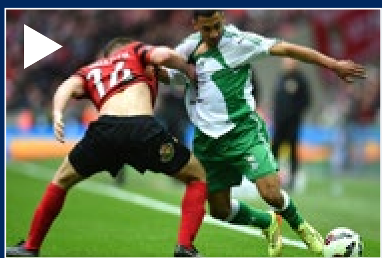
England Men's Senior Team

England Women's Senior Team



The FA Cup Finals

The FA Vase and Trophy Finals



The FA Youth Cup Final

Strategic report
Strategic priorities

The FA Group has introduced six new strategic priorities as it looks towards the landmark year of 2020, when Wembley Stadium will play host to the semi-finals and final of UEFA EURO 2020. The strategic priorities aim to:

1. **Ensure that The FA is, and is seen to be, a modern, dynamic organisation fit for the 21st century;**
2. **Provide effective and respected regulation and administration of football;**
3. **Develop and exploit the main commercial assets of The FA so they are sustainable and financially successful to support re-investment in the game;**
4. **Deliver a radical improvement in grass roots facilities with a major investment in artificial grass pitches to help drive a step change in the development of young players and encourage more people to play football;**
5. **Raise the number, status and standard of coaches by building a more effective FA coaching structure and service to the game; and**
6. **Succeed in international tournaments at all levels in both the men's and women's games with the eventual targets of winning World Cups in both 2022 and 2023 respectively.**

These priorities have been developed by the Board and Executive and were officially presented to FA staff in spring 2015. Central to identifying these new areas of focus has been to review everything we do, everywhere we spend our money and to ensure that we are as efficient and effective as possible in the future.

As a result of this approach, we intend to achieve a step change in the coaching numbers, particularly towards the elite level, and a rapid expansion in the availability of high quality playing facilities in the grassroots. These ambitions were central to the recommendations of The FA Chairman's England Commission – and in particular its second report in October 2015.

Everything we are aiming towards should have England team success at its heart – achieving success in a major tournament for our senior men or women's sides would be transformative and have a hugely positive impact on all aspects of The FA's work and English football in general.

The FA has undertaken a change programme to help us deliver these priorities as part of a new wider Strategic Plan for the seasons 2016 – 2020, to be published early in the new year. There is no doubt that undertaking this programme, and reprioritising our focus, is a tough process and a challenge for the organisation and the FA staff. Ultimately, we believe this change will allow us to grow the grassroots in the proper way and aid our international aspirations.

In the past 12 months, we have seen good progress in areas aligned to the key priorities including a selection of highlights as listed below.

1. **Ensure that The FA is, and is seen to be, a modern, dynamic organisation fit for the 21st century.**

- The appointment of a new CEO to lead The FA through the change programme and forward towards a publicly-stated target of England team success.
- A major executive restructure under way to ensure we are focused, efficient and that we return football to the heart of the organisation.
- Established a new Strategy function to raise the importance and prominence of research and understanding of the game into our strategic decision-making and policy development.
- Aligned the operational functions of St. George's Park and Wembley Stadium to bring them closer together and to maximise opportunities for the future.
- Cemented the role of The FA's Inclusion Advisory Board and taking a lead role on key equality and diversity issues. All staff and The FA Council have taken part in anti-discrimination workshops.
- The FA has also extended its On The Board programme with the PFA to give boardroom experience to black and Asian former players – while the first half of the season saw an Asians in Football roadshow.
- Customer Insight extended – developing a football universe.

2. **Provide effective and respected regulation and administration of football.** Our responsibility is to ensure effective, consistent and transparent rule-making and application.

- Reviewing our internal structures to provide clear and decisive leadership on all areas of governance.
- Developing our working relationships with leagues, clubs, players, managers and officials – agreeing where we can work more efficiently and collectively for the betterment of English football.
- Successful consultation exercise across the whole game led to a new work permit system and a similar exercise is under way to examine the issue of home grown players.
- Amplifying our strong international presence, working with our key partners of UEFA and holding FIFA to account publicly when required. David Gill's election to the FIFA Vice-Presidency comes at a crucial time when The FA and others were committed to pushing for reform at the world governing body.

3. **Develop and exploit the main commercial assets of The FA so they are sustainable and financially successful to support re-investment in the game.** As a not-for-profit organisation we must maximise the commercial return on our assets to continue to redistribute our revenues to where the game needs our support.

- The FA Cup benefitted from a new partnership with the BBC which brought it to a larger audience and saw cross-promotion across the broadcaster's various media channels and platforms.
- New sponsorship deals with Emirates and SSE for the FA Cup and Women's FA Cup respectively will provide fresh impetus, global exposure and revenue to benefit our wider work.
- The new refinancing will maximise the opportunity to redirect funds towards coaching and facilities. Our continued partnership with NFL saw three games in autumn 2014.
- The Women's Super League second tier is up and running and attendances benefitted from the impact of the FIFA Women's World Cup. The weekend after the tournament concluded saw a 78% increase and year on year, come September 2015, attendances were up 40%. The World Cup saw a peak of 2.4 million viewers tuning in on BBC1 despite it being the early hours of the morning.
- St. George's Park, as it marks its third birthday, is established as a global centre of excellence with club stays from the likes of Barcelona and was the host venue for the 2015 Cerebral Palsy World Championship. UEFA plans to use it as the main base for the 2018 UEFA Under-17 Championship.

4. **Deliver a radical improvement in grass roots facilities with a major investment in artificial grass pitches to help drive a step change in the development of young players and encourage more people to play football.** Supporting and investing in the key grassroots and development infrastructure of the game to encourage participation at all levels.

- In August 2015, The FA committed £260 million over four years towards its new national game strategy.
- Our latest research tells us that 11 million people play football in some form and we have seen 5,000 new youth teams playing small-sided formats of the game.
- There has been good progress on Parklife pilots – The FA's initiative to build hubs in cities across the country featuring top quality artificial grass pitches (AGPs). The first hubs are due for opening in 2016.
- The aim is to get a 50% increase in the number of full-size publicly accessible 3G AGPs.
- Existing complementary schemes like FA Skills going from strength to strength – having passed the six-million places mark in 2014/15.

5. **Raise the number, status and standard of coaches by building a more effective FA coaching structure and service to the game.** Ensuring that Coaching is nurtured as a profession, and targeted along the player development pathway to give young talented players the best opportunity to succeed.

- Completed restructure of education team including new Head of Education.
- Work under way to review qualifications and ensure we are delivering the right courses in the right places to attract, retain and develop the coaches the game needs.
- The FA Licensed Coaches' Club at St. George's Park provides free direct support to all coaches at all levels.
- Commitment to bursaries for female and BAME coaches saw the third year of the scheme launched in August 2014.
- The new partnership with Government outlined in December 2014 has seen backing for The FA's grassroots plans with a pledge for a combined £10 million a year in facilities and coaching.
- St. George's Park saw 69 coaching courses over its third year since opening – its highest total to date while the number of community and grassroots club visits rose from 231 in year one to 531 in year three.

6. **Succeed in international tournaments at all levels in both the men's and women's games with the eventual targets of winning World Cups in both 2022 and 2023 respectively.** Identifying the key elements to change around the England teams and their performance services to bring about the stated ambition of FIFA World Cup success in 2022 for the men and 2023 for the Women.

- Launched new investment into England team structures including skills specific coaches across a number of development teams.
- England DNA has taken shape with a common thread between all our teams at St. George's Park – with 49 England team visits.
- England senior women's team finished third at the FIFA Women's World Cup to go with the domestic growth and the success of the #WeCanPlay nationwide participation drive.
- England senior men's team won their EURO 2016 qualifying group and over a year unbeaten.
- Development teams consistently qualifying for major tournaments including FIFA U17 World Cup.

Targeting 2022 and 2023

The England development teams have a good recent record of qualifying for major tournaments. This experience along with the investment in the England team structures and the England DNA are laying the foundations for success at the men's 2022 and women's 2023 FIFA World Cups.

Strategic report
Principal risks and uncertainties

There are a number of potential risks and uncertainties which could have a significant impact on the Group's long-term performance. There is an established Risk Management process in place. The Group's Senior Management Team and the Board review existing risks and identify new risks on a quarterly basis. Suitable controls are implemented and action plans are established to mitigate risks. Both the risks to achieving the strategic priorities and financial risks are also reviewed in this process. These risks and uncertainties and the related controls and plans are monitored by the Group Audit Committee on a regular basis.

Strategic risks

The FA as a modern, dynamic organisation

Becoming established as a modern, dynamic organisation fit for the 21st century underpins the Group's other strategic priorities. A failure to achieve this would have a significant reputational impact and threaten our ability to regulate and administer the game credibly, devalue the commercial assets of the Group and undermine our drive to increase participation through developing grass roots facilities and improving the coaching structure.

The ongoing reorganisation of the Group, the appointment of a new CEO to lead the Group through the changes and the challenging new strategic priorities identified demonstrate a commitment to improving the perception of The FA as an effective and professional organisation for the greater good of English football.

Effective and respected regulation and administration of football

The development and implementation of robust governance procedures for the game is key to maintaining levels of participation and our reputation. The FA Rules and Regulations are reviewed annually, while specific policy areas are reviewed on an ad hoc basis and always following a high profile or controversial issue. There is an ongoing review of disciplinary and anti-doping frameworks to ensure these are sustainable and remain up to date.

Incidences of match fixing undermine our reputation and impact negatively on participation. A robust framework of rules and regulations is in place, supported by the Group's integrity unit which is now fully operational. A tariff has been established for non-reporting of approaches and other integrity matters. An education programme on match fixing and betting has also been implemented, and the rules strengthened around participant betting.

Sustainable and successful commercial assets of The FA

There is a risk that the Group's key commercial assets, including The FA Cup, the England senior teams, Wembley Stadium and St. George's Park, become devalued, which would have both a reputational and financial impact.

The Group has focussed on securing long-term contracts with multiple commercial partners across each of the Group's main commercial assets, with the vast majority of agreements secured through until at least July 2018. The Commercial Programme is regularly revisited to mitigate the risk that The FA's assets are not being maximised.

Grass roots facilities and participation at all levels

Achieving the established targets for participation are key for the Group and failure to do so could impact on our reputation, our funding from Sport England and the attractiveness of the Group's commercial assets. Changing lifestyles and the reduction in the availability of good quality facilities following Local and National Government spending cuts have increased this risk.

The Group is committed to increasing the provision of grass roots facilities available to all through the 'Parklife' project. The first of up to 150 football hubs to be built across 30 English cities is scheduled to open in Sheffield in 2016. The creation of all-weather 3G artificial grass pitches using a sustainable model of investment, ownership and management is at the heart of the fourth strategic priority.

An effective FA coaching structure

A failure to deliver the increased number, status and standard of coaches required to create a more effective FA coaching structure represents a reputational risk for the Group as well as having an impact on participation and ultimately the success of the England national teams.

The FA has pledged to invest £4 million each year in grass roots coaching. There will be a network of County Coaches, tasked with improving and supporting coaching across grass roots football with club mentoring programmes. The extension of coach bursaries aims to get more women and people from diverse backgrounds into the profession and there will be a drive to get more top level grass roots coaches into the game.

International tournament success

The number of English qualified players playing at the top end of English football continues to decline, presenting a risk to the success of England teams at all levels. The potential solutions identified by The FA Chairman's England Commission continue to be explored and the focus of the new strategic priorities on the number, status and standard of coaches, the improvement of grass roots facilities and the number of people playing football are expected to increase the quality and number of English qualified players available for selection for the England teams.

The successes of the England senior women's team in Canada and the England senior men's team finishing the 2015 season unbeaten represent a step in the right direction.

Financial risks

Commercial revenue

One of the most significant uncertainties for The FA is the future value of its main source of commercial revenues, being broadcasting and sponsorship rights. These are typically re-negotiated and sold on a four year cycle. Broadcasting, sponsorship and licensing revenues accounted for 57% (£183 million) of the Group's turnover in the year. Both domestic and international broadcast agreements are secured through to July 2018.

The coterminous nature of a significant number of commercial contracts is a clear risk and the Group is dependent on market conditions and the perception of the performance of the England senior men's team, the appeal of The FA Cup and the ability to fill Wembley Stadium. The Group is in a strong position now that all broadcasting rights are contracted through to July 2018. The Group has implemented a Commercial Strategy with the objective of securing sponsorship and supplier contracts for the Group's wide range of assets through to 2018. A significant proportion of the assets have been contracted and the Group continues to focus on selling the remaining rights.

In addition to the contract and term risks identified above, there is also a significant credit risk due to the potential size of the agreements. The risks are heightened when dealing with overseas territories and broadcasters. To mitigate against the credit risk the following actions are taken:

- due diligence is performed on all potential partners;
- payment terms are negotiated so that cash is received in advance of rights issued;
- bank guarantees or letters of credit are secured as appropriate; and
- annual due diligence is performed on all significant commercial agreements.

Club Wembley revenue represented 18% of the Group's turnover in the year. Club Wembley box and premium seats have been contracted for an average of eight and ten years respectively, with the majority of these licences running through to 2017. While the principal risk in the long-term is renewal of the membership contracts, the short-term risk exists that some members do not pay their annual season fee. However, cash collection rates have been in excess of 96%.

Strategic report
Principal risks and uncertainties

Borrowing

In October 2015, The FA put in place a new £300 million loan facility provided by Barclays, HSBC and Santander, replacing the previous facility which was in place to finance the construction of Wembley Stadium. The terms of the borrowing arrangements (see Note 22) include certain financial covenants, which are forecast to be achieved based on the Group's projections. While significant headroom is projected over the covenant targets, a dramatic downturn in the Group's performance could result in default of these covenants. While this scenario is considered unlikely given the significant headroom that is projected and the potential to reduce discretionary expenditure if necessary, given the quantum of the amounts borrowed, this remains a risk for the Group.

Expenditure

In addition to the specific factors described above, the overall mitigating factor for the Group is the significant level of discretionary expenditure in The FA's cost base. A significant element of The FA's expenditure is investment into the game and can be reduced without breaching legal commitments.

Inability to stage an event at Wembley Stadium

A major disaster, such as a terrorist attack, could have an impact on the ability to host an event at Wembley Stadium or affect people's willingness to attend matches and events. Such an incident could have the potential to significantly disrupt the operation of the business and could have an adverse effect on the Group's revenues. This risk is managed by having relevant insurance cover and through maintaining good working relationships with the Metropolitan Police Service, security services and intelligence agencies.

Strategic report
Corporate social responsibility

The FA Group is committed to being socially responsible as part of our day to day business operation at Wembley Stadium and St. George's Park, and in our face to face work with partners across the country. This commitment is to our environmental, ethical, charitable and community activities. Our corporate responsibility programme is about The FA ensuring that we continue to meet our responsibilities beyond the parameters of the game we support every day.

Following the success of the Teenage Cancer Trust partnership, and with strong staff involvement, Breast Cancer Care was appointed The FA Group's official charity partner. This partnership spans 24 months and ends in July 2016. To date, the charity has received just over £250,000; £150,000 from 2014 and 2015 FA Community Shield Fund donations and a further £100,000 through staff and partner related fundraising activity.

The charity has so far benefited from a range of unique opportunities for their service users and volunteers. Many of our Wembley events have proved a great way to celebrate and promote the partnership which will be highlighted even more at England v France on 17 November – the official Breast Cancer Care international. Notable campaigns have included the Pass It On awareness initiative that saw England stars helping to spread important messaging.

The FA also continued to offer its support to three other charities which have a strong connection to the organisation. The Bobby Moore Fund and the Sir Bobby Robson Foundation do great work in the field of Cancer Research in memory of two special footballing men and we are proud to continue to support them both and the Homeless Football Association – a charity that empowers those experiencing homelessness using the power of football.

The England players continue to support good causes through their England Footballers' Foundation while we also work with our colleagues at UEFA and FIFA to support their good causes as and when appropriate. A stand-out moment was when the work of the NSPCC and its long standing relationship with The FA, through the Child Protection in Sport Unit (CPSU), was recognised by UEFA as its Charity Partner in August 2014 and awarded €1 million.

Once again, The FA backed the Football Supporters' Federation and Supporters Direct annual conference and also gave backing to important campaigns by the likes of Kick It Out and Level Playing Field. Several activities were staged with our England Supporters Club while following the senior men's team overseas.

The latter part of 2014 also marked the start of the Football Remembers project – a joint collaboration between The FA, Premier League, Football League and British Council to mark the centenary of the start of the First World War. A series of activities culminated in a special event at the National Memorial Arboretum in December 2014 to commemorate the story of the Christmas Truce. England player Theo Walcott and FA President HRH The Duke of Cambridge judged a schools' design competition that saw 10-year-old Spencer Turner create a lasting memorial.

On a military theme, The FA continues to support the Tickets for Troops initiative. In September 2015, patients and staff from the Defence Medical Rehabilitation Centre at Headley Court were among hundreds of troops cheering England on against Switzerland at Wembley Stadium. In August 2014, The FA had extended its Tickets for Troops partnership through to summer 2016, as a minimum allocating 500 seats to the charity for every England international. To date, well over 20,000 tickets have been donated since the partnership began in 2010.

The FA is committed to working with the local community around both Wembley and the National Football Centre at St. George's Park. We have a close partnership with Brent Council which ensures that the benefits and opportunities of the Stadium are shared by the community at large. The Learning Zone is a dedicated classroom within the Stadium for use by local schools and continues to be a thriving asset for the community. A notable event was a special visit by England defender Gary Cahill and manager Roy Hodgson around St. George's Day in April.

Likewise FA employees offer their time to provide mentoring, work experience and open days for local schools who are seeking to provide help, guidance and opportunities for their pupils. This has also extended to strong local support for Breast Cancer Care including an FA-funded Breast Awareness Roadshow Bus touring the country. Whenever possible tickets are distributed through the Council to local groups who want to be able to come and share the big event experience on their doorstep. St. George's Park, in its third year of operation, continues to provide a home for community football with up to 40 local teams playing there week in week out. St. George's

Strategic report
Corporate social responsibility

Park is well on the way to meeting its commitment of creating 100 local apprentice opportunities in its first ten years. It also now plays host to a statue to Arthur Wharton, the world's first black professional player after a ceremony in October 2014.

Environmental policy

The FA continues to place emphasis upon environmental sustainability across the group. As other venues make significant strides to develop their own sustainability credentials, the FA Green Team at Wembley is working hard to maintain a best-in-class status. This year the decision was made to reorganise the Green Team to create a more focused group of in house experts, who continue to provide the impetus for operational improvements across the six priority areas (energy, water, waste, sustainable procurement, transport and marketing and communications). Wembley picked up numerous industry awards in recognition of the progress that is made year-on-year. These included the fifth consecutive Industry Green Award (and the second three star award) as well as becoming the first sports organisation to achieve the Carbon Trust treble, denoting excellence in managing the impacts of energy use, water use and waste production at the Stadium.

Despite the installation of venue-enhancing equipment in 2013 (including 600 TV screens, an LED ribbon messaging board and large LED screens on the front of the Stadium) electricity consumption was reduced once again in 2014, thanks to the prudent management of energy use in the Stadium. Upgrading Stadium infrastructure continued as a priority this year, yet projects were completed with energy efficiency in mind. The iconic arch was retrofitted with cutting-edge LED lights which use 48% less power. Inside the Stadium the lighting along the service road was upgraded to LEDs with integral presence detectors, saving an estimated 383,000kWh of electricity per year. These developments not only enhance Wembley's international sustainability reputation but are also greatly beneficial to the bottom line; cumulative energy savings total over £6.5 million since 2007.

As Wembley is already a zero-waste-to-landfill venue, the waste strategy for 2014 was focused upon ensuring that as much waste as possible is recycled. The total diversion rate dipped slightly in comparison to previous years. The response has been to renew the focus on staff engagement; a bespoke waste management video is shown to all event-day staff and a waste guidance leaflet has been produced to help involve event owners within Wembley's best practice approach.

Reducing waste was also a key message of this year's Green Week; the biggest environmental staff engagement exercise to date. Outreach extended to local schools who were invited to participate in a recycling challenge, taking inspiration from Wembley's recycled lions. A Green Transport Day was organised with Wembley's transport targets in mind; the priority was to promote cycling and raise awareness amongst staff commuting by car. Uptake of the Cycle-to-Work-Scheme has been positive since. Green Team notice boards have been installed in all office quads as another vehicle to communicate Wembley's environmental successes amongst the staff.

In the face of growing energy prices, tightening legislation and increasing consumer scepticism, the sum of Wembley's' achievements across each priority area is to strengthen business resilience. Whilst Wembley has a social obligation to increase the efficiency of processes and reduce consumption, the business case for managing the Stadium's impacts is beyond doubt; through the implementation of a multi award winning Environmental Management System (EMS), the Green Team and sustainability partners Eco-Age have identified strategic opportunities, reduced business risk, increased resource use efficiency and enhanced Wembley's reputation as a world-class brand.

The Group manages and monitors its environmental impact on a calendar year and for 2015 Wembley is on track to achieve the following targets:

- To reduce electricity consumption by 5% compared to 2014;
- To maintain average gas consumption set against the baseline years 2009-2011;
- To achieve a total waste diversion rate of 85%; and
- To reduce water consumption by 5% compared to 2014.

Approved by the Board of Directors and signed on behalf of the Board on 4th December 2015

Martin Glenn
Chief Executive Officer, The Football Association

England unbeaten

The men's senior team completed the 2015 season unbeaten, with eight wins and two draws seeing the Three Lions finish a season without defeat for the first time in 24 years.

Strategic report
Financial review

Andrew Crean

Overview

The Financial review is for the Football Association Limited and its subsidiaries (the "Group") for the year ended 31 July 2015 ("2015").

The FA's remit is to protect and grow the game of football in England. To do this The FA seeks to generate commercial revenues from its core activities and assets and aims to maximise the amount that it can invest directly into football (see graphic below for a breakdown of the Group's record investments into the game in the 2015 season). As with any organisation, The FA manages its finances and cash flows based on a short, medium and long-term outlook to ensure that the organisation is not unduly exposed to external risks and factors beyond its control.

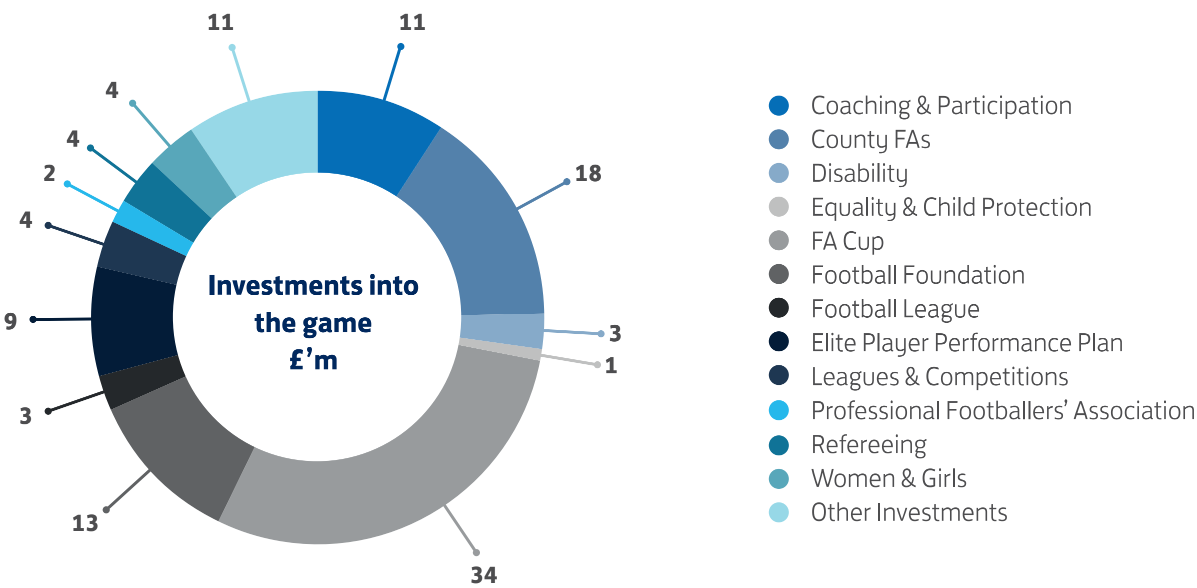
Change in accounting standards

During the period the Group elected to apply Financial Reporting Standard 102 (FRS 102) when preparing the financial statements. This is the first year of reporting under FRS 102, replacing previous UK GAAP which was applied in prior years. As a result, the prior year financial statements have been restated for material adjustments on adoption of FRS 102 in the current year. For more information see Note 24.

The most significant changes have arisen from bringing the Group's financial instruments onto the balance sheet. These are remeasured to their fair values at each year end and therefore can increase volatility in the Group's reported profit or loss.

Reorganisation

As discussed in the Chief Executive Officer's review of the year in the Strategic report, the Group is in the process of carrying out a significant organisational restructure, in order to make major cost savings to invest in elite England teams, facilities and grassroots coaching. The Group authorised the formal plan of restructuring and announced this to affected employees during the year ended 31 July 2015.



Underlying results for the year ended 31 July 2015
The fair value movement on the financial instruments and the costs incurred in relation to the Group's reorganisation have a material impact on the Group's results for the season. A set of underlying results, excluding these items, is presented alongside the statutory results below in order for a more meaningful comparison of the underlying performance of the Group to be assessed.

	Underlying results 2015 £'m	Exceptional items 2015 £'m	Statutory results 2015 £'m	Underlying results 2014 £'m	Exceptional items 2014 £'m	Statutory results 2014[1] £'m
Turnover	318.1	–	**318.1**	332.3	–	**332.3**
Cost of sales	(60.7)	–	**(60.7)**	(71.7)	–	**(71.7)**
Gross profit	257.4	–	**257.4**	260.6	–	**260.6**
Operating expenses[2]	(229.5)	(8.1)	**(237.6)**	(228.2)	13.5	**(214.7)**
Operating profit	27.9	(8.1)	**19.8**	32.4	13.5	**45.9**
Finance costs[3]	(22.5)	(6.6)	**(29.1)**	(23.1)	13.6	**(9.5)**
Profit/(loss) before tax	5.4	(14.7)	**(9.3)**	9.3	27.1	**36.4**
Tax credit/(charge)[4]	(2.4)	2.6	**0.2**	(4.2)	(4.2)	**(8.4)**
Profit/(loss) after tax	3.0	(12.1)	**(9.1)**	5.1	22.9	**28.0**

Financial results for the year ended 31 July 2015
During the year ended 31 July 2015, the Group's turnover was £318.1 million (2014: £332.3 million). Cost of sales for the year was £60.7 million (2014: £71.7 million), generating gross profit of £257.4 million (2014: £260.6 million).

The Group incurred underlying operating expenses of £229.5 million (2014: £228.2 million), which included investments into the game of £116.7 million (2014: £115.0 million). On a statutory basis, operating expenses were £237.6 million (2014: £214.7 million), with the increase due predominantly to restructuring and reorganisation costs recognised in 2015 of £10.4 million and a gain on the remeasurement of the forward foreign currency contracts that was £11.2 million lower than the gain in the 2014 season.

Underlying finance costs of £22.5 million (2014: £23.1 million) were also incurred, reducing to reflect the lower outstanding balance on the external debt.

On a statutory basis, net finance costs were £29.1 million (2014: £9.5 million). The increase is attributable to the adoption of FRS 102, following which the movement in fair value on the Group's interest rate swap, taken out in 2008 to fund Wembley Stadium, is recognised through profit and loss. Between July 2014 and July 2015 the fair value of the interest rate swap liability increased, generating a loss of £6.6 million, compared to a decrease in the value of the liability between July 2013 and July 2014, resulting in a £13.6 million gain.

The Group recognised a tax credit of £0.2 million (2014: £8.4 million charge), delivering a loss after tax of £9.1 million (2014: £28.0 million profit). On an underlying basis, profit after tax was £3.0 million (2014: £5.1 million).

The profit after tax is reduced by the actuarial loss on the final salary pension scheme of £0.4 million (2014: £1.0 million), resulting in a total recognised loss in the year of £9.6 million (2014: £27.0 million profit).

[1] Restated following the adoption of FRS 102.

[2] Operating expenses exceptional items include restructuring and reorganisation costs of £10.4 million (2014: £nil) and a fair value gain on remeasurement of forward foreign currency contracts of £2.3 million (2014: £13.5 million).

[3] Finance costs exceptional items include a fair value loss on remeasurement of interest rate swap of £6.6 million (2014: £13.6 million gain).

[4] Tax charge exceptional items represent the tax impact on the other exceptional items.

Strategic report
Financial review

Financial position as at 31 July 2015

The net assets of the Group as at 31 July 2015 have decreased by £9.6 million over the previous twelve months, to £117.1 million (2014: £126.7 million).

Wembley Stadium and St. George's Park are the Group's key tangible fixed assets. Tangible fixed assets decreased by £27.2 million to £622.1 million (2014: £649.3 million). The decrease represents the depreciation charge in the year of £36.6 million partly offset by fixed asset additions during the year.

The Group has total debtors of £73.1 million (2014: £88.5 million), which include amounts owed from sponsors, broadcasters and Club Wembley members, in addition to prepayments and accrued income.

The main liabilities on the balance sheet are the bank loans associated with the Stadium funding, the associated interest rate swap and the finance lease obligations on the lease and leaseback facility for the hotel at St. George's Park. The bank loans outstanding in relation to the Stadium funding amount to £251.6 million (2014: £263.1 million), net of unamortised arrangement fees, of which £10.4 million (2014: £11.5 million) is repayable within one year. The Group continues to make both the mandatory and target repayments. The fair value of the interest rate swap is a liability of £58.1 million (2014: £51.5 million) and this is held on the balance sheet following the adoption of FRS 102 in the year. The outstanding obligation under the finance lease for St. George's Park is £50.0 million (2014: £50.0 million).

Since the year end, the Group has settled its obligations under its existing bank financing arrangements in full and closed out its interest rate swap. New financing has been secured in the form of a £300.0 million loan facility, with £200.0 million available under a Revolving Credit Facility and £100.0 million borrowed under a Term Loan. The new financing arrangements are on more favourable terms, reducing the Group's annual interest commitments to enable the Group to increase its investments into the game and work towards fulfilling its strategic priorities.

Cash flow during the year ended 31 July 2015

During the year there was a net increase in cash of £30.3 million to £162.1 million (2014: £131.8 million). There was a net cash inflow in the year from operating activities of £72.3 million (2014: £66.0 million). During the year the Group made net interest payments of £21.6 million (2014: £21.9 million), made repayments on the Group's borrowings of £11.9 million (2014: £11.5 million), purchased tangible fixed assets at a cost of £9.7 million (2014: £11.6 million) and received a repayment on the amounts loaned to bank of £1.1 million (2014: £0.9 million).

Financial summary

During the 2015 season the Group invested £117 million into the game, surpassing the previous record of £115 million invested in 2014. The investments into the game are critical to supporting The FA's strategic priorities. Among other areas, the Group increased its investments into coaching and participation, disability football, refereeing and women and girls football in 2015.

Increased investment into the game was supported by strong revenue in the season of £318 million (2014: £332 million). The reduction in revenue in the year was in part due to 2015 being a non-tournament year for the England senior men's team, with higher revenue generated in 2014 as a result of the prize money from the FIFA World Cup and the increased England fixture schedule in the lead up to the tournament. Sponsorship revenues were higher in 2014, primarily due to there being no lead sponsor for the 2014/15 FA Cup. During the season a new sponsorship deal has been agreed with Emirates, who will become the lead partner for The FA Cup from the 2015/16 season.

During the year the Group's largest revenue stream, broadcasting income, increased by £13 million, mainly from the new FA Cup contracts with BT and BBC which came into effect for the 2015 season. The FA has sold all of its long-term domestic and international broadcasting rights through to July 2018 and renewed a number of key partnership sponsorship contracts during the season. The FA is committed to providing stability and long-term investment in key projects whilst ensuring that the Group has adequate reserves and a robust financial position.

The FA has sold all of its long-term domestic and international Broadcasting rights through to July 2018 and renewed a number of key partnership sponsorship contracts during the season.

Revenue from Wembley Stadium in 2015 was £4 million lower than in 2014, as a result of a reduced event calendar in the year, with 28 events held during the 2015 season compared to 35 in 2014. This included four fewer England men's matches and a reduced concert schedule, in part due to the cancellation of the Foo Fighters concerts.

The reduction in the Group's revenues led to lower cost of sales in the year, down £11 million to £61 million (2014: £72 million). The decrease mirrors the reduction in revenue, with the greatest impact coming from not incurring tournament costs for participating at the 2014 World Cup and from putting on a reduced event calendar.

Operating costs increased by £23 million to £238 million (2014: £215 million), in large part due to the movement in the fair value of the Group's forward foreign currency contracts and the cost of undertaking the restructure and reorganisation of the Group. A smaller gain, of £2 million in 2015 compared to £14 million in 2014, on the remeasurement of the forward foreign currency contracts contributes significantly to the increase, while the reorganisation of The FA has increased costs by £10 million as the Group realigns its activities to best meet its new strategic priorities. There has been a £2 million increase in investments into the game offset by a decrease in other operating expenses, as the Group continues to prioritise its investments in both the National Game and Professional Game.

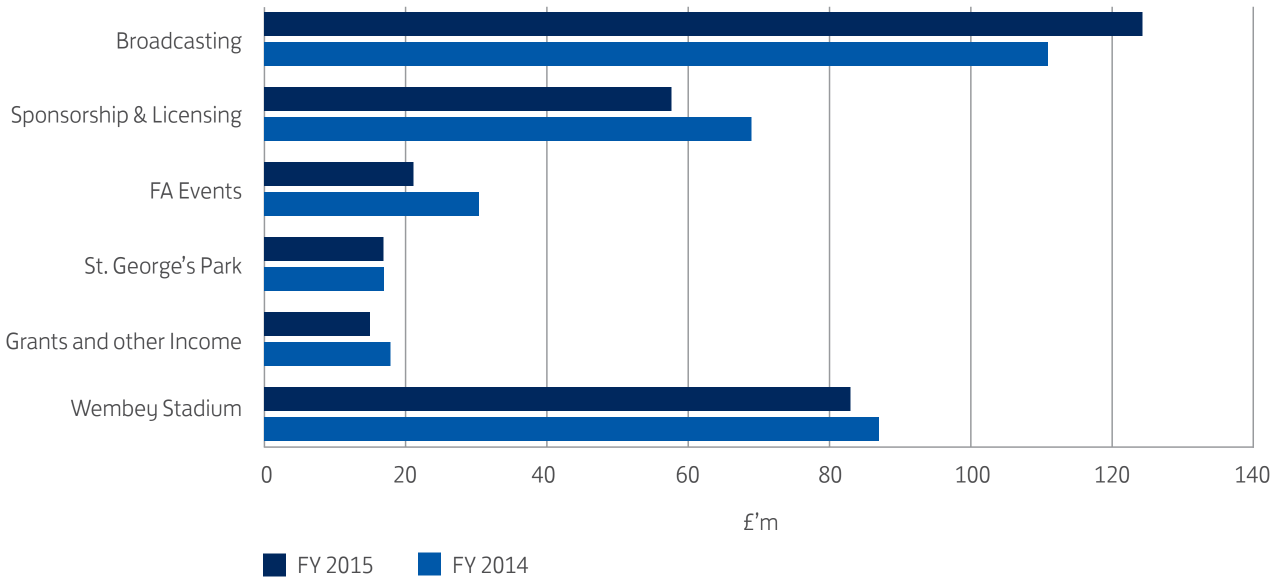
During 2015, finance costs increased by £19 million to £29 million (2014: £10 million), as a result of movements in the fair value of the interest rate swap between 2013 and 2015. At 31 July 2013, the fair value of the interest rate swap was a liability of £65 million. At 31 July 2014 this dropped to a fair value liability of £52 million. By 31 July 2015 the fair value had increased to a liability of £58 million. The year-on-year movements are recognised in profit and loss under FRS 102, resulting in finance income of £13 million in the 2014 season in contrast to a finance cost of £6 million in 2015.

The Group's tax charge has dropped by £8 million to a credit of £0.2 million, reflecting the loss before tax in the 2015 season compared to the profit recognised in 2014, following the less favourable fair value movements and the increased costs due to the Group restructuring and reorganisation.

Turnover

A detailed breakdown of the Group's turnover is given below:

	2015 £m	2014 £m	Change £m
Broadcasting	**124**	111	13
Sponsorship & Licensing	**58**	69	(11)
FA Events	**21**	30	(9)
FA Grants	**10**	9	1
St. George's Park	**17**	17	–
Other Income	**5**	9	(4)
Wembley Stadium			
Club Wembley	**56**	57	(1)
Wembley Events	**22**	24	(2)
Other Income	**5**	6	(1)
	318	332	(14)



The sale of broadcasting rights for FA Cup and England matches continues to be The FA Group's largest revenue stream, generating income of £124 million in 2015 (2014: £111 million). The £13 million of additional revenue in 2015 was generated from the new broadcasting contracts that came into effect this season and are in place for the 2014-18 cycle, with BT and the BBC now the domestic broadcast partners for The FA Cup and UEFA now centralising the negotiation of all UEFA affiliated broadcasting deals before redistributing this to the participating football associations. This increase if offset to a lesser extent by the reduced number of England friendly matches played in the season, compared to the bumper programme in the 2014 season in celebration of The FA's 150th year and in preparation for the FIFA World Cup in Brazil.

Revenue generated from Sponsorship and Licensing fell by £11 million to £58 million in 2015 (2014: £69 million). This was in part due to 2015 being a non-tournament season and therefore there were no tournament qualification bonuses from sponsors this season. The biggest impact, however, was from the absence of an FA Cup lead sponsor for the 2015 season, following the conclusion of the agreement with Budweiser after the 2014 FA Cup final. In May 2015 a new agreement with Emirates was announced, with The FA Cup rebranded to The Emirates FA Cup for the three years starting in the 2016 season.

A number of the Group's key sponsorship agreements were renegotiated in 2014, with the new deals with Vauxhall, Mars, McDonald's, Carlsberg and William Hill coming into effect in the 2015 season. As well as Emirates, the Group was pleased to announce new agreements with SSE, the new Women's game partner, Budweiser and Panini, during the year. These new partnerships will generate their first full year of revenue in the 2016 season.

FA Events income fell by £9 million to £21 million in 2015 (2014: £30 million). This revenue stream relates predominantly to gate receipts from the home England matches and from the latter stages of The FA Cup held at Wembley Stadium. The reduction in the 2015 season was mainly attributable to there being eight England home games in 2014, to mark The FA's 150th anniversary, compared to four in the 2015 season.

Grant income of £10 million (2014: £9 million) predominantly relates to income from Sport England and UEFA and finances a number of the National Game initiatives including a focus on women and girls participation and football development, youth football, disability football and refereeing. The increase in grant income of £1 million from the 2014 season reflects increased utilisation of funding from Sport England under the Whole Sport Plan to promote participation particularly in women & girls football, after school clubs and in creating pathways between casual football and organised football.

St. George's Park is a base for the 24 England teams and FA Education, The FA's educational department. Revenue is generated from the onsite Hilton hotel, the FA Education courses and sponsorship income. Revenue remains consistent with 2014, at £17 million.

Other income of £5 million (2014: £9 million) has fallen as a result of there being no England senior men's tournament income in 2015, while 2014 benefited from the FIFA World Cup prize money. The most significant elements of other income in 2015 relate to income from fines following FA disciplinary action and tournament income from the 2015 FIFA Women's World Cup in Canada.

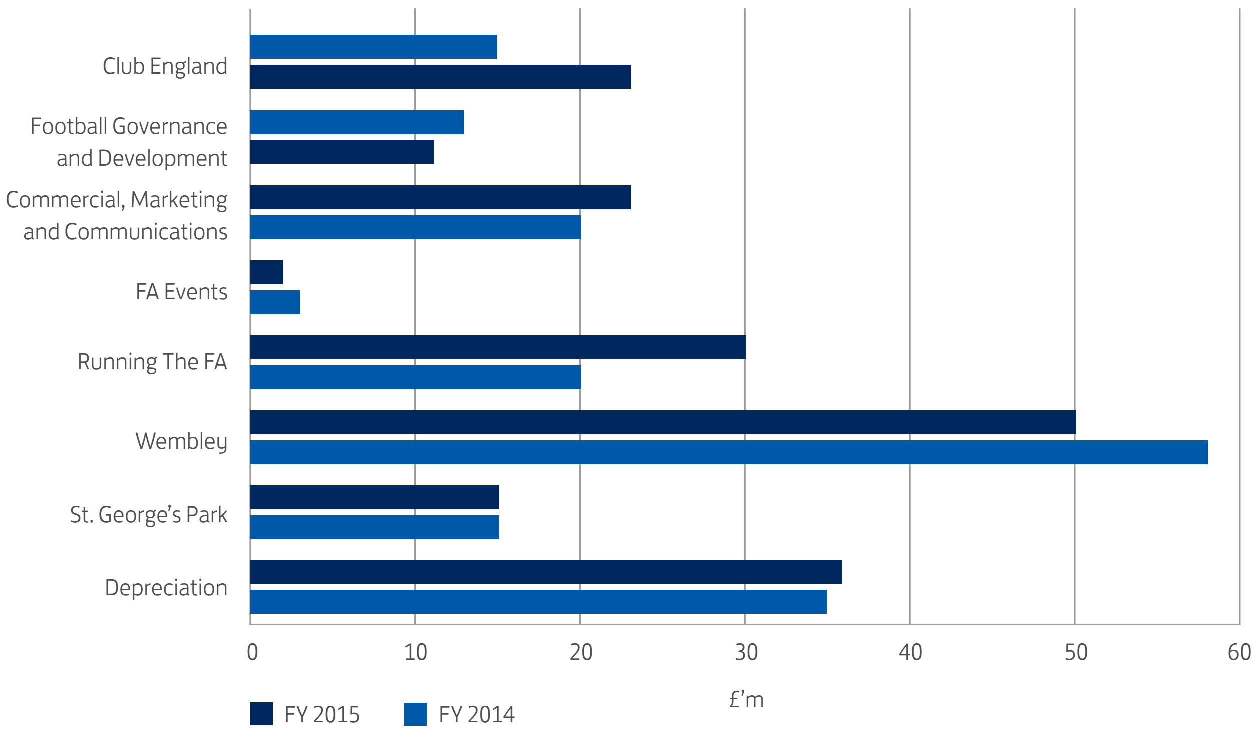
Revenue generated by Wembley Stadium decreased by £4 million to £83 million (2014: £87 million). This includes revenue generated at all events held at the Stadium, excluding the England internationals and FA matches such as the FA Cup semi finals and final, which are included in FA events revenue. The decrease in 2015 is largely reflective of the reduced events programme, with 28 events held at Wembley in 2015, compared to 35 in 2014.

Revenue generated from Club Wembley seats and private boxes decreased by £1 million in the 2015 season, with sales remaining resilient despite the reduced events calendar. Wembley events revenue dropped by £2 million, as a result of there being no boxing match in 2015 after the Froch-Groves fight in 2014, offset by the historic England Women's game against Germany held in 2015. Other income generated by Wembley Stadium includes sales from the onsite shop, tours of the Stadium and conference and banqueting events, which fell by £1 million in 2015, as a result of reduced footfall at the Stadium in line with the reduced number of events.

Expenditure

The Group's costs and investments into the game increased by £13 million in the season to £299 million (2014: £286 million), and this is summarised below:

	2015			2014			
£m	**Cost of sales**	**Operating expenses**	**Total**	Cost of sales	Operating expenses	Total	Change
Club England	10	5	**15**	17	6	23	(8)
Football Governance and Development	2	11	**13**	1	10	11	2
Commercial, Marketing and Communications	19	4	**23**	17	3	20	3
FA Events	2	–	**2**	3	–	3	(1)
Running The FA	–	30	**30**	–	20	20	10
Wembley	22	28	**50**	28	30	58	(8)
St. George's Park	6	9	**15**	6	9	15	–
Depreciation	–	36	**36**	–	35	35	1
	61	**123**	**184**	72	113	185	(1)
Fair value gains on forward foreign currency contracts	**–**	**(2)**	**(2)**	–	(14)	(14)	12
Investments into the game	**–**	**117**	**117**	–	115	115	2
	61	**238**	**299**	72	214	286	13



Club England includes all the costs associated with running England's 24 teams including men's, women's, youth and disability sides. Total expenditure decreased by £8 million in 2015 to £15 million (2014: £23 million). This is primarily attributable to the additional costs incurred in 2014 from the men's senior team attending the FIFA World Cup, offset by the additional costs for participating at the 2015 Women's FIFA World Cup in Canada.

Football Governance includes areas such as disciplinary, compliance, refereeing, agents, financial matters and doping control, while Football Development focusses on the technical support for all England teams, excluding the senior men's team. Additional investments to improve the performance support for the teams have contributed to the £2 million increase in costs to £13 million (2014: £11 million).

Commercial, Marketing and Communications costs have increased by £3 million to £23 million (2014: £20 million). This represents the cost of supporting two of the Group's key revenue streams, broadcast and sponsorship, as well as the costs of supporting our external stakeholder communications, with the increase attributable to the costs of securing new sponsorship contracts in the season and the provision for broadcasting rights to be foregone when the second match is played with Italy under the reciprocal rights broadcast agreement with the Italian FA.

The reduction in FA Event costs to £2 million (2014: £3 million) is as a result of hosting four fewer England games at Wembley Stadium during the 2015 season.

Running The FA includes the costs of The FA Council, the executive office, Finance, HR, IT and Legal. Total expenditure increased by £10 million to £30 million (2014: £20 million), as a result of the cost of implementing the Group's reorganisation, which will ultimately reduce the Group's cost base in the long-term to enable increased investment back into the game and support The FA's new strategic priorities.

Wembley costs were reduced by £8 million to £50 million (2014: £58 million). The decreased cost base is primarily due to the lower number of events staged at Wembley during the year and the costs incurred in the 2014 season associated with the rebranding of Wembley Stadium.

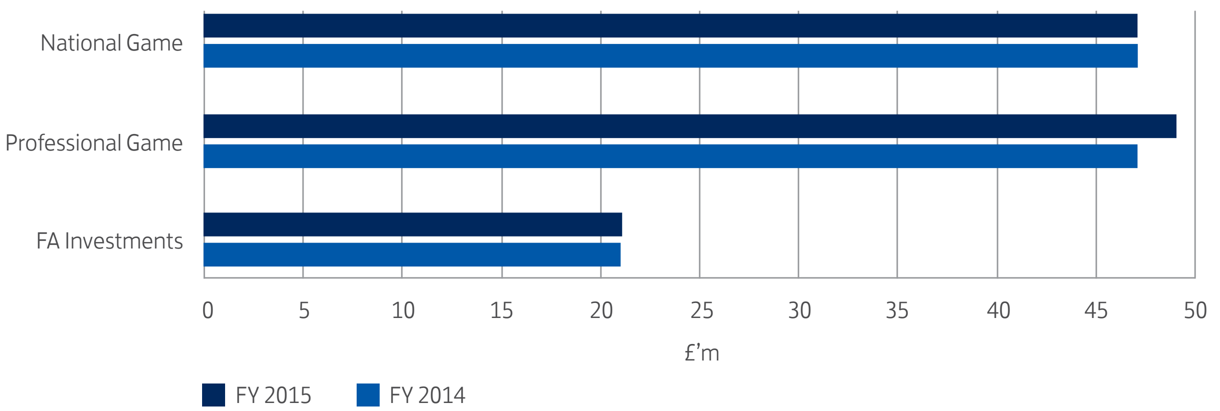
In line with revenue at St. George's Park, costs for 2015 remain in line with those in the 2014 season at £15 million (2014: £15 million).

The Group's annual depreciation charge increased by £1 million to £36 million (2014: £35 million), largely as a result of the commencement of depreciation of the Whole Game System, the county-wide online administration system for clubs, leagues, players and referees.

Investments into the game

The Group invested £117 million into the game in 2015 (2014: £115 million) with increased investment in areas including FA Cup distributions, coaching, participation and disability football. Investment into the game represents 37% (2014: 35%) of the Group's turnover. The FA's investments into the game are divided across the Professional Game (the Premier League and the Football League), the National Game and some central FA investments.

	2015				2014	
£m	**National Game**	**Professional Game**	**FA Investments**	**Total**	Total	Change
Coaching & Participation	4	2	5	**11**	10	1
County FAs	16	–	2	**18**	18	–
Disability	1	–	2	**3**	2	1
Equality & Child Protection	–	–	1	**1**	1	–
FA Cup	4	30	–	**34**	32	2
Football Foundation	13	–	–	**13**	13	–
Football League	–	3	–	**3**	3	–
Elite Player Performance Plan	–	9	–	**9**	9	–
Leagues & Competitions	3	–	1	**4**	4	–
Professional Footballers' Association	–	2	–	**2**	2	–
Refereeing	–	2	2	**4**	4	–
Women & Girls	–	–	4	**4**	4	–
Other Investments	6	1	4	**11**	13	(2)
	47	**49**	**21**	**117**	115	2



A total of £47 million (2014: £47 million) was distributed through the National Game into grassroots football during the 2015 season. This includes distributions to the Football Foundation of £13 million (2014: £13 million), distributions from The FA Cup of £4 million (2014: £4 million), distributions to County FAs of £16 million (2014: £15 million), initiatives to improve coaching and participation of £4 million (2014: £4 million), support to various grassroots leagues and competitions of £3 million (2014: £4 million), investments into grassroots disability football of £1 million, (2014: £1 million) and other investments into the game of £6 million (2014: £6 million) in relation to the National Game Strategy.

In the 2015 season a total of £49 million (2014: £47 million) was distributed to the Professional Game. The FA Cup, which comprises prize funds, TV broadcast fees and The FA Cup Pool distributions to clubs accounts for £30 million (2014: £28 million) of this, with the remainder being direct grants to the Football League of £3 million (2014: £3 million), initiatives to develop promising young players through the Elite Player Performance Plan of £9 million (2014: £9 million), funding for the Professional Footballers' Association of £2 million (2014: £2 million), distributions to the Professional Game Match Officials of £2 million (2014: £2 million), coaching and participation of £2 million (2014: £1 million) and other investments into the game of £1 million (2014: £2 million), which includes financial governance, stadia safety and security and international relations.

An additional sum of £21 million (2014: £21 million) was invested into projects that span the whole game including women & girls football, elite disability football, The FA's Respect programme, FA Learning, medical and exercise science, safeguarding children and talent identification.

Finance costs

Net finance charges increased in the year by £19 million to £29 million (2014: £10 million). Following the adoption of FRS 102, all financial instruments are now held on balance sheet at fair value, with any movements in fair value between the periods being recognised through profit and loss. The significantly increased finance costs in the year are due to the changes in the value of the interest rate swap, which hedges the interest rate risk exposure on the debt taken out in 2008 to fund Wembley Stadium. Between July 2013 and July 2014 the fair value of the liability fell from £65 million to £52 million, resulting in finance income of £13 million recognised in 2014. This contrasts the £6 million finance cost in 2015, following the rise in the fair value of the liability from £52 million in July 2014 to £58 million in July 2015.

The other finance costs are primarily the interest on the Wembley Stadium bank loans of £20 million (2014: £21 million) and the lease interest on the financing associated with the hotel at St. George's Park of £3 million (2014: £3 million).

Tax charge

The Group's tax charge reduced by £8 million to a tax credit of £0.2 million (2014: £8 million charge). The 2015 credit is comprised of a current tax charge of £1.1 million (2014: £5 million) offset by a deferred tax credit of £1.3 million (2014: £3 million charge). The reduced charge in the year is a consequence of the loss before tax recognised this season.

Other comprehensive income

The loss after tax is reduced by the actuarial loss of £0.4 million (2014: £1.0 million) on the remeasurement of the Group's final salary pension scheme, resulting in a total comprehensive expense in the 2015 season of £9.6 million (2014: £27.0 million income).

Andrew Crean
Group Chief Financial Officer, The Football Association

Disability participation

Since the launch of the National Game Strategy Refresh in 2011 there has been growth of 55% in disability participation. There are now in excess of 1,600 disability football teams in England.

Directors' report

The directors present their annual report on the affairs of the Group, together with the financial statements and auditor's report, for the year ended 31 July 2015.

As permitted under section 414C(11) of the Companies Act 2006, the following disclosures required by regulations made under section 416(4) have been included in the Strategic Report and form part of this report by cross-reference:

- Financial risk management objectives and policies (refer to the Principal risks and uncertainties section); and
- Events which have occurred since the end of the financial year (refer to the Chief Executive Officer's review of the year section).

Going concern
The directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in Note 1 (c) to the financial statements.

Dividends
In accordance with The FA's Articles of Association, no share shall entitle the holder thereof to any payment in respect of dividend.

Equal opportunities
The FA Group actively promotes equal opportunities in employment and welcomes applications from all sections of the community. We are committed to inclusive practices and treating all applicants, employees and participants fairly, regardless of age, gender, race, nationality, ethnic origin, colour, sexual orientation, gender reassignment, marital status, religion or belief, ability or disability.

The FA's commitment is to work in partnership with all the football bodies and campaign groups such as Kick It Out to implement a zero tolerance policy to discrimination in all its forms.

The FA Group is committed to equality monitoring of its employees and we are in the process of implementing an online system to collate the relevant data to inform our inclusion practices and to identify areas of support that are required for the workforce.

The FA Group has an Inclusion Advisory Board with a remit that includes advising The FA on widening diversity in The FA Group's wider football workforce.

Disabled employees
Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of The FA Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation
The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings, an Employee Consultation Forum, staff surveys, a proactive Get Involved staff engagement programme and a recently enhanced staff intranet.

Corporate governance
The Board
The Board is responsible for The FA's overall strategy, all financial matters and oversees operating and financial performance and the system of internal control.

The Board receives written reports from the Chief Executive Officer and Group Chief Financial Officer as standing items at each meeting, considers other matters which require formal noting or approval and also receives reports from its committees and subsidiary companies.

The Board comprises 12 directors, being the Chairman, the Chief Executive Officer, four non-executive directors from the National Game, four non-executive directors from the Professional Game and two independent non-executive directors.

Non-Executive Chairman: Greg Dyke
Greg became the Independent Chairman of The Football Association in July 2013. He has worked as Director General of the BBC and Managing Director of London Weekend Television and is also currently Chairman of both the British Film Institute and Europe's largest theatre group, ATG. Greg has been Chancellor of the University of York since 2004. From a footballing perspective, he was a Director of Manchester United in the late nineties and took the role of Non-Executive Chairman at Brentford between 2006 and 2013, the team he supported as a boy.

Executive Director: Martin Glenn, Chief Executive Officer
Martin was named as The FA's Chief Executive Officer in March 2015. Prior to taking up his role at The FA, he worked as CEO at United Biscuits, a £1bn company, home to the McVitie's and Jacobs brands. Martin came to prominence during his time at Walkers Snack Foods in 1992, where he increased their market share from the mid-20s to more than 60%. He became company president in 1998 and ran the business until 2006, when he left to join Birdseye, which had been acquired from Unilever for £1.2bn. In 2003, he was awarded Marketing Week's CEO of the Year, and in 2004 was voted the UK's most influential marketer by Marketing Magazine. An FA qualified grassroots coach, Martin is also a former Leicester City FC non-executive Director, having sat on the Club's Board between 2002 and 2006.

National Game representatives

Barry Bright
Barry serves as one of the four National Game Directors on The FA Board and is also the Leader of The FA Council. Barry was first appointed on to The FA Council in 1984 and is now a Vice-President of The FA and a member of the National Game Board, Judicial Panel, National Game Finance Committee and League Finance Committee. Barry also serves as a Trustee of The FA's National Sport Centre Trust, Youth Trust and Benevolent Fund and is a Director of the National Football Centre Limited. A retired surveyor/estate agent, Barry has previously served as Chairman of Sittingbourne FC and Chief Executive of Gillingham FC and was a member of the Kent Police Authority. Barry is the Chairman of Kent County Football Association and his role extends into international football, serving as a member of UEFA's Disciplinary Appeals Body.

Roger Burden
Roger was first appointed onto The FA Board in 2001, having been appointed to The FA Council in 1995. He is a Vice-Chairman and Vice-President of The FA. He is Chairman of both the National Game Board and the Judicial Panel. Roger also serves on the Finance Sub-Committee, Protocol Committee, Nominations Committee, National Game Finance Committee and Remuneration Committee, the latter two of which he also chairs. He is the Chairman of Gloucestershire County FA and is also an FA representative on the Football Foundation. Roger is a former Chief Executive and Chairman of Cheltenham & Gloucester Plc and is a Fellow of the Chartered Institute of Bankers. He holds an Honorary PhD from the University of Gloucestershire, awarded in recognition of his contribution to Sport and Financial Services.

Mervyn Leggett
Mervyn was appointed on to the Board in 2010 and is a Vice-President of The FA, having previously been appointed on to The FA Council as the representative for Worcestershire County FA in 1992. He serves on the National Game Board, Women's Football Board, Women's Committee, Leagues' Committee and Facilities Committee. Mervyn also serves as a Trustee of The FA's National Sport Centre Trust, Youth Trust and Benevolent Fund. Mervyn had a career in the Sports Insurance industry prior to being appointed as the Chief Executive of Worcestershire County FA, a position he stepped down from in 2012.

Jack Pearce
Jack was appointed on to the Board in 2015, having first been appointed as a Divisional Representative on The FA Council in 2001. Jack serves on the National Game Board, Judicial Panel, League Finance Committee and Alliance Committee, the latter of which he chairs. Jack was formerly a player and manager of Bognor Regis Town and continues to serve the club as its General Manager and Vice-Chairman. Jack is a Board member of the National League and a Council member of Sussex County FA.

Professional Game representatives

David Gill
David was appointed on to the Board in July 2006 is a Vice-Chairman of The FA and serves on the Finance Sub-

Committee. He was appointed onto The FA Council as a representative of The FA Premier League in 2004. David is a member of UEFA's Executive Committee having been elected in May 2013 and was elected on to FIFA's Executive Committee in 2015. A chartered accountant by profession, David was formerly Chief Executive of Manchester United FC having been previously appointed as the Club's Finance Director in 1997. He remains a non-executive director of the Club. David has previously held finance roles at Proudfoot Consulting Plc and First Choice Holidays Plc.

Keith Lamb

Keith joined the Board in 2011 following his appointment onto The FA Council as a representative of the Football League in 2007. Keith serves on the International Committee, FA Cup Committee, Professional Game Board, Finance Sub-Committee and Remuneration Committee. Keith is a chartered accountant by profession and served as the Chief Executive of Middlesbrough FC until 2011 during which time he oversaw the move from Ayresome Park to the Riverside Stadium. He remains a non-executive director of the Club and a member of the Football League Board.

Ian Lenagan

Ian was appointed onto the Board in 2014 following his appointment onto The FA Council as a representative of the Football League in 2013. Ian also serves on the Professional Game Board, is a Director of Oxford United FC and serves on the Board of the Football League as a representative for clubs in League 2. Ian is also Chairman of rugby league club Wigan Warriors.

Peter McCormick

Peter was appointed onto the Board and Council in August 2015 as a representative of the Premier League and also serves on the Professional Game Board. Peter is Chairman of the Legal Advisory Group of the Premier League and Chairman of the League's Football Board, both Executive positions. Peter was Chairman of the Premier League in 2014/15. Peter Chairs Tribunals and Appeals for the Premier League, Football Association and Professional Game Match Officials Ltd. He is Chairman of Football Stadia Improvement Fund Ltd, a Trustee of the Football Foundation and a Chairman of Sport Resolutions (UK). Peter heads the Corporate and Commercial team at McCormicks Solicitors. He is an internationally recognised expert in Sports and Media and Entertainment Law. Peter is also a leading national figure in Charities Law and was awarded the OBE for services to charity on 1 January 2000. Peter was voted the inaugural Yorkshire Lawyer of the Year and Niche Practice Lawyer of the Year by the Yorkshire Law Societies. He has been ranked as a leading expert by the Legal 500 and Chambers UK and, in 2008, he received the Lifetime Achievement in Business Award at the Ackrill Media Group Business Awards.

Independent Non-Executive Directors

Roger Devlin

Roger was appointed on to the Board in 2012 and brings a genuine passion for sport and football. He was awarded a golf blue while reading law at Oxford, served as a Director of PGA European Tour Courses between 2000 and 2002, and is a member of the R&A and the Racehorse Owners' Association. Roger was an executive director of Hilton International and Ladbrokes and now chairs a number of substantial private companies including Satellite Information Services, and Marstons the FTSE 250 pubs and brewery group. He has been a financial advisor to a number of Premier League clubs and demonstrates an excellent understanding of the business of football, as well as being a valued counsellor to St. George's Park. Roger serves on The FA's Group Audit Committee and Finance Sub-Committee, the latter of which he chairs.

Heather Rabbatts CBE

Heather became The FA's first female Board member when she was appointed in 2012. Heather was born in Kingston, Jamaica, trained as a barrister but made her name as the youngest local authority chief executive and subsequently went on to run the London Boroughs of Lambeth, Merton and Hammersmith and Fulham. She then left the public sector and worked in the private sector, primarily in media, before becoming the Executive Deputy Chair of Millwall FC in 2006. Heather has held a number of senior positions including Governor of the BBC and the London School of Economics, Trustee of the British Council, and a non-executive director of Crossrail, the UK Film Council, Bank of England, Grosvenor and the Royal Opera House. She was awarded a CBE in the 2000 New Year Honours list. Heather serves on The FA's Remuneration Committee and chairs the Inclusion Advisory Board.

Independence

The Articles provide the definition of independence for the independent non-executive directors and the Chairman. At the time of their appointment, the Chairman or independent non-executive directors shall not be a member of The FA Council or be an employee, director or officer, or have a material business relationship with an organisation within the football family.

The Chairman and independent non-executive directors are appointed by the Council following a recommendation by the Nominations Committee and endorsement by the Board on a three-year term of office. The Chief Executive Officer is appointed by the Board. The National Game directors are elected by the National Game Representatives on Council and each is subject to re-election at least every three years. The Professional Game directors are appointed annually by The FA Premier League (two directors) and The Football League (two directors).

There is a clear division of responsibility between the roles of Chairman and Chief Executive Officer. The Chairman provides strong leadership for the Board on all aspects of its role and maintains effective relationships with key stakeholders in football both domestically and internationally. The Chief Executive Officer has executive responsibility for delivering strategies and programmes in line with the Board's direction.

The Board is empowered to appoint committees, incorporating independent membership, as it considers appropriate. The committees of the Board are:

- The National Game Board (with a number of sub-committees);
- The Professional Game Board (with a number of sub-committees);
- Group Audit Committee;
- Group Remuneration Committee;
- Nominations Committee;
- Finance Sub-Committee;
- Inclusion Advisory Board;
- Women's Football Board;
- Club England Management Board; and
- Health and Safety Committee.

Group Audit Committee

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness at least annually. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The FA Board has established a Group Audit Committee (the "GAC") with a mandate to provide independent oversight on the following matters across The FA Group:

- Governance, including risk management and internal control;
- External audit arrangements;
- Internal audit arrangements;
- The appropriateness of financial reporting; and
- Compliance, whistleblowing and fraud.

The GAC's remit includes all operations and activities undertaken by The FA Group, covering the consolidated Group and the individual entities: The Football Association Limited, Wembley National Stadium Limited and National Football Centre Limited.

During the year the GAC was comprised of an independent chairman, I Nunn, alongside R Devlin (Board director) and two non-Board members, N Humby (interim COO) and V Vaghela (independent). The independent chairman and independent non-Board member have no connections with The FA such as through a material business relationship or by representing a shareholder. As well as bringing independence and objectivity, non-Board members are appointed onto the GAC in view of the skills, experience and professional qualifications they can bring to the role. The GAC typically meets four times per year, with one meeting including the review of the financial statements of the Group.

The GAC reviews reports from management, internal audit and external audit on the Group's system of internal control and risk management, specifically those that support the integrity of the financial statements. The GAC also reviews and, where necessary, challenges the judgements of management in relation to the preparation of the financial statements.

Group Remuneration Committee

The Group Remuneration Committee is chaired by R Burden, and comprises K Lamb, H Rabbatts CBE and G Dyke. It is responsible for advising the Board on the pay and terms and conditions of the Chief Executive Officer and members of senior management. In discharging its duties, the Group Remuneration Committee takes independent advice where appropriate. The remuneration policy is designed to attract, retain and motivate executive directors to deliver the business strategy. Remuneration arrangements for senior positions incorporate performance measures which link to the business plan and individual performance criteria.

Nominations Committee

The Nominations Committee is appointed and meets as and when required and has responsibility for identifying and nominating candidates for the positions of independent non-executive director and Chairman. In doing so, the Committee uses the services of external recruitment consultancies and openly advertises the positions.

Finance Sub-Committee

The Finance Sub-Committee is chaired by R Devlin and comprises G Dyke, R Burden, B Bright, D Gill, K Lamb and M Glenn. The Committee makes recommendations to the Board on the approval of key financial issues, including the annual budgets for The FA Group, the National Game and Professional Game, and The FA Group's cash forecasts and medium term financial plan.

Inclusion Advisory Board

The Inclusion Advisory Board ("IAB") was established in 2013 and provides advice to the Board in respect of inclusion matters, including the monitoring of football's Inclusion and Anti-Discrimination Action Plan. The IAB is chaired by H Rabbatts CBE and comprises T Win and P Clayton (FA Council Members) and G Le Saux, S Alexander, J Cook, R Akhtar, R Jain and P Elliott who are each independent from The FA and represent respective areas of inclusion and anti-discrimination.

Women's Football Board

The Women's Football Board ("WFB") manages all strategic and operational matters relating to women's and girls' football within the policy framework and budget set by the Board. This includes the management of The FA Women's Super League. The WFB is chaired by S Hough MBE and comprises M Leggett, E Oram and K Simmons.

Club England Management Board

The Club England Management Board ("CEMB") was established in 2010 and manages all matters relating to the England youth, men's and women's representative teams. The CEMB is chaired by G Dyke and comprises M Glenn, D Ashworth and M Farrer.

Health and Safety Committee

The Health and Safety Committee is responsible for overseeing health and safety matters within The FA Limited and to ensure that The FA is discharging its statutory and regulatory obligations. The Committee is chaired by M Leggett and comprises other members of The FA's executive.

The FA Council

The role of The FA Council is to regulate football matters including disciplinary matters, referees and match and competition sanctioning.

The FA Council delegates areas of responsibility to numerous standing committees, sub-committees and working groups. The current standing committees are: Referees Committee, Protocol Committee, Leagues Committee, Membership Committee, Sanctions & Registrations Committee, Alliance Committee, Youth Committee and Representative Matches Committee.

The Council comprises representatives from different constituencies of the game, including County FAs, the Premier League and Football League, various leagues within the National League System, managers, players and supporters.

The Football Regulatory Authority ("FRA") is the regulatory, disciplinary and rule-making body of The FA. Membership of the FRA consists of four representatives from each of the National Game and Professional Game and a further four independent members.

The Judicial Panel is a group of individuals from which Regulatory Commissions and Appeal Boards are drawn. This includes Council Members, individuals with experience of the game of football and professionally qualified members such as Barristers and Solicitors. The Regulatory Commissions have the authority to impose penalties or other sanctions for breach of The FA's Rules, with the Appeal Boards established to hear cases and appeals in prescribed circumstances.

Directors and their interests

The persons listed below served as directors of the Company throughout the year, except as noted. Each of the directors held a non-beneficial ownership of one share in the Company.

The Board generally meets on a monthly basis and met twelve times during the reporting period. The attendance of directors at each meeting of the Board was as follows. Figures in brackets indicate the maximum number of meetings during the year in which the individual was a Board Director.

Auditor

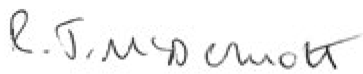
Each of the persons who is a director at the date of approval of this report confirms that:

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

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

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board on 4th December 2015



Richard McDermott
Company Secretary, The Football Association 2015

Name	Role	Date resigned/appointed	Scheduled Board meetings
G Dyke	Chairman		12 (12)
A Horne	General Secretary	resigned 30 January 2015	6 (6)
B W Bright	Leader of FA Council, Vice-President		12 (12)
R F Burden	FA Vice-Chairman, Vice-President		12 (12)
N Coward	The FA Premier League	resigned 31 July 2015	11 (11)
R Devlin	Independent Non-Executive		11 (12)
M Game	Essex County FA	resigned 10 July 2015	12 (12)
D Gill	FA Vice-Chairman, The FA Premier League, Manchester United FC		10 (12)
M Glenn	Chief Executive Officer	appointed 18 May 2015	2 (2)
K Lamb	The Football League, Middlesbrough FC		12 (12)
M R Leggett	Vice-President		12 (12)
I Lenagan	The Football League, Oxford United FC		12 (12)
P McCormick OBE	The FA Premier League	appointed 1 August 2015	0 (0)
J Pearce	Divisional Representative, Bognor Regis Town FC	appointed 11 July 2015	0 (0)
H Rabbatts CBE	Independent Non-Executive		12 (12)

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Directors' responsibilities statement

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

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

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

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

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

Independent auditor's report to the members of The Football Association Limited

We have audited the financial statements of The Football Association Limited for the year ended 31 July 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated statement of comprehensive income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statement of Changes in Equity, Consolidated Cash Flow Statement and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 July 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Nigel Mercer
(Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
4th December 2015

New and improved facilities

The development of up to 150 football hubs across 30 English cities has begun, with all-weather artificial grass pitches to support year-round participation. The FA has also committed to continuing its investment to improve football facilities through funding of the Football Foundation.

Consolidated profit and loss account

Year ended 31 July 2015

	Note	2015 £'000	Restated 2014 £'000
Turnover	3	**318,061**	332,347
Cost of sales		**(60,737)**	(71,754)
Gross profit		**257,324**	260,593
Investments into the game		**(116,707)**	(115,001)
Operating expenses		**(112,732)**	(113,190)
Restructuring and reorganisation costs	5	**(10,442)**	–
Remeasurement of forward foreign currency contracts	17	**2,308**	13,518
Total operating expenses		**(237,573)**	(214,673)
Operating profit		**19,751**	45,920
Finance costs		**(22,498)**	(23,116)
Remeasurement of interest rate swap	17	**(6,561)**	13,606
Total finance costs (net)	4	**(29,059)**	(9,510)
(Loss)/profit on ordinary activities before taxation	5	**(9,308)**	36,410
Tax on (loss)/profit on ordinary activities	8	**159**	(8,406)
(Loss)/profit for the financial period	9	**(9,149)**	28,004

All the above results are derived from continuing operations.

Consolidated statement of comprehensive income

Year ended 31 July 2015

	Note	2015 £'000	Restated 2014 £'000
(Loss)/profit for the financial period		**(9,149)**	28,004
Remeasurement of net defined benefit liability	21	**(441)**	(976)
Total comprehensive (expense)/income for the period		**(9,590)**	27,028

Consolidated balance sheet

As at 31 July 2015

	Notes	**2015 £'000**	Restated 2014 £'000
Fixed assets			
Intangible assets	10	**239**	244
Tangible assets	11	**622,100**	649,348
Fixed asset investments	12	**23,517**	24,612
		645,856	674,204
Current assets			
Stock		**602**	829
Debtors due within one year	13	**67,026**	85,302
Debtors due after more than one year	13	**6,038**	3,201
Cash at bank and in hand		**162,124**	131,790
		235,790	221,122
Creditors: amounts falling due within one year	14	**(243,722)**	(237,021)
Net current liabilities		**(7,932)**	(15,899)
Total assets less current liabilities		**637,924**	658,305
Creditors: amounts falling due after more than one year	15	**(504,564)**	(521,808)
Provisions for liabilities	16	**(14,200)**	(6,078)
Net assets excluding pension liability		**119,160**	130,419
Pension liability	21	**(2,045)**	(3,714)
Net assets including pension liability		**117,115**	126,705
Capital and reserves			
Called up share capital	18	**–**	–
Profit and loss account	18	**117,115**	126,705
Shareholders' funds		**117,115**	126,705

These financial statements of The Football Association Limited, company number 00077797, were approved by the Board of Directors on 4th December 2015.

Signed on behalf of the Board of Directors

Martin Glenn
Chief Executive Officer

Company balance sheet

As at 31 July 2015

	Notes	2015 £'000	Restated 2014 £'000
Fixed assets			
Tangible assets	11	**6,998**	7,336
Fixed asset investments	12	**253,518**	194,613
		260,516	201,949
Current assets			
Debtors due within one year	13	**51,261**	63,565
Debtors due after more than one year	13	**117,005**	157,636
Cash at bank and in hand		**81,470**	64,051
		249,736	285,252
Creditors: amounts falling due within one year	14	**(142,190)**	(135,602)
Net current assets		**107,546**	149,650
Total assets less current liabilities		**368,062**	351,599
Creditors: amounts falling due after more than one year	15	**(11,385)**	(11,695)
Provisions for liabilities	16	**(11,052)**	(1,068)
Net assets excluding pension liability		**345,625**	338,836
Pension liability	21	**(2,045)**	(3,714)
Net assets including pension liability		**343,580**	335,122
Capital and reserves			
Called up share capital	18	**–**	–
Profit and loss account	18	**343,580**	335,122
Shareholders' funds		**343,580**	335,122

These financial statements of The Football Association Limited, company number 00077797, were approved by the Board of Directors on 4th December 2015.

Signed on behalf of the Board of Directors

Martin Glenn
Chief Executive Officer

Consolidated statement of changes in equity

As at 31 July 2015

	Share capital £'000	Profit and loss account £'000	Total £'000
At 31 July 2013 as previously stated	**–**	**156,628**	**156,628**
Changes on transition to FRS 102 (see Note 24)	–	(56,951)	(56,951)
At 1 August 2013 as restated	**–**	**99,677**	**99,677**
Profit for the financial year (restated)	–	28,004	28,004
Remeasurement of net defined benefit liability (restated)	–	(976)	(976)
Total comprehensive income	**–**	**27,028**	**27,028**
At 31 July 2014 as restated	**–**	**126,705**	**126,705**
Loss for the financial year	–	(9,149)	(9,149)
Remeasurement of net defined benefit liability	–	(441)	(441)
Total comprehensive expense	**–**	**(9,590)**	**(9,590)**
Balance at 31 July 2015	**–**	**117,115**	**117,115**

Company statement of changes in equity

As at 31 July 2015

	Share capital £'000	Profit and loss account £'000	Total £'000
At 31 July 2013 as previously stated	**–**	**313,269**	**313,269**
Changes on transition to FRS 102 (see Note 24)	–	(8,459)	(8,459)
At 1 August 2013 as restated	**–**	**304,810**	**304,810**
Profit for the financial year (restated)	–	31,288	31,288
Remeasurement of net defined benefit liability (restated)	–	(976)	(976)
Total comprehensive income	**–**	**30,312**	**30,312**
At 31 July 2014 as restated	**–**	**335,122**	**335,122**
Profit for the financial year	–	8,899	8,899
Remeasurement of net defined benefit liability	–	(441)	(441)
Total comprehensive income	**–**	**8,458**	**8,458**
Balance at 31 July 2015	**–**	**343,580**	**343,580**

Consolidated Cash flow statement

Year ended 31 July 2015

	Notes	2015 £'000	Restated 2014 £'000
Net cash flows from operating activities	19	**72,288**	65,958
Cash flows from investing activities			
Interest received		**1,579**	2,003
Purchase of tangible fixed assets		**(9,656)**	(11,615)
Proceeds from sale of tangible fixed assets		**132**	–
Net cash flows from investing activities		**(7,945)**	(9,612)
Cash flows from financing activities			
Repayments of borrowings		**(11,876)**	(11,471)
Interest paid		**(23,203)**	(23,930)
Repayments of obligations under finance leases		**(89)**	26
Receipt of repayments of amounts loaned to bank		**1,095**	935
Net cash flows from financing activities		**(34,073)**	(34,440)
Net increase in cash and cash equivalents		**30,270**	21,906
Cash and cash equivalents at beginning of year		**131,790**	109,568
Effect of foreign exchange rate changes		**64**	316
Cash and cash equivalents at end of year		**162,124**	131,790

The SSE Women's FA Cup Final

2015 was the first time this showpiece match was staged at Wembley, rounding off a fine summer for women's football, following England's historic third-place finish at the World Cup in Canada.

Notes to the financial statements

Year ended 31 July 2015

1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding period.

a) General information and basis of accounting

The Football Association Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Group's operations and its principal activities are set out in the Strategic report.

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

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see Note 24.

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

The Company has taken advantage of the disclosure exemptions available to it under FRS 102 in respect of related party transactions in relation to intra-group transactions.

b) Basis of consolidation

The Group's financial statements consolidate the results of the Company and its subsidiary undertakings drawn up to 31 July each year. The results of subsidiary undertakings acquired or disposed of in the period are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. The Strategic report also outlines the financial position of the Group, its cash flows, liquidity position and borrowing facilities. At the period end, the Group has net current liabilities of £7.9 million (2014: £15.9 million). In addition, the Strategic report includes a summary of the principal risks and uncertainties affecting the Group.

In October 2015, the Group settled its debt obligations under its existing financing arrangements in full and entered into new financing agreements with a new syndicate of lenders. The new borrowing arrangements make £300.0 million of new cash available to the Group in the form of borrowings, with £200.0 million available under a Revolving Credit Facility and £100.0 million borrowed under a Term Loan. Further details are included in Note 22.

The directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

d) Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income.

The new borrowing arrangements make £300m of new cash available to the Group with £200m available under a Revolving Credit Facility and £100m borrowed under a Term Loan.

Turnover for the Group's primary classes of business is accounted for as follows:

Broadcasting – Turnover derived from broadcasting contracts is recognised in proportion to the relative weighted values of the matches played during the period and covered under such contracts.

Sponsorship and licensing – These are recognised in line with the rights provided, under each contract.

Club Wembley – Turnover is recognised from when the licence agreement has been signed and the licence period has commenced and licence fee turnover is spread evenly across the term of the licence agreement. When a customer first joins Club Wembley, turnover is recognised when the licence agreement has been signed and the licence period has commenced. For subsequent seasons, a transaction is recognised when the customer is invoiced. The season fee is spread evenly across the period to which it relates (1 August to 31 July if a full season).

Events – Turnover is recognised when the relevant event takes place.

Grant income – Turnover is recognised over the period in which the related costs are recognised.

St. George's Park – Turnover from the use of hotel, conference and sports facilities is recognised in line with when the facilities are used. St. George's Park sponsorship and related turnover is recognised in line with the rights provided, under each contract. Turnover from FA Learning activity is recognised in line with the course dates for educational courses and on physical delivery of the goods to the customers for educational materials.

e) Barter transactions
Turnover is recognised in respect of barter transactions only where services are exchanged for dissimilar services and the transaction is deemed to have commercial substance. Such transactions are measured at the fair value of the services received, adjusted by any amount of cash and cash equivalents transferred.

f) Foreign currency
Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction (or where appropriate, at the rate of exchange in related forward foreign exchange contracts). Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

g) Distributions to the game
Distributions to the game comprise grants and donations that are made to both the Professional Game and National Game. These are recognised when a constructive obligation arises, and are charged to the profit and loss account in the period to which the distribution relates.

h) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profit and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profit from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if the Group has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

i) Employee benefits

For defined benefit schemes the amounts charged to operating profit are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to profit or loss and included within finance costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

j) Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as assets at the fair value of the leased asset and are depreciated over the shorter of the lease terms and their useful lives. In respect of the finance lease entered into in relation to the hotel at St. George's Park, the lessor provided funding at the inception of the lease in order for the Group to construct the hotel. At inception of the lease the asset was recorded in other debtors. As construction occurred, amounts were drawn down from an escrow account, reducing the other debtor, and construction costs incurred were capitalised as part of the assets under construction within tangible fixed assets.

The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

k) Intangible fixed assets

The Group holds an intangible asset which represents the cost attributed to intellectual property on the acquisition of Wembley Stadium. The intellectual property rights are being amortised using the straight line method over a useful economic life in line with the Stadium fixed assets. An impairment review is performed annually.

l) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. No depreciation is charged in respect of land. Depreciation is provided on all other tangible fixed assets on a straight line basis, at rates calculated to write off the cost of those assets over their useful expected lives, and incorporating any residual value, as follows:

Stadium	The assets that comprise the Stadium have been categorised into operating classes and depreciated according to the useful economic life of that class. Useful economic lives range from 5 to 50 years.
Land and buildings	No depreciation is charged in respect of land. As with Stadium assets, building assets are categorised into operating classes and depreciated accordingly over the useful economic lives which range from 5 to 50 years. Long leasehold property is depreciated over the remaining life of the lease if less than 50 years, otherwise not depreciated.
Leasehold improvements	15 years.
Fixtures, fittings, plant and equipment	3 years for computer equipment, 3 to 10 years for plant and machinery and 8 to 10 years for fixtures and fittings.
Assets in the course of construction	Not depreciated until brought into use.

m) Borrowing costs
Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

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

o) Stock
Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

p) Non-derivative financial instruments
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
- There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Arrangement fees for the Group's funding are offset against the bank loan and are being amortised over the term of the bank loan. Finance costs, including amortisation of arrangement fees, directly attributable to construction of the stadium were capitalised and are being depreciated on a straight line basis over the life of the Stadium. Borrowing costs incurred from since the date of operational completion are charged to the profit and loss account as incurred.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

q) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The Group determines the fair value of its derivative financial instruments using quoted market prices adjusted for credit risk based on an implied probability of default, calculated using accepted valuation techniques. The resulting gain or loss is recognised in profit or loss immediately. No hedge accounting is applied.

The foreign exchange financial instruments must be related to actual foreign currency assets or liabilities or to a probable commitment. It must involve the same currency or similar currencies as the hedged item and must also reduce the risk of foreign exchange movements on the Group's operations.

For an interest rate swap to be treated as a hedge the instrument must be related to actual assets or liabilities or probable commitment and must change the nature of the interest rate by converting a fixed rate to a variable rate or vice versa.

r) Grants and deferred income

Grants received in respect of capital expenditure are credited to a deferred grant account and are released to the profit and loss account over the expected useful lives of the relevant assets by matching with the relevant depreciation expense. Where a grant relates to an asset which is not depreciated, the grant remains in deferred grants until the end of the asset's life or when the asset is sold.

Revenue grants are credited to income so as to match them with the expenditure to which they relate.

Home from home

Alex Oxlade-Chamberlain's goal in the 2015 Community Shield final secured a 1-0 win for Arsenal against Chelsea and made it six wins in two years at Wembley Stadium for Arsenal.

2. Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and key sources of estimation uncertainty in applying the Group's accounting policies

The following are the critical judgements and estimations that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment review of tangible assets

There are a number of assumptions management have considered in performing impairment reviews of the Group's tangible assets. The determination of whether the assets are impaired requires an estimation of the value in use of the assets, based upon an estimate of the future cash flows expected to arise from the assets and a suitable discount rate in order to calculate present value.

Valuation of derivative financial instruments at fair value

Management have made a number of assumptions with regard to the fair value of financial instruments at year end. Valuation techniques commonly used by market practitioners are applied. For the Group's derivative financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instrument, which includes a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates.

Provisions

Provisions have been made for the Group's restructuring and reorganisation. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. Any difference between expectations and the actual future liability will be accounted for in the period when such determination is made. Details of the Group's provisions are set out in Note 16.

Pension assumptions

There are a number of assumptions management have considered on the advice of actuaries which have an impact on the results of the valuation of the pension scheme liabilities at year end. The most significant assumptions are those relating to the discount rate of return on investments and the rates of increase in salaries and pensions.

Deferred tax

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised with consideration given to the timing and level of future taxable income.

3. Turnover

An analysis of the Group's turnover by class of business is set out below.

	2015 £'000	2014 £'000
Turnover:		
Broadcasting	**124,098**	111,137
Sponsorship and licensing	**58,418**	69,910
Club Wembley	**55,717**	56,515
Events	**43,036**	53,985
Grant income	**12,818**	12,148
St. George's Park	**15,744**	15,923
Other income	**8,230**	12,729
	318,061	332,347

An analysis of the Group's turnover by geographical market is set out below.

	2015 £'000	2014 £'000
Turnover:		
UK	**252,378**	276,060
Overseas	**65,683**	56,287
	318,061	332,347

The majority of the Group's turnover is generated in the UK, with turnover generated outside the UK principally from international broadcast providers, grants from UEFA and tournament income from UEFA and FIFA.

An analysis of the Group's turnover by type is as follows:

	2015 £'000	2014 £'000
Sale of goods	**1,734**	2,198
Rendering of services	**303,312**	317,954
Rental income	**197**	47
Grants	**12,818**	12,148
	318,061	332,347

Further detail on the Group's grants is provided in Note 15.

Barter transactions

The amount of barter transactions for goods and other services recognised in turnover is £2.8 million (2014: £3.6 million).

Operating lease income

Turnover included operating lease income from letting office space within the Stadium of £0.2 million (2014: £nil).

4. Finance costs (net)

	2015 £'000	Restated 2014 £'000
Interest payable and similar charges	**23,149**	23,813
Less: interest receivable	**(1,409)**	(1,444)
Other finance costs (net)	**7,319**	(12,859)
Net interest payable	**29,059**	9,510

Interest payable and similar charges

	2015 £'000	Restated 2014 £'000
Bank interest payable	**19,817**	20,517
Finance lease interest payable	**3,332**	3,296
	23,149	23,813

Interest receivable

	2015 £'000	2014 £'000
Bank interest receivable	**1,409**	1,444

Other finance costs (net)

	2015 £'000	Restated 2014 £'000
Movement in fair value of interest rate swap (see Note 17)	**6,561**	(13,606)
Amortisation of issue costs	**409**	361
Net interest on defined benefit liability	**349**	386
	7,319	(12,859)

5. (Loss)/profit on ordinary activities before taxation

(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting):

	2015 £'000	Restated 2014 £'000
Restructuring and reorganisation costs*	**10,442**	–
Depreciation of tangible fixed assets – owned	**32,863**	31,415
Depreciation of tangible fixed assets – held under finance lease	**3,753**	3,721
Amortisation of intangible assets	**5**	6
Amortisation of deferred capital grants	**(1,441)**	(1,256)
Operating lease rentals	**1,485**	1,135
Loss on disposal of tangible fixed assets	**156**	685
Fair value gain on forward currency contracts measured at fair value through profit and loss (see Note 17)	**(2,308)**	(13,518)
Fair value loss/(gain) on interest rate swap measured at fair value through profit and loss (see Note 17)	**6,561**	(13,606)
Foreign exchange (gain)/loss	**(339)**	374

*Restructuring and reorganisation costs included redundancy costs of £6.7 million and fees and other reorganisation costs of £3.7 million. The related year end provision is disclosed in Note 16.

An analysis of the auditor's remuneration is as follows:

	2015 £'000	2014 £'000
Fees payable to the Group's auditor for audit services		
Fees payable to the Group's auditor for the audit of The FA's annual accounts	**64**	68
Fees payable to the Group's auditor for the audit of The FA's subsidiaries	**81**	82
Total audit fees	**145**	150

	2015 £'000	2014 £'000
Fees payable to the Group's auditor for other services to the Group		
Audit-related assurance services	**5**	9
Taxation compliance services	**30**	41
Other taxation advisory services	**37**	25
Other services	**81**	4
Total non-audit fees	**153**	79

No services were provided pursuant to contingent fee arrangements.

6. Staff numbers and costs

The average monthly number of Group employees was:

	2015 No.	2014 No.
Promotion of Association Football	**759**	728
Stadium and event management	**90**	99
Hotel management	**201**	190
	1,050	1,017

Their aggregate remuneration comprised:

	2015 £'000	2014 £'000
Wages and salaries	**39,309**	43,574
Social security costs	**4,466**	5,155
Other pension costs	**1,911**	2,037
Severance costs	**7,141**	1,781
	52,827	52,547

7. Directors' remuneration

The following payments were made to directors in respect of services provided:

	2015 £'000	2014 £'000
Emoluments	**704**	817
Benefits in kind	**6**	2
Company contributions to money purchase schemes	**59**	30
Compensation for loss of office	**645**	–
	1,414	849

There were no directors to whom retirement benefits were accruing in respect of qualifying services in respect of defined benefit schemes (2014: none).

There was one director (2014: one) to whom retirement benefits were accruing in respect of qualifying services in respect of the money purchase pension scheme.

	2015 £'000	2014 £'000
Details of highest paid director		
Total emoluments (including compensation for loss of office)	**993**	550
Company contributions to money purchase schemes	**59**	30
	1,052	580

8. Tax on profit on ordinary activities

The tax charge comprises:

	2015 £'000	Restated 2014 £'000
Current tax on profit on ordinary activities		
UK corporation tax	**(1,219)**	(4,963)
Adjustments in respect of prior years	**115**	(144)
Total current tax	**(1,104)**	(5,107)
Deferred tax		
Origination and reversal of timing differences	**1,475**	(3,542)
Adjustments in respect of prior years	**(212)**	243
Total deferred tax	**1,263**	(3,299)
Total tax on (loss)/profit on ordinary activities	**159**	(8,406)

The standard rate of tax applied to reported profit on ordinary activities is 20.67% (2014: 22.33%). The applicable tax rate has changed following the enactment of the Finance Act 2014. During the year beginning 1 August 2015, the net reversal of deferred tax assets and liabilities is expected to increase the corporation tax charge for the year by £4.3 million. This is due to the reversal of fixed asset timing differences (decrease of £2.8 million), capitalised finance costs (decrease of £0.2 million), the closure of the interest rate swap (increase of £7.1 million) and severance payments timing differences (increase of £0.2 million).

There is no expiry date on timing differences, unused tax losses or tax credits.

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

	2015 £'000	Restated 2014 £'000
Group (loss)/profit on ordinary activities before tax	**(9,308)**	36,410
Tax on Group (loss)/profit on ordinary activities at the standard UK corporation tax rate of 20.67% (2014: 22.33%)	**1,924**	(8,130)
Effects of:		
Expenses not deductible for tax purposes	**(1,610)**	(2,451)
Non-taxable release of grant income	**189**	208
Effect of current year changes to the statutory tax rate	**(247)**	178
Fair value movements on unhedged financial instruments	**–**	1,690
Adjustment in respect of prior years	**(97)**	99
Group total tax credit/(charge) for the period	**159**	(8,406)

In the 2013 Finance Bill, the Government announced that the main rate of corporation tax will reduce to 21% from 1 April 2014 and 20% from 1 April 2015. This was enacted in July 2013 and therefore has been reflected in the financial statements. Deferred tax has been calculated on timing differences using the tax rate of 20%.


BEHRAMI
11

Perfect qualification

England became only the sixth side to complete the qualifying campaign for a European Championships with a 100% record. Roy Hodgson's side head to France in 2016 having won all ten of their qualification matches, scoring 31 goals in the process and conceding just three.

9. Profit attributable to the Company

The profit for the financial year dealt with in the financial statements of the parent Company was £8.9 million (2014: £31.3 million). As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent Company.

10. Intangible fixed assets

	Total £'000
Cost	
At 1 August 2014 and 31 July 2015	**250**
Amortisation	
At 1 August 2014 (restated)	6
Charge for the year	5
At 31 July 2015	**11**
Net book value	
At 31 July 2015	**239**
At 31 July 2014 (restated)	244

Intangible assets represent the cost attributed to intellectual property on the acquisition of the Stadium.

11. Tangible fixed assets

Group	Land and buildings £'000	Stadium £'000	Leasehold improvements £'000	Fixtures, fittings, plant and equipment £'000	Total £'000
Cost					
At 1 August 2014	129,527	660,640	4,867	68,285	863,319
Additions	923	1,206	–	7,527	9,656
Disposals	–	–	–	(9,234)	(9,234)
At 31 July 2015	**130,450**	**661,846**	**4,867**	**66,578**	**863,741**
Accumulated depreciation					
At 1 August 2014	2,916	177,770	636	32,649	213,971
Charge for the year	1,524	24,586	323	10,183	36,616
Disposals	–	–	–	(8,946)	(8,946)
At 31 July 2015	**4,440**	**202,356**	**959**	**33,886**	**241,641**
Net book value					
At 31 July 2015	**126,010**	**459,490**	**3,908**	**32,692**	**622,100**
At 31 July 2014	126,611	482,870	4,231	35,636	649,348

Land and buildings includes freehold land, which is held at cost of £67.4 million (2014: £67.4 million). It also includes long leasehold property of £3.9 million (2014: £3.9 million).

Included within the above assets is £36.5 million (2014: £40.3 million) of assets held under finance leases. These assets are held at cost of £47.6 million (2014: £47.6 million) less accumulated depreciation of £11.1 million (2014: £7.3 million). This predominantly relates to the lease and leaseback arrangement to fund the construction of the hotel at St. George's Park, which has been classified as a finance lease. The minimum lease term is 30 years.

Borrowing costs amounting to £73.6 million (2014: £73.6 million) have been included within the cost of the stadium asset.

11. Tangible fixed assets (continued)

Company	Stadium £'000	Fixtures, fittings, plant and equipment £'000	Total £'000
Cost			
At 1 August 2014	2,444	11,182	13,626
Additions	–	2,063	2,063
Disposals	–	(1,281)	(1,281)
At 31 July 2015	**2,444**	**11,964**	**14,408**
Accumulated depreciation			
At 1 August 2014	263	6,027	6,290
Charge for the year	65	2,232	2,297
Disposals	–	(1,177)	(1,177)
At 31 July 2015	**328**	**7,082**	**7,410**
Net book value			
At 31 July 2015	**2,116**	**4,882**	**6,998**
At 31 July 2014	2,181	5,155	7,336

12. Fixed asset investments

	Group		Company	
	2015 **£'000**	2014 £'000	**2015** **£'000**	2014 £'000
Subsidiary undertakings	**–**	–	**230,001**	170,001
Amounts loaned to bank	**23,517**	24,612	**23,517**	24,612
	23,517	24,612	**253,518**	194,613

Subsidiary undertakings

Details of subsidiary companies, all of which are incorporated in the United Kingdom and in each of which 100% of the nominal value of £1 ordinary shares is held, are as follows:

Name	Activity
Wembley National Stadium Limited ("WNSL")	Organising sporting and other entertainment events at Wembley Stadium
National Football Centre Limited	Operation of hotel and sports facilities and educational activities
FA Learning Limited	Dormant
The English National Stadium Property Company Limited	Dormant

On 28 July 2015, one ordinary share in WNSL was purchased for the sum of £60.0 million. Consideration for the share was in the form of the capitalisation of part of the amount owed by WNSL to The FA.

There are restrictions on the ability of WNSL to make payments to The FA as a result of minimum cash levels that must be retained by WNSL under the terms of its banking agreements.

Amounts loaned to bank

In September 2008 the Company loaned £31.5 million to the principal bank in the Group's banking syndicate. The loan was granted at the same time as the Group's syndicated bank loan of £341.5 million was taken out by Wembley National Stadium Limited (see Notes 14 and 15).

At 31 July 2015, the loan to the bank of £23.5 million (2014: £24.6 million) remains due to the Company. Repayments are made each year in September and The FA currently receives interest on this investment at a rate of 2.4%. The loan is payable to the Group over a 15 year term to 30 September 2023.

13. Debtors

	Group 2015 £'000	Group Restated 2014 £'000	Company 2015 £'000	Company Restated 2014 £'000
Amounts falling due within one year				
Trade debtors	**45,671**	56,201	**31,925**	39,491
Loans to clubs	**62**	62	**62**	62
Amounts owed by Group undertakings	**–**	–	**1,591**	–
UK corporation tax receivable	**470**	–	**470**	–
VAT receivable	**–**	–	**504**	–
Other debtors	**575**	2,534	**494**	1,676
Prepayments and accrued income	**20,225**	26,505	**16,192**	22,336
Derivative financial instruments	**23**	–	**23**	–
	67,026	85,302	**51,261**	63,565
Amounts falling due after more than one year				
Loans to clubs	**285**	257	**285**	257
Amounts owed by Group undertakings	**–**	–	**110,967**	154,435
Derivative financial instruments	**5,753**	2,944	**5,753**	2,944
	6,038	3,201	**117,005**	157,636
Total debtors	**73,064**	88,503	**168,266**	221,201

14. Creditors: amounts falling due within one year

	Group		Company	
	2015 £'000	Restated 2014 £'000	**2015 £'000**	Restated 2014 £'000
Bank loan	**10,030**	11,460	**–**	–
Obligations under finance lease	**158**	89	**–**	–
Trade creditors	**4,794**	3,132	**3,224**	1,815
Amounts due to subsidiary undertakings	**–**	–	**1,504**	3,050
UK corporation tax payable	**–**	2,422	**–**	2,422
VAT payable	**9,112**	16,716	**–**	7,051
Social security and other taxes	**1,757**	1,557	**1,513**	1,206
Other creditors	**6,298**	4,342	**4,620**	2,769
Accruals	**22,853**	27,407	**8,808**	12,053
Deferred grants	**8,119**	10,475	**6,727**	9,055
Deferred income	**180,077**	159,421	**115,270**	96,181
Derivative financial instruments	**524**	–	**524**	–
	243,722	237,021	**142,190**	135,602

Deferred income predominantly comprises contractual broadcasting and sponsorship income received in advance and the upfront Club Wembley licence fees.

Lionesses at Wembley

In November 2014, the England Women's Senior Team played their first match at Wembley since the stadium re-opened in 2007 in front of a record 45,619 crowd.

15. Creditors: amounts falling due after more than one year

	Group		Company	
	2015 £'000	Restated 2014 £'000	**2015 £'000**	Restated 2014 £'000
Bank loan	**241,583**	251,621	**–**	–
Obligations under finance leases	**49,798**	49,957	**–**	–
Deferred grants	**120,123**	121,532	**–**	–
Deferred income	**34,990**	47,189	**11,385**	11,695
Derivative financial instruments	**58,070**	51,509	**–**	–
	504,564	521,808	**11,385**	11,695

Bank loan

In September 2008 the Group's syndicated bank loan of £341.5 million was taken out by WNSL. In the analysis above, the Group bank loan of £255.0 million (2014: £266.8 million) remains payable and is stated net of unamortised arrangement fees of £3.3 million (2014: £3.7 million).

The loan is payable by the Group over a 15 year term to 30 September 2023 and interest is payable at a variable rate of LIBOR + 1.60-2.25%. The Group bank loan is secured as a first charge over the assets of WNSL. Each annual repayment will include a mandatory amount, together with a targeted amount based on performance.

Repayments due are as follows:

	2015 £'000	2014 £'000
Less than one year	**10,439**	11,876
Between one and two years	**7,242**	4,521
Between two and five years	**94,650**	87,773
More than five years	**142,622**	162,659
	254,953	266,829

The balance due within one year includes both the mandatory and target repayment. Balances due after more than one year include only the mandatory repayments.

Since the balance sheet date, the Group has settled its obligations under its existing financing arrangements in full and entered into new financing agreements with a new syndicate of lenders (see Note 22).

Obligations under finance leases

At 31 July 2015 the Group had annual commitments under non-cancellable finance leases as set out below:

Finance leases	**2015 £'000**	2014 £'000
Less than one year	**3,325**	3,260
Between one and two years	**3,390**	3,325
Between two and five years	**10,488**	10,328
More than five years	**90,648**	94,198
	107,851	111,111
Less: Finance charges allocated to future periods	**(57,895)**	(61,065)
	49,956	50,046

Deferred grants

Deferred grants greater than one year comprise the following amounts:

Finance leases	**2015 £'000**	2014 £'000
Sport England	**79,112**	79,496
Department of Culture, Media and Sport ("DCMS")	**18,920**	19,373
London Development Agency ("LDA")	**17,076**	17,496
Other	**5,015**	5,167
	120,123	121,532

The grants are amortised over the life of the assets they relate to in line with depreciation charged on those assets. The amount amortised to the profit and loss account during the year was £1.8 million (2014: £1.3 million).

Sport England includes grant funding of £78.5 million in relation to Wembley Stadium. £11.2 million of this grant funding related to Stadium assets and will be amortised over the life of the building, the remaining grant funding represents grants in respect of land of £64.5 million, long leasehold property of £2.5 million and £0.3 million for business intellectual property rights.

The DCMS grant relates principally to the S106 payments to improve infrastructure of the surrounding area to Wembley Stadium. The LDA grant relates to infrastructure work, which includes certain elements of costs relating to concrete, steel framework and concourses around the Stadium.

Deferred income

Deferred income predominantly comprises contractual broadcasting and sponsorship income received in advance and the upfront Club Wembley licence fees.

Derivative financial instruments

Derivative financial instruments include the Group's interest rate swap. This is discussed in further detail in Note 17.

16. Provisions for liabilities

Group	Deferred tax £'000	Restructuring £'000	Other £'000	Total £'000
At 1 August 2014 (restated)	5,776	–	302	6,078
Charged to profit and loss account	(1,263)	7,685	1,815	8,237
Charged to other comprehensive income	(115)	–	–	(115)
At 31 July 2015	**4,398**	**7,685**	**2,117**	**14,200**

Company	Deferred tax £'000	Restructuring £'000	Other £'000	Total £'000
At 1 August 2014 (restated)	766	–	302	1,068
Charged to profit and loss account	599	7,685	1,815	10,099
Charged to other comprehensive income	(115)	–	–	(115)
At 31 July 2015	**1,250**	**7,685**	**2,117**	**11,052**

Deferred tax

Deferred tax is provided as follows:

	Group		Company	
	2015 £'000	Restated 2014 £'000	2015 £'000	Restated 2014 £'000
Capital allowances in excess of depreciation	**6,844**	9,025	**(871)**	(827)
Tax losses available	**(753)**	(2,303)	**–**	–
Capitalised finance costs	**7,586**	7,768	**–**	–
Timing differences in respect of financial instruments	**(10,344)**	(9,713)	**1,050**	589
Accelerated donations to charity	**1,760**	1,776	**1,760**	1,776
Defined benefit pension scheme	**(409)**	(743)	**(409)**	(743)
Other short term timing differences	**(286)**	(34)	**(280)**	(29)
Deferred tax liability	**4,398**	5,776	**1,250**	766

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the same group.

Restructuring

During the year the Group announced plans to restructure the organisation, to make cost savings to invest in elite England teams, facilities and grassroots coaching. The Group authorised a formal plan of restructuring and announced this to affected employees before the year end, leading to a restructuring provision of £7.7 million (2014: £nil) at 31 July 2015. It is expected that the majority of this provision will be utilised in less than 12 months from the balance sheet date.

Other

Reciprocal rights contracts exist for a number of England friendly internationals with other nations' football associations to play one home and one away match. Due to the terms of these contracts, provisions are recognised where The FA has received rights for the first match but is obligated to forego rights for the second match, which is not scheduled to take place until after the year end.

17. Financial instruments

The carrying values of the Group and Company's financial assets and liabilities are summarised by category below:

	Group		Company	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000
Financial assets				
Measured at fair value through profit or loss				
Forward foreign currency contracts (see Note 13)	**5,776**	2,944	**5,776**	2,944
Debt instruments measured at amortised cost				
Bank loans receivable (see Note 12)	**23,517**	24,612	**23,517**	24,612
Measured at undiscounted amount receivable				
Trade and other debtors (see Note 13)	**47,063**	59,054	**33,740**	41,486
Amounts due from Group undertakings (see Note 13)	**–**	–	**112,558**	154,435
Equity instruments measured at cost less impairment				
Fixed asset investments in unlisted equity instruments (see Note 12)	**–**	–	**230,001**	170,001
	76,356	86,610	**405,592**	393,478

	Group		Company	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000
Financial liabilities				
Measured at fair value through profit or loss				
Forward foreign currency contracts (see Note 14)	**524**	–	**524**	–
Interest rate swap (see Note 15)	**58,070**	51,509	**–**	–
Debt instruments measured at amortised cost				
Bank loans payable (see Notes 14 and 15)	**251,613**	263,081	**–**	–
Obligations under finance lease (see Notes 14 and 15)	**49,956**	50,046	**–**	–
Measured at undiscounted amount receivable				
Trade and other creditors (see Note 14)	**44,814**	55,576	**18,165**	27,316
Amounts due to Group undertakings (see Note 14)	**–**	–	**1,504**	3,050
	404,977	420,212	**20,193**	30,366

It is the Group's policy to hedge significant foreign exchange and interest rate risk. These risks have been hedged by entering into forward foreign currency contracts and interest rate swaps.

Forward foreign currency contracts are valued using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are valued at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

The Group has entered into forward foreign currency contracts to hedge the exchange rate risk arising from the contracted future cash inflows from our international broadcast partners, which are received in US dollars and euros. The hedged contracted cash flows are expected to occur and to affect profit or loss within the next three financial years. The fair value of the forward foreign currency contracts is a net asset of £5.8 million (2014: £2.9 million).

The Group entered into an interest rate swap for the full amount of the syndicated bank loan, £341.5 million. The swap has been profiled on the mandatory repayment schedule and has been fixed at a swap rate of 7.072% per annum. The rate is fixed for the term of the loan except for any changes to the bank margin (which is included in the rate). As at 31 July 2015 the fair value of the interest rate swap contract is a liability of £58.1 million (2014: £51.5 million liability). The fair value takes into account the current and unprecedented low interest rates.

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

	Group	
	2015 £'000	2014 £'000
Interest (income) and expense		
Total interest income for financial assets at amortised cost	**(578)**	(587)
Total interest expense for financial liabilities at amortised cost	**6,679**	6,712
Total interest expense for financial liabilities at fair value through profit or loss	**13,523**	14,102
Fair value (gains) and losses		
On forward foreign currency contracts measured at fair value through profit or loss	**(2,308)**	(13,518)
On interest rate swap measured at fair value through profit or loss	**6,561**	(13,606)

18. Called up share capital and reserves

The major categories of Scheme assets as a percentage of total Scheme assets for the year ended 31 July 2014 are as follows:

	2015 £	2014 £
Allotted, called up and fully paid		
1,614 ordinary shares of 5p each	**81**	81
2 special rights preference shares of £1	**2**	2
	83	83

The shares do not entitle the owner to any dividend or bonus in the Company. The special rights preference shares are held by The FA Premier League Limited and The Football League Limited.

The Group and Company's profit and loss account represents cumulative profits or losses and other comprehensive income.

19. Notes to the consolidated cash flow statement

Reconciliation of operating profit to cash generated by operations:

	2015 **£'000**	Restated 2014 £'000
Operating profit	**19,751**	45,920
Adjustment for:		
Depreciation	**36,616**	35,136
Amortisation of deferred capital grants	**(1,441)**	(1,256)
Amortisation of deferred income grants	**(875)**	(875)
Loss on disposal of tangible fixed assets	**156**	685
Operating cash flow before movement in working capital	**54,207**	79,610
Decrease/(increase) in stock	**227**	(128)
Decrease/(increase) in debtors	**14,013**	(10,536)
Increase in creditors	**912**	6,430
Increase/(decrease) in provisions	**9,500**	(912)
Corporation tax paid	**(3,997)**	(6,006)
Contributions paid by the Company into the defined benefit pension scheme	**(2,574)**	(2,500)
Cash generated by operations	**72,288**	65,958

20. Financial commitments

Total future minimum lease payments under operating leases are as follows:

	Group		**Company**	
	2015 **£'000**	2014 £'000	**2015** **£'000**	2014 £'000
Operating leases which expire:				
within one year	**617**	787	**61**	186
between two and five years	**1,464**	2,062	**90**	151
after five years	**–**	–	**–**	–
	2,081	2,849	**151**	337

Company commitments and contingent commitments to WNSL

WNSL has an annual support agreement with The FA extending to 31 March 2027. Support payments under this agreement are received annually and it is expected that up to £14 million per annum will be received under this agreement.

21. Employee benefits

Defined contribution scheme

The Group operates a defined contribution retirement benefit scheme for all qualifying employees. The total expense charged to profit or loss in the period ended 31 July 2015 was £2.1 million (2014: £2.0 million).

Defined benefit scheme

The Group operates a defined benefit pension scheme for its employees. Under the scheme, the employees are entitled to retirement benefits based on their final salary on attainment of a retirement age of at least 55. No other post-retirement benefits are provided. The scheme is a funded scheme.

From 1 January 2003 new employees have not been able to enter the scheme. The scheme was closed to future accrual at 30 April 2010 and all active members became deferred members at this date.

The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out at 31 July 2015 by a qualified independent actuary. The present value of the defined benefit obligation, the related current service cost and the past service cost were measured using the projected unit credit method.

Key assumptions used:	31 July 2015 % p a	31 July 2014 % p a
Discount rate	**3.60**	4.20
Expected long-term rate of return on Scheme assets	**3.60**	4.20
RPI assumption	**3.40**	3.30
CPI assumption	**2.40**	2.30
Future pension increases	**3.30**	3.30

The underlying mortality assumption in 2015 is based upon the standard table known as S2LPA on a year of birth usage, with CMI_2014 improvement factors and a long-term future improvement rate of 1.25 % p.a. (2014: 1.25%).

Amounts recognised in the profit and loss account in respect of the defined benefit scheme are as follows:

	2015 £'000	Restated 2014 £'000
Administrative expenses	**242**	235
Interest on scheme liabilities	**2,898**	2,878
Interest on scheme assets	**(2,791)**	(2,727)
	349	386

Arsenal 4-0 Aston Villa

Arsenal lifted the trophy for the 12th time, making them the most decorated side in FA Cup history.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21. Employee benefits (continued)

Amounts recognised in other comprehensive income in respect of the defined benefit scheme are as follows:

	2015 £'000	Restated 2014 £'000
Actual return less expected return on scheme assets	**6,038**	880
Expected less actual scheme expenses	**56**	34
Experience gains/(losses) arising on scheme liabilities	**307**	(650)
Changes in assumptions underlying the present value of scheme liabilities	**(6,957)**	(1,521)
Actuarial loss	**(556)**	(1,257)
Related deferred tax	**115**	281
	(441)	(976)

The amount included in the balance sheet arising from the Group's obligations in respect of its defined benefit scheme is as follows:

	2015 £'000	Restated 2014 £'000
Present value of defined benefit obligations	**(77,763)**	(69,773)
Fair value of scheme assets	**75,718**	66,059
Net liability recognised in the balance sheet	**(2,045)**	(3,714)

Movements in the present value of defined benefit obligations were as follows:

	2015 £'000	Restated 2014 £'000
At 1 August 2014	**69,773**	66,111
Interest cost	**2,898**	2,878
Actuarial losses	**6,650**	2,171
Benefits paid	**(1,558)**	(1,387)
At 31 July 2015	**77,763**	69,773

Movements in the fair value of scheme assets were as follows:

	2015 £'000	Restated 2014 £'000
At 1 August 2014	**66,059**	61,540
Interest income	**2,791**	2,727
Actuarial gains	**6,038**	880
Benefits paid	**(1,558)**	(1,387)
Contributions paid by the Group	**2,574**	2,500
Administrative expenses	**(186)**	(201)
At 31 July 2015	**75,718**	66,059

The analysis of the scheme assets at 31 July 2015 was as follows:

	2015 %	2014 %
Equities and Property	**54**	55
Bonds	**41**	42
Cash	**5**	3
Total	**100**	100

Movements in the deficit were as follows:

	2015 £'000	Restated 2014 £'000
Deficit in Scheme at beginning of year	**(3,714)**	(4,571)
Net expenses recognised in profit and loss account	**(349)**	(386)
Contributions paid by the Company	**2,574**	2,500
Actuarial loss	**(556)**	(1,257)
Deficit in Scheme at end of year	**(2,045)**	(3,714)

22. Subsequent events

Since the year end, the Group has settled its obligations under its existing financing arrangements in full and entered into new financing agreements with a new syndicate of lenders. The corporate financing has been agreed at The FA level, as opposed to the WNSL level, where the debt was held previously.

On 2 October 2015, the Group settled its existing loan obligations with WNSL's banking syndicate, repaying the £244.5 million outstanding on the term loan to the original lenders. At the same time, the £22.6 million loan from The FA to the principal bank in WNSL's banking syndicate was repaid in full. On the same day, the interest rate swap, which was taken out to hedge the interest rate risk on WNSL's borrowings, was collapsed, with the mark-to-market liability of £58.1 million settled in full by the Group.

Also on 2 October, The FA entered into new borrowing arrangements with Barclays, HSBC and Santander. The new £300.0 million loan facility consists of a £200.0 million Revolving Credit Facility ("RCF") and a £100.0 million Term Loan. Both facilities are secured against the value of Wembley Stadium.

The term of the RCF is seven years and interest is payable at a variable rate of LIBOR + 1.15%. The Term Loan is secured for three years, with interest payable at a variable rate of between LIBOR + 1.10% and LIBOR + 1.25%.

23. Related party transactions

By the Company's nature, and in accordance with its rules, The FA enters into a number of transactions in the normal course of business with County and other Affiliated Associations, The Premier League Limited, The Football League Limited, The Football Foundation, The Football Stadia Improvement Fund and other competitions and football clubs, of which certain members of the Board are directors.

The FA has a one third interest in Professional Game Match Officials Limited ("PGMOL"), a company limited by guarantee. The results of this associated Company have not been included in this report as they are immaterial. The FA has a cost of £2.0 million (2014: £1.9 million) charged to its operating expenses in the period, being a contribution towards the operating costs of PGMOL that are necessary for providing match officials to the Professional Game.

The total remuneration (Including severance pay) for key management personnel for the period was £4.9 million (2014: £3.9 million).

24. Explanation of transition to FRS 102

This is the first year that the Group has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 July 2014 and the date of transition to FRS 102 was therefore 1 August 2013. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard, most significantly regarding financial instruments (see note 1).

Under FRS 102, the Group's derivative financial instruments are recognised at their fair values and held on the balance sheet, including both the interest rate swap and the foreign currency forward contracts. The intellectual property rights held as intangible assets have been amortised under FRS 102 from the transition date over their useful economic life.

Reconciliation of equity

Deferred tax is provided as follows:

	Group		Company	
	At 1 August 2013 £'000	At 31 July 2014 £'000	At 1 August 2013 £'000	At 31 July 2014 £'000
Equity previously reported under UK GAAP	156,628	160,949	313,269	332,766
Adjustments to equity on transition to FRS 102				
Fair value measurement of interest rate swap	(65,114)	(51,509)	–	–
Fair value measurement of forward foreign exchange contracts	(10,574)	2,944	(10,574)	2,944
Amortisation of intellectual property rights on acquisition of Wembley Stadium	–	(6)	–	–
Movement on interest rate swap accruals	4,820	4,613	–	–
Tax on transition adjustments	13,917	9,714	2,115	(588)
Equity reported under FRS 102	99,677	126,705	304,810	335,122

24. Explanation of transition to FRS 102 (continued)

Notes to the reconciliation of equity at 1 August 2013

Fair value measurement of interest rate swap

The Group's interest rate swap fixed the interest rate at 7.072% p.a. for the term of the Senior Facility held by WNSL. As a result of the market levels of interest being available at significantly lower rates than the rate fixed by the interest rate swap, the fair value of the swap at 1 August 2013 is a liability of £65.1 million. This was previously held off balance sheet under previous UK GAAP, but has been brought onto the balance sheet as required by FRS 102, resulting in a £65.1 million reduction in equity on transition.

Fair value measurement of forward foreign exchange contracts

The Group's foreign exchange forward contracts minimise the Group's exposure to foreign currency risk. Based on the differences between the foreign currency exchange rates secured through the forward contracts and the spot rate at the period end, the fair value of the forward contracts is a liability of £10.6 million at 1 August 2013. These were previously held off balance sheet under previous UK GAAP, but have been brought onto the balance sheet at fair value, as required by FRS 102, resulting in an £10.6 million decrease in equity on transition, when compared to the equity reported under previous UK GAAP.

Movement on interest rate swap accruals

Under FRS 102, the accrued interest is included in the fair value of the interest rate swap. An adjustment is therefore required to remove the swap interest that was accrued under previous UK GAAP.

Tax on transition adjustments

Deferred tax on the transition adjustments discussed above increased equity at 1 August 2013 by £13.9 million.

Reconciliation of profit and loss for 2014

	Group £'000	Company £'000
Profit for the financial year previously reported under UK GAAP	**5,532**	20,708
Fair value measurement of interest rate swap	**13,606**	–
Fair value measurement of forward foreign exchange contracts	**13,518**	13,518
Amortisation of intellectual property rights on acquisition of Wembley Stadium	**(6)**	–
Movement on interest rate swap accruals	**(208)**	–
Interest payable on the defined benefit obligation	**(302)**	(302)
Tax on transition adjustments	**(4,136)**	(2,636)
Profit for the financial year under FRS 102	**28,004**	31,288

Notes to the reconciliation of profit and loss for 2014

Fair value measurement of interest rate swap

The increase in profit for the year represents the movement in the fair value of the interest rate swap between 1 August 2013, liability of £65.1 million, and 31 July 2014, liability of £51.5 million and is recognised in finance costs.

Fair value measurement of forward foreign exchange contracts

The increase in profit for the year represents the movement in the fair value of the forward foreign exchange contracts between 1 August 2013 and 31 July 2014 from a liability of £10.6 million to an asset of £2.9 million and is recognised in operating expenses.

Amortisation of intellectual property rights on acquisition of Wembley Stadium

The intellectual property rights on acquisition of Wembley Stadium had an infinite useful economic life under previous UK GAAP. Under FRS 102 all intangible assets shall be considered to have a finite useful life and so the intellectual property rights have now been amortised from the transition date, over a useful economic life in line with the Stadium fixed assets. This has been recognised in operating expenses.

Movement on interest rate swap accruals

The decrease in profit for the year represents the movement between the opening accrued interest on the interest rate swap at 1 August 2013 and the closing accrued interest on the interest rate swap at 31 July 2014, as reported under previous UK GAAP. This has been recognised in finance costs.

Interest payable on the defined benefit obligation

Changes to the actuarial valuation of the defined benefit obligation have increased the interest payable for the year by £0.3 million. This has been recognised in finance costs.

Tax on transition adjustments

Tax on the transition adjustments reduced profit in the year ended 31 July 2014 for the Group by £4.1 million and the Company by £2.6 million.

History makers

By finishing third in Canada, the Lionesses completed the most successful England World Cup showing since 1966 and the best finish for the Senior Women's side ever.


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