

Company Registration No. 05835638 (England and Wales)

RFL (Governing Body) Limited
Annual Report And Financial Statements
For The Year Ended 31 December 2022

RFL (GOVERNING BODY) LIMITED

COMPANY INFORMATION

Directors	Mr S H Johnson Mrs S Lindsay Dr R Akhtar Dr C Daley Mr A N Sutton	(Appointed 4 November 2022) (Appointed 1 January 2023)
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Secretary	Mr R K Hicks
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Company number	05835638
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Registered office	Gate 13 Rowsley Street Etihad Campus Manchester M11 3FF
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Auditor	Azets Audit Services Limited 33 Park Place Leeds LS1 2RY
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RFL (GOVERNING BODY) LIMITED

CONTENTS

	Page
Strategic report	1 - 7
Directors' report	8 - 11
Directors' responsibilities statement	12
Independent auditor's report	13 - 15
Group statement of comprehensive income	16
Group balance sheet	17
Company balance sheet	18
Group statement of changes in equity	19
Company statement of changes in equity	20
Group statement of cash flows	21
Notes to the financial statements	22 - 41

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Principal Activities

The principal activity of RFL (Governing Body) Limited ("the RFL") throughout the year was the promotion of the game of Rugby League. The RFL organises and promotes competitions to maximise returns to members. The RFL is also the governing body for the sport of Rugby League in Great Britain and Ireland.

Business Model

The primary remit of the Board is to lead the RFL and the sport by focusing on four key areas of the business: strategic issues facing the RFL and Rugby League generally; monitoring and review of executive performance; approval of changes to the regulatory framework; and finally representing the RFL externally when appropriate and required.

Day to day management of the RFL is delegated to the executive management team under the leadership of the Chief Executive Officer. The Board of Directors receive presentations and reports from members of the executive management team at each Board meeting and may also request updates or attendance at Board meetings from an individual departmental manager if there are significant issues to discuss in an area.

Management of the business is organised via the Chief Executive Officer through key executive areas which are On-Field, Finance, People, Talent, Development, Legal & Operations, and Data & Insight.

The RFL Strategic Plan provides a road map for Rugby League up to the end of 2030. This plan covers distinct areas of activity and its guiding principles are;

- i. Player centric
- ii. Outstanding elite competitions
- iii. Fan focused
- iv. Well governed and inclusive

The grassroots underpins all the above including Rugby League's ability to deliver positive social impact in our communities. Over the period of the current plan, performance against it is and will be closely monitored by the Board.

In 2022, the RFL entered into a Joint Venture with Super League (Europe) Ltd and formed RL Commercial Limited.

RL Commercial has been assigned the rights of all the commercial properties of the professional Sport and is charged with selling those properties as well as staging the Sport's central events. Ownership of those rights still remains with the RFL and SLE respectively. This Joint Venture began trading in January 2023.

The Super League clubs are also members of Super League (Europe) Ltd which acts as a vehicle for the distribution of residual value payments from RL Commercial Ltd. The RFL is a shareholder in Super League (Europe) Ltd with key rights over specific issues.

The Championship and League 1 clubs meet at least three times a year to discuss matters of common interest.

The RFL also has a Community Board which comprises representatives from various sections of the community game including youth and adult participation, schools, universities, and armed services. This Board meet four times a year to discuss matters of importance in the community game.

Business review and results

The consolidated accounts for the RFL show a loss before tax for the financial year of £981k for the year ended 31 December 2022 (2021: Profit £1,008k). The RFL has maintained an aggregate positive cash balance throughout the year.

At 31

December 2022, this aggregate balance was £7,879k (2021: £15,485k).

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Principal Risks and Uncertainties

The Board and Executive team had budgeted to make a profit in 2022 (£394k) in order to continue the financial turnaround from the previous three years and to build reserves for future to bolster the Group's ability to absorb potential Budget shocks in the coming years. Despite strict cost control and management of spend by the Executive, the Group has been faced with another challenging year. This can be broken down in to the following key areas:

Insurance – the RFL provides game wide insurance cover with the most significant cost arising in the Sport's Employers' and Public Liability policy. This particular policy provides cover for concussion related injuries and there was concern from the underwriter of the policy around some of the claim activity in other contact sports. The underwriter made the difficult decision to withdraw cover at renewal in July 2022. After an intensive piece of work by the RFL's insurance broker, Bartlett's, an alternative insurer was found. This has resulted in a significant premium increase which was not budgeted.

Events – In 2022 the RFL staged a number of central events. The Challenge Cup Final being the most notable. Ticketing revenues were below expectations in 2022 which has had an impact on the Budget. This was mitigated to some extent by strict cost control and the varying nature of some of the key costs of staging this event. A significant cost was also absorbed to stage the Mid-Season International Event match at Warrington which gave the England Men's and Women's teams a chance to perform ahead of the RLWC2021 tournament held in Autumn.

Restructuring – As part of the planned re-alignment of the Sport, the RFL has been through a re-organisation of its management structure and crucially the recruitment of a new Chief Executive. Tony Sutton was appointed Interim Chief Executive on 1st January 2023, and then following an extensive external market recruitment process he was appointed permanent Chief Executive on 13th March 2023. There were some one-off restructuring costs accounted for in 2022. The ultimate outcome of this restructuring is a smaller Executive Team in 2023, at a lower cost than in prior years.

Rugby League World Cup 2021 – having been postponed due to the Covid-19 pandemic in 2021, RLWC2021 took place in Autumn 2022. The restrictions to travel and spectators at events had meant that it was very difficult to host the tournament in 2021. This decision was made by the RLWC2021 in conjunction with the RFL Board but was somewhat forced by the withdrawal of the Australian and New Zealand teams due to their concerns over travel and quarantine restrictions. This meant that postponement of the Tournament was not until Summer 2021 and RLWC2021 rightly refunded a substantial number of tickets which had already been purchased. Other revenue streams were also impacted in 2021 and did not recover in 2022 when the Tournament was rescheduled. Clearly, while the RLWC2021 was rationalised during the latter part of 2021, there was certainly a cost of keeping the Tournament functional during this period and retaining key member of the management team and staff.

Detailed Analysis of Trading

It is important to note that these statements are consolidated and incorporate the results of Rugby League World Cup 2021 Limited and RFL Investments 2020 Limited, both wholly owned subsidiaries of RFL (Governing Body) Limited. The reader should take this into account when reviewing year-on-year results in all areas. The postponed Rugby League World Cup 2021 took place in 2022 and the large majority of the event revenues and costs are recognised in these financial statements. RFL Investments 2020 Limited is the vehicle for the administration of the Sport Survival Fund and its Balance Sheet reflects the long-term liability in relation to the loans made to eligible entities in 2020, 2021 and 2022.

The accounts of both these subsidiaries are reported in full and filed at Companies House.

Year on year turnover has increased by 70% from £24,764k to £42,152k which can be attributed in the main to the impact of the Rugby League World Cup 2021 event in Autumn 2022. Bearing in mind the impact of Rugby League World Cup 2021, sponsorship income also saw some recovery, increasing from £1,668k to £5,744k.

Government funding from Sport England has increased from £8,351k in 2021 to £11,030k in 2022 - an increase of 32% mainly due to grants received by Rugby League World Cup 2021 Limited for delivery of the Tournament in 2022.

New BBC and Sky broadcast contracts also commenced in 2022. Overall broadcast income decreased from £9,434k in 2021 to £7,839k in 2022. This represents a decrease of 17% derived from those new contracts.

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Within the RFL accounts, the cost of sales heading is broken down into two sections. The first being the external, third party costs of making the sale and the second being the cost of sales that are internal to the RFL's stakeholders such as payments directly made to clubs. External cost of sales increased from £5,800k in 2021 to £32,206k in 2022. This increase is attributable to the increase in match costs and event staging costs relating to Rugby League World Cup 2021.

Grant funded activities expenditure has increased from £3,125k in 2021 to £4,842k in 2022 reflecting the level of programme activity delivered in 2022, and its associated income.

Payments to and on behalf of clubs is made up of the cost of sales element of £274k (2021: £1,204k) and a further amount of £5,004k (2021: £7,153k) shown below Gross Profit on the Profit and Loss Account, which in 2022 brought the total payable to and on behalf of clubs to £5,278k (2021: £8,356k). This relates in the main to the reduction in distributions to Championship and League 1 Clubs as a result of the reduced Broadcast revenues in to the Sport in 2022 when compared to 2021.

In 2022, Operating Costs have increased to £15,283k from £10,055k in 2021. This is due to the classification of grant funded expenditure in Rugby League World Cup 2021 Limited as operating costs as the Tournament took place during the Year.

Group Staff Costs have significantly increased from £6,847k in 2021 to £7,599k in 2022. This is due to the impact of Covid-19 in 2021 and the postponement of RLWC2021, as well as an increase in staff costs relating to the staging of RLWC2021 in 2022.

Director remuneration has increased from £455k in 2021 to £686k in 2022. It should be noted that this total includes a provision of £245k for the compensation for loss of office for the former Chief Executive Officer and Chief Regulatory Officer.

Costs of the Non-Executive Board have decreased slightly due to reductions and timing of Non-Executive Directors movements in 2022. These costs have since reduced further in 2023.

Interest receivable by the RFL in 2022 was £367k (2021: £169k). The increase in 2022 is driven by amounts due to RFLI 2020 Limited in respect of interest repayments from Clubs who received support from the Sport Survival Fund. This is repayable to DCMS after the balance sheet date.

Our People

Our People are at the heart of our sport. The RFL recognises that without their commitment, professionalism, and expertise in delivering customer service excellence it would be unable to achieve its goals.

We are committed to providing ongoing investment to their learning and development to achieve the highest standards. We fully support all opportunities for employment, career progression and development. Irrespective of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including colour, nationality, and ethnic or national origin), religion or belief, sex (gender) and sexual orientation through our communities, Inclusion and Diversity Tackle It action plan.

The RFL is committed to ensuring that Rugby League is an inclusive sport and we have a proud history that supports this. To ensure we continue to meet the wider objectives of the sport by increasing participation and engagement from the communities. Inclusion and Diversity sits at the forefront of this enabling us to promote our sport and encourage new interest whilst retaining the commitment and passion we currently have. In 2020, the RFL launched Tackle It, a sport-wide action plan to make Rugby League a truly inclusive sport by tackling all forms of discrimination and breaking down any barriers to involvement. The plan sets out four strategic goals and, crucially, the specific and measurable actions that will be taken to achieve them.

An Inclusion Board - chaired by Dr Rimla Akhtar (RFL Non-Executive Director) - has been established to support the RFL in its delivery of the Tackle It! action plan. The group, made of up both internal and external members, seeks to provide strategic advice and support to the organisation.

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our Communities

As a leading National Sports Governing Body, we are committed to transforming our local communities by delivering an approach to positive corporate social responsibility encompassing cash donations, support for volunteering, environmentally friendly practices, and investment in our people. In line with this commitment, we have continued to support several sports related charities including the RFL Benevolent Fund, the RFL Facilities Trust, and Rugby League Cares. We support these organisations in cash and in kind.

Corporate Governance

The RFL is committed to high standards of corporate governance and is continually looking at ways to improve this function. This is evidenced in the Directors Report through the operation of Board Committees and through the RFL's commitment to compliance with UK Sport and Sport England's Code for Sports Governance. The RFL has further enhanced this commitment through continuing to manage itself through its Non-Executive Chair and Non-Executive Director Board structure, the carrying out of an external evaluation of the Board (and the publication of that reviews' findings) along with the continued rollout of its Tackle It Plan and its engagement in an internal audit programme. The internal audit programme is carried out by an independent third party and reports directly to the Audit and Risk Committee. It is a wide-ranging programme, and it provides transparency for members alongside the statutory external audit programme.

Review of 2022

A year that began with a fiery Betfred Super League opener between St Helens and Catalans Dragons in early February ended nine months later in Manchester with the climax of the Rugby League World Cup, as England's dramatic Friday night victory over France in the Wheelchair competition was followed by more comfortable wins for Australia's Jillaroos and Kangaroos, over New Zealand and Samoa respectively.

That provides some idea of the wide variety of Rugby League spread across 2022, taking in major stadiums such as Elland Road for a record-breaking Betfred Women's Challenge Cup Final, and the superb Tottenham Hotspur Stadium for Wigan's victory over Huddersfield Giants – while the three major domestic women's honours were spread around three different clubs.

In addition to Matt Peet's Warriors, the big winners in the Men's game were St Helens, who secured a record-breaking fourth consecutive Super League title by beating Leeds Rhinos 24-12 in the Grand Final.

It was the fifth time the Saints had met the Rhinos in the title decider – and the first time Saints had won, providing extra satisfaction for all at the club, including Kristian Woolf, the coach who had already confirmed a return to Australia with the Dolphins for their first season in the NRL.

Jonny Lomax won the Harry Sunderland Trophy for a typically influential performance, underlining what a loss he would be when he withdrew from England's World Cup squad because of injury.

The win also took Saints two ahead of Leeds as the most successful team of the Super League era with a 10th title.

Leeds had seemed unlikely Grand Finalists for much of the season but the appointment of Rohan Smith as Head Coach, following in the footsteps of his uncle Tony who had won two Super League titles with the Rhinos, led to a stirring run of form in late summer and into autumn, as after squeezing into the top six at the expense of Castleford Tigers, they claimed notable away wins at Catalans Dragons and Wigan to earn their Old Trafford place.

Saints had finished top of the table for the third time in five years – although the first since 2019 – but were given a real fright by Salford Red Devils in a controversial semi-final before securing their Old Trafford place with a 19-12 win.

Salford's performance was all the more impressive considering the absence of Brodie Croft, the Australian half-back whose consistent brilliance earned him the Steve Prescott MBE Man of Steel award. Croft was ruled out under concussion protocols after being injured in Salford's play-off win at Huddersfield the previous weekend.

At the other end of the table, Toulouse Olympique had their moments in their first Super League season, but were ultimately cut adrift, with only five wins.

Arguably the greatest surprise of the season was the fact that the team immediately above Toulouse were Warrington Wolves, as the optimism following the appointment of Daryl Powell as coach quickly gave way to realism that his rebuilding job would not yield instant results.

Leigh Centurions stormed to the Betfred Championship title to ensure they would take Toulouse's place in Super League 2023 – although shortly after their Grand Final win over the Batley Bulldogs team who had again achieved far more than generally expected under Craig Lingard's canny coaching, the Centurions were rebranded as the Leopards.

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Cougars of Keighley were equally dominant in earning promotion to the Championship as Betfred League One champions, while Swinton Lions beat Doncaster in the Play-Off Final to secure the second promotion place – with Dewsbury Rams and Workington Town slipping in the reverse direction.

Of the two new names in the League One competition, Midlands Hurricanes finished eighth with six wins out of 20 in their first season after rebranding, while a single win at West Wales Raiders was enough for Cornwall RLFC to avoid the wooden spoon – with West Wales confirming their withdrawal from the competition in December.

Highlights of the early rounds of the Betfred Challenge Cup included the Royal Navy reaching the Fourth Round for the first time in their history, and including a tight Second Round win against the British Army in Aldershot.

Leigh and Featherstone Rovers both underlined the quality in the Championship with highly creditable defeats at Hull KR and Catalans Dragons respectively in the Sixth Round.

They were also to meet in the final of the AB Sundecks 1895 Cup, the knockout competition for non-Super League teams. The game was played at Tottenham before the Wigan-Huddersfield Challenge Cup Final and Leigh became the third winners, following Sheffield Eagles in 2019 and Featherstone in 2021, with the Papua New Guinea hooker Edwin Ipape winning the Ray French Award as Player of the Match.

The 121st Challenge Cup Final broke new ground at Tottenham, and the teams produced a compelling spectacle in front of a 51,628 attendance. Huddersfield were on course for a seventh Cup triumph and a first since 1953 when they led 14-12 courtesy of a 58th minute Jermaine McGillvary try, but Wigan broke their hearts when Harry Smith laid on a try for Liam Marshall with less than four minutes remaining.

Wigan therefore extended their record number of Cup wins to 20, ending an unusually long wait of nine years since their last triumph, while Huddersfield's Australian forward Chris McQueen had the consolation of winning the Lance Todd Trophy.

St Helens had won the Betfred Women's Challenge Cup Final at Elland Road three weeks earlier, with the crowd of 5,888 in attendance for the first match of a triple header also including the men's semi-finals setting a new record for a Women's match in the UK.

Zoe Hornby scored a storming try to give Leeds the early lead, and was named Player of the Match, but Saints surged back to win 18-8, Jodie Cunningham scoring a fine individual try before lifting the trophy for the second consecutive year.

However Saints were unable to repeat the dominance that earned them a double in 2022, with York confirming their arrival as a major force by winning the League Leacers' Shield, and Leeds gaining revenge for their Cup Final defeat by beating St Helens in the BWSL Semi Final – then beating York 12-6 in St Helens to claim their second BWSL title in three years, with Caitlin Beevers scoring both tries.

The Rhinos also retained the Betfred Wheelchair Challenge Cup, beating Catalans Dragons 48-34 in a thrilling Final in Hull to deny the French club a fairytale finish to their first appearance in the competition.

But Leeds were denied a second consecutive league and cup double by Halifax Panthers, with Rob Hawkins scoring five tries in a 52-48 victory in Manchester. Hawkins and his England team-mates were on the cusp of the most memorable few weeks of their sporting lives.

International & Rugby League World Cup 2021

All three England teams prepared for the World Cup with Mid-Season Internationals.

Shaun Wane's Men claimed a satisfying 18-4 win against a Combined Nations All Stars team coached by Ellery Hanley, reversing the result of the fixture when it was played in 2021 at the same Warrington venue.

England Women played two Tests in the space of a week, beating Wales 32-6 at Pandy Park and France 36-10 at the Halliwell Jones Stadium in the first part of a double header.

England Wheelchair beat France 62-48 in Manchester, an entertaining match which nevertheless had the feel of a slightly phoney war as the French were missing a number of key players who would surely return for the World Cup.

The Men were the only team to play an official warm-up, and it set the tone for a sparkling month as nine different players scored tries in a 50-0 demolition of Fiji at the Salford Stadium.

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Nobody expected England to beat that victory margin in the World Cup opener against a high-pedigree Samoa team at Newcastle's St James' Park, so there was a combination of delight and disbelief after Elliott Whitehead and the outstanding Dom Young each scored two tries in a 60-6 demolition, in front of a 43,000 crowd.

That set the pattern for further comfortable wins on consecutive Saturday afternoons against France in Bolton, the World Cup newcomers Greece in Sheffield, and Papua New Guinea in the Quarter Final in Wigan – an occasion which also included England Women's second group match against Canada, and was attended by the RFL's Patron, HRH the Princess of Wales.

England Women beat the plucky Canadians 54-4 after winning their opener against Brazil 72-4 in front of a crowd of 8,621 on a Tuesday afternoon at Headingley, beating the record for a Women's game in the UK set earlier in the year at Elland Road.

They completed their group campaign with a 42-4 win against Papua New Guinea back at Headingley, the St Helens wing Leah Burke scoring a spectacular hat-trick of tries each created by precise kicks from the Leeds half-back Courtney Winfield-Hill

With England's Wheelchair team also surging to their Semi Final with group wins against Australia, Spain and Ireland at the Copper Box in London's Olympic Park, the three England teams had a perfect 10 from 10 record going into the penultimate weekend of the tournament.

But the Men then suffered a cruel and agonising Semi Final defeat by Samoa at the Emirates, and although the Wheelchair team secured their Final place the following day by beating Wales in Sheffield, the Women went down 20-6 to New Zealand in their Semi Final in front of another landmark crowd of more than 7,000 at York's LNER Community Stadium.

That left Tom Cloyd's Wheelchair team, who had already captured the imagination of a huge new audience through the BBC's coverage of their first four fixtures, flying the home flag on Finals Weekend in Manchester.

What followed will be remembered by all who were in attendance that Friday night at a packed Manchester Central, as Tom Halliwell's late try secured a 28-24 victory – and England regained the World Cup for the first time since 2008.

Community Game

We are continuing to see accelerated growth amongst the numbers of women and girls playing rugby league including the expansion of girls Futures Hubs and piloting of a new girls 7-11's programme. However, the sport has not bounced back as strongly as the mid-year participant reporting suggested it would in some settings particularly male open age.

Culture change and improvements in touchline environments remain a priority. We are continuing to drive change in a variety of different ways including adapting our playing offers and introduction of new playing offers. Progress in establishing the Player Development League ethos and principles within existing junior leagues continues via the Lions Development Programme. On field success was secured through the England Community Lions with the U19's successful in the European Championship and PDRL winning the inaugural World Cup.

There was a cautious return to activity post pandemic across education settings whilst our rugby league activity offers covering Learning Disability RL, Physical Disability RL and Wheelchair RL continue to see significant growth.

Working with partners continues to be a significant part of our strategy. We have strong ongoing partnerships with Community Integrated Care, Street Games and Access Sport. On the field our positive relationship with Try Tag Rugby continues to encourage more people to try social variants of the sport.

We continue to drive our social impact programmes through 'Our League Life' our social impact brand with five community well-being hubs being piloted as part of a project to recognise the role rugby league plays at the heart of the communities. We have also secured and administered five significant grant funding schemes and delivered £116,000 new investment into the community game.

Working in partnership with KKP work is underway to deliver a new RFL Facilities Strategy which will help secure and underpin additional facilities funding post RLWC2021. A particular focus here will be the work we are doing with the Football Foundation multisport projects.

RFL (GOVERNING BODY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Sustainability

In 2022, the RFL embarked on a Sport England funded audit of the professional game on Environmental Sustainability. The British Association of Sustainability in Sport (BASIS), an organisation dedicated to sustainability for the UK sports sector, successfully tendered for the work and began an audit of the professional game and a selection of asset owning community clubs. This audit looked at 12 areas including energy usage, community and communications and waste management.

Now nearing completion, the report will be shared across the game and various stakeholders to inform of our next steps and commitments to become a more sustainable sport. In addition to the report BASIS will be supporting the RFL and professional clubs to produce action plans on becoming more sustainable with a view to improving both Environmental Sustainability which could lead to supporting in becoming financially sustainable.

Signed on behalf of the Board

Mr S H Johnson

Director

29 September 2023

RFL (GOVERNING BODY) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal Activities

The principal activity of RFL (Governing Body) Limited ("the RFL") throughout the year was the promotion of the game of Rugby League. The RFL organises and promotes competitions to maximise returns to members and the game. The RFL is also the governing body for the sport of Rugby League in Great Britain and Ireland.

Business Review

The RFL group has made a loss for the financial year of £981k for the year ended 31 December 2022 (2021: Profit £1,008k). The RFL has maintained an aggregate positive cash balance throughout the year. At 31 December 2022, this aggregate balance was £7,879k (2021: £15,485k). Therefore, at the time of approval of the Financial Statements, the directors are satisfied regarding the funding of the RFL for the foreseeable future.

Directors

The RFL has a Board of Directors that is totally independent of any club or member involvement. The Board is currently comprised of one Executive Directors, and four Non-Executive Directors – including the Non-Executive Chair.

All non-executive directors are subject to election by the RFL Council at the first opportunity after their appointment and serve for a maximum of nine years. Non-Executive directors retire by rotation and may offer themselves for immediate re-election.

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S H Johnson	
Mrs S Lindsay	
Dr R Akhtar	
Dr C Daley	(Appointed 4 November 2022)
Mr A N Sutton	(Appointed 1 January 2023)
Ms K E Moorhouse	(Resigned 31 December 2022)
Mr R W J Rimmer	(Resigned 31 December 2022)
Mr C C Brindley	(Resigned 13 July 2022)
Mr C J Hurst	(Resigned 13 July 2022)

The Board undertakes a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors. This includes a review of whether each director continues to contribute effectively and demonstrate a commitment to the role (including commitment of time for Board and committee meetings and any other duties). The evaluation process is used constructively as a mechanism to improve Board effectiveness, maximise strengths and address areas of improvement.

RFL (GOVERNING BODY) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Board Committees

The Board has established eight specific committees, each with defined terms of reference. Minutes of the meetings are circulated to and reviewed by the Board.

The Audit & Risk Committee

The purpose of the Audit and Risk Committee is to: (a) consider the appointment of the external auditors and their independence; (b) consider the appointment of the internal auditors and review the RFL's internal audit programme; (c) review the Group's financial statements; and (d) review the effectiveness of the internal control systems of the RFL including the process for managing risk.

The Audit and Risk Committee consists of at least 4 members, 1 of whom have to be Non-Executive Director and one of whom has to be the RFL Executive who is the Chief Risk Officer for the RFL (currently the Director of Finance, Facilities and Central Services - Robert Graham).

The Audit and Risk Committee is chaired by Non-Executive Director Rimla Akhtar.

The Audit and Risk Committee met on four occasions in 2022.

The Remuneration Committee

The Board of Directors consider it important to benchmark Board & senior staff remuneration against other businesses of similar size and against other sports governing bodies. To this end, the Remuneration Committee meets as appropriate, chaired by Sandy Lindsay, and currently comprises Dr Rimla Akhtar, Dr Cherrie Daley and Victoria Sinacola. The Committee determines the terms and conditions of employment for executive and non-executive directors and agrees the level of remuneration for senior managers whose earnings are within the committee's prescribed criteria. The objective of the committee shall be to ensure that members of the executive management of the RFL are rewarded, in a fair and responsible manner, for their individual contributions to the success of the RFL.

The Nominations Committee

The purpose of the Nominations Committee is to: (a) ensure that there is a formal and transparent procedure for appointing new directors, re-appointing directors to the Board of Directors and appointing senior executives (being the Chief Executive Officer and any executive it is envisaged will have a basic salary of £100,000 or more); and (b) keep under review the composition of the Board and Board sub-committees and make recommendations to the Board in relation to the same.

This Committee is chaired by Simon Johnson and includes all Non-Executive Directors. The Committee is responsible for nominating candidates to fill Board vacancies for the approval of the Board as and when they arise.

Before considering any appointment, the balance of skills, knowledge and experience on the Board is evaluated, the diversity and make-up of the Board is considered and, in the light of this evaluation, a description of the role and capabilities required for an appointment is prepared. In addition, full consideration is given to succession planning during its work, considering the challenges and opportunities facing the company and the skills and expertise that are therefore needed on the Board in the future as well as regularly reviewing the structure, size and composition (including skills, knowledge and experience) of the Board and making recommendations to the Board with regard to any changes. During 2022 there were no appointments to roles that fall within the remit of the Nominations Committee; however, it still met once.

Laws Committee

The purpose of the Laws Committee is to review the current laws of the game whilst also fully considering the potential impact of the introduction of new laws based on three principles of keeping the game safe, fair and entertaining. Drawing from across the game, the Committee comprises of a range of members who are considered representative of all stakeholders and is chaired by the RFL Chief On Field Officer. The Committee consider it vital to understand the views of all relevant stakeholders (including coaches, players, medical staff, the players' union and match officials) and this is reflected in its composition. The Committee met three times in 2022.

RFL (GOVERNING BODY) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Community Board

By virtue of Article 79 of the Articles of Association of RFL (Governing Body) Limited, the Board has established a Community Board. This Board is accountable to the RFL Board for the management and development of all aspects of the community, grass roots and amateur game of Rugby League. The role of the Community Board is to assist in the organisation and management structure of the RFL, and to bring together all areas of the British Rugby League community, grass roots and amateur game under the governance of the RFL.

The Community Board is made up of representatives of the various sectors of the community game being BARLA; Combined Services Rugby League; Education rugby league settings; Higher Education rugby league settings; Tier Four Leagues; Tier Five and Tier Six Adult Leagues; Tier Five Youth and Junior Leagues and Foundations. The RFL nominates 1 Director to act as Chair, a person to represent Active Participants and 2 other Independent representatives. The current Chair is Sandy Lindsay (who assumed the Chair in September 2020).

Whole Game Board (formerly Professional Game Board)

The purpose of the Whole Game Board is to consider and make non-binding recommendations to the Board in relation to the regulation and operation of the Game on matters that directly or indirectly have impact on rugby league clubs who play in: (i) the Super League; and (ii) the Championship and League 1 and which may have a whole game impact (including potentially on the Community Game). The overriding aim being to drive the Game's objectives.

Its membership is made up of representatives of the RFL, the Super League Clubs, the Championship and League 1 Clubs and the Community Game.

The Committee met twice in 2022. With the realignment of the RFL and SLE, this sub-committee will not formally meet again and instead will become a task and finish group meeting only as and when required.

Inclusion Board

The RFL Inclusion Board was made a formal sub-committee of the RFL Board in 2020. The purpose of the Inclusion Board is to check and balance the implementation of Tackle It, review progress, identify and assist with areas for development, and contribute to promoting an inclusive and diverse culture in Rugby League.

Chaired by Rimla Akhtar, the board meets a minimum of four times a year in addition to attending events – including the Challenge Cup Final and Rugby League World Cup in 2022 – and providing support within individual areas of expertise.

Membership is being reviewed in 2023 with a view to address gaps in representation through the recruitment of new board members from September 2023. This is aligned with the review of the Tackle It action plan.

Clinical Advisory Group

In February 2021, the Clinical Advisory Group was formally made a Board sub-committee. Its purpose is to make recommendations to the Board; and provide guidance to the Game, on all medical issues impacting the Game.

Core membership is drawn from all clinical roles in the Game and levels within the Game (Community and Professional Game). The sports Chief Medical Officer and Covid Medical Officer are members of the Committee.

The committee met 5 times in 2022.

RFL (GOVERNING BODY) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Internal Control

The Board is responsible for establishing and maintaining the RFL's system of internal controls. Internal control systems are intended to meet the needs of the organisation and the risks to which it is exposed. By their nature, such systems and procedures are designed to manage rather than eliminate the risk of failure to achieve objectives and can therefore provide reasonable and not absolute reassurance against material loss or misstatement.

Key elements of the internal control systems are:

- Clearly defined management structure and delegation of authority to committees of the Board and the management team.
- High recruitment standards and formal career development and training to ensure the integrity and competence of staff.
- Regular information provided to management and staff, covering financial performance and key performance indicators.
- A detailed budgeting process where departmental managers participate in the budget formation before approval by the Board.
- A streamlined system with an automated workflow for the approval of capital expenditure, investments and all trading purchases.
- Monthly monitoring and re-forecasting of results against budget, with management action taken and recorded against major variances.
- On-going procedures to maintain the risk register, evaluate the risks faced by the business and monitor the systems to control and reduce the risks.

Political contributions

The Company made no political donations or incurred any disclosable political expenditure during the year (2021: £nil).

Other information

An indication of likely future developments in the business and of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 1.

Auditor

The auditor, Azets Audit Services Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr S H Johnson

Director

29 September 2023

RFL (GOVERNING BODY) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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 group and company, and of the profit or loss of the group 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RFL (GOVERNING BODY) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RFL (GOVERNING BODY) LIMITED

Opinion

We have audited the financial statements of RFL (Governing Body) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2022 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

RFL (GOVERNING BODY) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RFL (GOVERNING BODY) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

RFL (GOVERNING BODY) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RFL (GOVERNING BODY) LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Chris Butt (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

29 September 2023

Chartered Accountants
Statutory Auditor

33 Park Place
Leeds
LS1 2RY

RFL (GOVERNING BODY) LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	42,152,041	24,764,054
Cost of sales	4	(32,206,145)	(5,800,170)
Cost of sales payable to or on behalf of clubs	5	(273,750)	(1,203,500)
Total cost of sales		(32,479,895)	(7,003,670)
Gross profit		9,672,146	17,760,384
Payments to or on behalf of clubs and other member organisations	5	(5,004,132)	(7,152,509)
Operating costs		(15,282,694)	(10,054,721)
Total administrative costs		(20,286,826)	(17,207,230)
Other operating income		9,663,065	75,614
Exceptional item	6	-	380,000
Operating (loss)/profit	7	(951,615)	1,008,768
Interest receivable and similar income	11	367,003	169,115
Interest payable and similar expenses	12	(396,855)	(169,745)
(Loss)/profit before taxation		(981,467)	1,008,138
Tax on (loss)/profit	13	35,788	50,861
(Loss)/profit for the financial year		(945,679)	1,058,999

RFL (GOVERNING BODY) LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	663,610		446,594	
Investment properties	15	750,000		750,000	
Investments	16	50		-	
		<u>1,413,660</u>		<u>1,196,594</u>	
Current assets					
Debtors falling due after more than one year	17	17,309,118		18,960,864	
Debtors falling due within one year	17	12,629,234		6,340,707	
Cash at bank and in hand		7,879,388		15,485,041	
		<u>37,817,740</u>		<u>40,786,612</u>	
Creditors: amounts falling due within one year	18	<u>(17,588,338)</u>		<u>(19,740,361)</u>	
Net current assets		<u>20,229,402</u>		<u>21,046,251</u>	
Total assets less current liabilities		<u>21,643,062</u>		<u>22,242,845</u>	
Creditors: amounts falling due after more than one year	19	<u>(21,620,489)</u>		<u>(21,274,593)</u>	
Net assets		<u><u>22,573</u></u>		<u><u>968,252</u></u>	
Capital and reserves					
Revaluation reserve	23	118,993		118,993	
Profit and loss reserves	23	(96,420)		849,259	
Total equity		<u><u>22,573</u></u>		<u><u>968,252</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 29 September 2023 and are signed on its behalf by:

Mr A N Sutton
Director

RFL (GOVERNING BODY) LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		340,000		340,000
Investment properties	15		750,000		750,000
Investments	16		389,911		389,861
			<u>1,479,911</u>		<u>1,479,861</u>
Current assets					
Debtors	17	1,841,905		1,831,300	
Creditors: amounts falling due within one year	18	<u>(50)</u>		<u>-</u>	
Net current assets			<u>1,841,855</u>		<u>1,831,300</u>
Total assets less current liabilities			<u>3,321,766</u>		<u>3,311,161</u>
Provisions for liabilities	21		<u>(22,609)</u>		<u>(22,609)</u>
Net assets			<u><u>3,299,157</u></u>		<u><u>3,288,552</u></u>
Capital and reserves					
Revaluation reserve	23		118,993		118,993
Accumulated surplus/(deficit)	23		<u>3,180,164</u>		<u>3,169,559</u>
Total equity			<u><u>3,299,157</u></u>		<u><u>3,288,552</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £10,605 (2021 - £523,533 profit).

The financial statements were approved by the board of directors and authorised for issue on 29 September 2023 and are signed on its behalf by:

Mr A N Sutton
Director

Company Registration No. 05835638

RFL (GOVERNING BODY) LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2021	-	565,219	(655,966)	(90,747)
Year ended 31 December 2021:				
Profit and total comprehensive income for the year	-	-	1,058,999	1,058,999
Transfers	-	(446,226)	446,226	-
Balance at 31 December 2021	-	118,993	849,259	968,252
Year ended 31 December 2022:				
Loss and total comprehensive income for the year	-	-	(945,679)	(945,679)
Balance at 31 December 2022	-	118,993	(96,420)	22,573

RFL (GOVERNING BODY) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Revaluation reserve £	Accumulated surplus £	Total £
Balance at 1 January 2021	565,219	2,199,800	2,765,019
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	523,533	523,533
Transfers	(446,226)	446,226	-
Balance at 31 December 2021	118,993	3,169,559	3,288,552
Year ended 31 December 2022:			
Profit and total comprehensive income for the year	-	10,605	10,605
Balance at 31 December 2022	118,993	3,180,164	3,299,157

RFL (GOVERNING BODY) LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash absorbed by operations	29	(7,908,967)	(5,821,085)
Income taxes refunded		-	159,061
Net cash outflow from operating activities		(7,908,967)	(5,662,024)
Investing activities			
Purchase of tangible fixed assets		(300,098)	(31,108)
Proceeds on disposal of tangible fixed assets		1,628	1,655,524
Purchase of joint ventures		(50)	-
Interest received		27,334	7,525
Net cash (used in)/generated from investing activities		(271,186)	1,631,941
Financing activities			
Proceeds from borrowings		1,196,596	8,881,095
Repayment of borrowings		(622,081)	-
Net cash generated from financing activities		574,515	8,881,095
Net (decrease)/increase in cash and cash equivalents		(7,605,638)	4,851,012
Cash and cash equivalents at beginning of year		15,485,026	10,634,014
Cash and cash equivalents at end of year		7,879,388	15,485,026
Relating to:			
Cash at bank and in hand		7,879,388	15,485,041
Bank overdrafts included in creditors payable within one year		-	(15)

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

RFL (Governing Body) Limited ("the company") is a company limited by guarantee and domiciled and incorporated in England and Wales. The registered office is Gate 13, Rowsely Street, Etihad Campus, Manchester, M11 3FF.

The group consists of RFL (Governing Body) Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being the parent of a group that prepares publicly available consolidated financial statements, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the disclosure exemptions of Section 33.1A of FRS102 which permit it to not present details of its transactions with members of the group where relevant group companies are all wholly owned.

1.2 Basis of consolidation

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2022. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

1.3 Going concern

In arriving at their Going Concern assumptions, the Directors have prepared and considered detailed trading forecasts and cashflow projections for at least 12 months from the date of approval of these financial statements. These forecasts indicate that with the Group's strong cash balance, and secure revenue streams going forward, the RFL can continue to trade until at least the next 12 months. The Group overall was profitable in 2021 and the loss made in 2022 was largely anticipated as the Sport tends to take a view over a two-year period given the cyclical nature of trading and in particular the international event calendar. The RFL Group is forecast to break-even in 2023. Repayment of the RFL's loans will not commence within the next 12 months.

As noted in the Strategic Report, RLWC2021 took place in Autumn 2022. Due to the reasons outlined in the Strategic Report, there was a financial impact on the RFL Group arising from the postponement of the tournament. This has been carefully managed and will not have a significant impact on the stability of the Group going forward.

It is also important to note that RFL Investments 2020 Limited, the subsidiary which administers the DCMS Loan Programme, bears the liability of any events of default by eligible entities which have borrowed from the programme. However, all applications to the DCMS Loan programme have been subject to the scrutiny and approval of the RFL Fund Management Team and the Loan Committee which consists of representatives of the DCMS, Sport England and the RFL Board.

A longer-term financial forecast for the Group demonstrates that the Group will continue to have a strong cash position and have sufficient level of cash to make the RFL's loan repayments. Based on the above, the directors believe that it is appropriate to prepare these financial statements on a going concern basis.

1.4 Turnover

Income comprises the value of sales excluding VAT of goods and services in the normal course of business, ticketing monies, sponsorship monies, grant monies, hosting monies and revenue derived from television broadcasting contracts. Income includes amounts generated as principal and excludes transactions conducted as agent of the Clubs. Income is recognised in the period to which it relates and payments to clubs are recorded as 'payable to clubs' in the period in which the related income is recognised. Government grants are taken to income in order to match them against the related costs. Where amounts have not yet been spent grant monies received are shown as deferred income.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in surplus or deficit or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in surplus or deficit.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	25 years straightline
Plant and equipment	4 years straightline
Fixtures and fittings	8 years straightline
Computers	4 years straightline

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss. No depreciation is provided in respect of freehold investment properties applying the fair value model.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Provisions

A provision is recognised in the balance sheet when the Entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.13 Employee benefits

Termination benefits are recognised as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

1.14 Retirement benefits

The organisation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the organisation in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

1.15 Leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of leases.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.17 Government funding for service delivery

Government funding for service delivery is included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the periods in which the related costs are incurred.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Investment property valuations

As required by FRS 102, the investment property is revalued to fair value at each period end. The directors have made use of external specialists to obtain a market valuation to ensure the value is suitable, however there remains inherent uncertainty.

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Match income	11,647,510	1,070,614
Broadcast	7,839,182	9,433,569
Sponsorship	5,744,045	1,667,522
Government funding	11,030,378	8,350,910
Other	5,890,926	4,241,439
	<u>42,152,041</u>	<u>24,764,054</u>
	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>42,152,041</u>	<u>24,764,054</u>
	2022	2021
	£	£
Other revenue		
Interest income	367,003	169,115
Grants received	<u>8,948,483</u>	<u>34,836</u>

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4	Cost of sales	2022 £	2021 £
	Match costs	20,549,011	1,982,671
	Grant funded activities	4,842,425	3,125,299
	Sponsorship and promotional costs	927,206	391,879
	Other	5,887,503	300,321
	Total cost of sales	32,206,145	5,800,170

5	Payments to or on behalf of clubs and other member organisations	2022 £	2021 £
	Awards to clubs	2,030,196	4,992,129
	Awards to other sections of the game	-	98,314
	Match officials	1,268,056	1,062,405
	Insurance	1,430,627	705,644
	Disciplinary costs and banned substances testing	75,253	94,017
	Player welfare	200,000	200,000
		5,004,132	7,152,509

In addition to the amounts above, further amounts were paid to or on behalf of clubs relating to events or government funding. These amounts are contained within Cost of sales – payable to or on behalf of clubs and are as follows:

	2022 £	2021 £
Match costs	273,750	450,000
Grant funded activities	-	753,500
	273,750	1,203,500
Total payments made to or on behalf of clubs	5,277,882	8,356,009

6	Exceptional item	2022 £	2021 £
	Income		
	Profit on disposal of fixed assets	-	380,000

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Operating (loss)/profit

	2022 £	2021 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Government grants	(8,948,483)	(34,836)
Depreciation of owned tangible fixed assets	81,454	107,679
Operating lease charges	36,438	2,288
	<u> </u>	<u> </u>

8 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of these financial statements	1,150	2,000
Audit of the financial statements of the company's subsidiaries	45,050	33,850
	<u> </u>	<u> </u>
	46,200	35,850
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	4,825	5,725
All other non-audit services	6,375	4,900
	<u> </u>	<u> </u>
	11,200	10,625
	<u> </u>	<u> </u>

9 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
On field staff	12	4	-	-
Administration staff	157	163	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	169	167	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	6,475,873	5,848,951	-	-
Social security costs	715,174	556,461	-	-
Pension costs	469,876	441,914	-	-
	<u>7,660,923</u>	<u>6,847,326</u>	<u>-</u>	<u>-</u>
Redundancy payments made or committed	<u>244,953</u>			

10 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	408,005	421,339
Company contributions to money purchase pension plans	33,512	33,816
Compensation for loss of office	244,953	-
	<u>686,470</u>	<u>455,155</u>

Included in the above is the remuneration of the independent non-executive board of RFL (Governing Body) Limited. They are detailed as follows:

	2022 £	2021 £
Cherrie Daley	3,090	-
Simon Johnson	50,000	48,750
Sandra Lindsay	25,000	24,375
Rimla Akhtar	25,000	24,375
Christopher Brindley	39,435	51,325
Christopher Hurst	13,365	24,375
	<u>155,890</u>	<u>173,200</u>

Christopher Brindley's remuneration above includes his remuneration in relation to his role as chair of the Rugby League World Cup 2021 Limited and was agreed separately by the Rugby League World Cup Remuneration Committee.

The aggregate of remuneration receivable of the highest paid director was £307k (2021 - £156k), and company pension contributions of £25k (2021 - £25k) were made to a money purchase scheme on their behalf. This figure consists of salary payments made for the Year's employment plus termination costs accrued, not yet paid, which are part of contractual agreements charged upon termination.

The total cost of the Chief Executive and his Senior Management Committee (key management personal) is £856k (2021 - £545k).

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Directors' remuneration

(Continued)

	2022 Number of Directors	2021 Number of Directors
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	2	2

11 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	27,304	7,525
Other interest income	339,699	161,590
Total income	367,003	169,115

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	27,304	7,525
--	--------	-------

12 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	396,855	169,745

13 Taxation

	2022 £	2021 £
Current tax		
Adjustments in respect of prior periods	(35,788)	(159,061)
Deferred tax		
Origination and reversal of timing differences	-	178,586
Changes in tax rates	-	(70,386)
Total deferred tax	-	108,200
Total tax credit	(35,788)	(50,861)

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
(Loss)/profit before taxation	(981,467)	1,008,138
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(186,479)	191,546
Tax effect of expenses that are not deductible in determining taxable profit	86,066	41,335
Gains not taxable	-	(72,200)
Unutilised tax losses carried forward	117,406	-
Adjustments in respect of prior years	(35,788)	-
Effect of change in corporation tax rate	-	(40,585)
Research and development tax credit	-	(159,061)
Under/(over) provided in prior years	-	(39,513)
Other	(16,993)	27,617
Taxation credit	(35,788)	(50,861)

14 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost or valuation					
At 1 January 2022	340,000	40,486	4,116	227,048	611,650
Additions	-	29,460	116,628	154,010	300,098
Disposals	-	(5,532)	-	(665)	(6,197)
At 31 December 2022	340,000	64,414	120,744	380,393	905,551
Depreciation and impairment					
At 1 January 2022	-	24,193	2,758	138,105	165,056
Depreciation charged in the year	-	11,421	6,575	63,458	81,454
Eliminated in respect of disposals	-	(3,904)	-	(665)	(4,569)
At 31 December 2022	-	31,710	9,333	200,898	241,941
Carrying amount					
At 31 December 2022	340,000	32,704	111,411	179,495	663,610
At 31 December 2021	340,000	16,293	1,358	88,943	446,594

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Tangible fixed assets (Continued)

Company	Freehold land and buildings £
Cost or valuation	
At 1 January 2022 and 31 December 2022	340,000
Depreciation and impairment	
At 1 January 2022 and 31 December 2022	-
Carrying amount	
At 31 December 2022	340,000
At 31 December 2021	340,000

Included within the carrying value of freehold land and buildings is land held at the carrying value of £340,000 (2021 - £340,000), which is not depreciated.

Land with a carrying amount of £340,000 was revalued at 31 December 2018 by Knight Frank LLP, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

Revaluation

Assets are periodically valued by independent valuers. The last valuation was carried out for assets held as at 31 December 2018.

The aggregate fair value of the freehold land and buildings was measured taking into consideration their current physical condition subject to existing tenancies and with vacant possession as appropriate.

If freehold land and buildings were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Cost	221,007	221,007	221,007	221,007
Accumulated depreciation	-	-	-	-
Carrying value	221,007	221,007	221,007	221,007

15 Investment property

	Group 2022 £	Company 2022 £
Fair value		
At 1 January 2022 and 31 December 2022	750,000	750,000

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Investment property

(Continued)

Investment property comprises of a sporting stadium that was commercially let. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 18 June 2020 by Sanderson Weatherhall Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. In the year the directors reviewed this valuation and in their opinion concluded this valuation was still fair and true.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Cost	963,784	963,784	963,784	963,784
Accumulated depreciation	(213,784)	(213,784)	(213,784)	(213,784)
Carrying amount	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>

16 Fixed asset investments

		Group 2022 £	2021 £	Company 2022 £	2021 £
	Notes				
Investments in subsidiaries	26	-	-	389,861	389,861
Investments in joint ventures	27	50	-	50	-
		<u>50</u>	<u>-</u>	<u>389,911</u>	<u>389,861</u>

Movements in fixed asset investments

Group	Shares in joint ventures £
Cost or valuation	
At 1 January 2022	-
Additions	50
At 31 December 2022	<u>50</u>
Carrying amount	
At 31 December 2022	<u>50</u>
At 31 December 2021	<u>-</u>

Investments in joint ventures, in relation to RL Commercial Limited are held under the equity accounting basis as disclosed in note 1.2.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Fixed asset investments (Continued)

Movements in fixed asset investments Company

Shares in
subsidiaries
and joint
ventures
£

Cost or valuation

At 1 January 2022 389,861

Additions 50

At 31 December 2022 389,911

Carrying amount

At 31 December 2022 389,911

At 31 December 2021 389,861

17 Debtors

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	2,387,214	538,985	-	-
Amounts owed by group undertakings	-	-	1,841,905	1,831,300
Other debtors	5,526,986	221,010	-	-
Loans to clubs	2,021,160	735,408	-	-
Taxation and social security	1,001,791	63,476	-	-
Prepayments and accrued income	1,545,692	4,635,437	-	-
	12,482,843	6,194,316	1,841,905	1,831,300
Deferred tax asset (note 21)	146,391	146,391	-	-
	12,629,234	6,340,707	1,841,905	1,831,300
Amounts falling due after more than one year:				
Other debtors	17,309,118	18,960,864	-	-
	17,309,118	18,960,864	-	-
Total debtors	29,938,352	25,301,571	1,841,905	1,831,300

In other debtors due within one year are concessionary loans to clubs and members of £2,021,160 (2021 - £735,408) and in other debtors due after one year are concessionary loans to clubs and members of £17,309,118 (2021 - £18,843,864). Loans to clubs are held in RFL Investments 2020 Limited and are payable to DCMS as part of the Sport Survival Fund.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Other borrowings	20	2,556,721	1,931,262	-	-
Trade creditors		6,125,369	1,440,123	-	-
Amounts owed to undertakings in which the group has a participating interest		50	-	50	-
Corporation tax payable		-	35,788	-	-
Other taxation and social security		309,425	301,371	-	-
Other creditors		838,264	4,058,578	-	-
Accruals and deferred income		7,758,509	11,973,239	-	-
		<u>17,588,338</u>	<u>19,740,361</u>	<u>50</u>	<u>-</u>

19 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Other borrowings	20	21,620,489	21,274,593	-	-
		<u>21,620,489</u>	<u>21,274,593</u>	<u>-</u>	<u>-</u>

20 Loans and overdrafts

		Group 2022 £	2021 £	Company 2022 £	2021 £
Other borrowings		24,177,210	23,205,840	-	-
		<u>24,177,210</u>	<u>23,205,840</u>	<u>-</u>	<u>-</u>
Payable within one year		2,556,721	1,931,262	-	-
Payable after one year		21,620,489	21,274,593	-	-
		<u>24,177,210</u>	<u>23,205,840</u>	<u>-</u>	<u>-</u>

Included in other borrowings above is loan funding provided by the department for Digital, Culture, Media and Sport ('DCMS'). These liabilities are ultimately repayable by eligible entities who applied for the Sport Survival Fund. During the prior year the loan facility was extended (Stage 3) and repayments amended. If loans were extended the original loan (Stage 2) was repaid.

Stage 2 loans are repayable by February 2026 and attract interest at 0.2% per annum. Stage 3 loans are repayable by April 2041 and attract interest at 2.0% per annum. All loans are secured by a fixed and floating charge over the assets of RFL Investments 2020 Limited.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
Group				
Accelerated capital allowances	-	-	146,391	146,391
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
Company				
Revaluations	22,609	22,609	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

There were no deferred tax movements in the year.

The deferred tax asset set out above is expected to reverse within the next 5 years and relates to the utilisation of tax losses against future expected profits of the same period. The deferred tax liability set out above is relates to accelerated capital allowances that are expected to mature within the same period.

22 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	472,478	441,914
	<u> </u>	<u> </u>

The company operates several defined contribution pension plans. There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

23 Reserves

Profit and loss reserves

Revaluation reserve

Where tangible fixed assets are revalued or reclassified as investment property, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

Accumulated deficit

A reconciliation of the accumulated surplus can be found in the Statement of Changes in Equity on page 19.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	11,403	140,525	-	-
Between two and five years	404,807	12,874	-	-
In over five years	765,953	-	-	-
	<u>1,182,163</u>	<u>153,399</u>	<u>-</u>	<u>-</u>

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Related party transactions

RFL (Governing Body) Limited (RFLGB), has significant influence over Rugby League Cares (RLC) and The Rugby Football League Limited (RFL).

At 31 December 2022 within other debtors £117,000 (2021 - £217,044) is owed by RLC to RFL.

At 31 December 2022 within trade creditors £147,023 (2021 - £Nil) is owed by RFL to RLC.

RFL (Governing Body) Limited (RFLGB), has joint control over RL Commercial Limited (RLComm) and The Rugby Football League Limited (RFL).

At 31 December 2022 within trade debtors £89,124 (2021 - £Nil) is owed by RLComm to RFL.

At 31 December 2022 within trade creditors £415,778 (2021 - £Nil) is owed by RFL to RLComm.

At 31 December 2022 within other creditors £56,847 (2021 - £Nil) is owed by RFL to RLComm.

26 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
The Rugby Football League Limited	England and Wales	Sports promotion	Ordinary	100.00
Rugby League Learning Limited	England and Wales	Education	Ordinary	100.00
Rugby League World Cup 2021 Limited	England and Wales	Sports promotion	Ordinary	100.00
Rugby League Tri-Tournaments Limited	England and Wales	Sports promotion	Ordinary	100.00
RFL Investments 2020 Limited	England and Wales	Providing concessionary loans	Guarantee	100.00

27 Joint ventures

Details of joint ventures at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Interest held	% Held Direct
RL Commercial Limited	RL Commercial Gate 13, Rowsley Street, Etihad Campus, Manchester, England, M11 3FF	Sports promotion	Ordinary shares	50.00

28 Company limited by guarantee

The company is limited by guarantee and does not have share capital. The liability of the members in the event of the company being liquidated is limited to £1 per member.

RFL (GOVERNING BODY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

29 Cash absorbed by group operations

	2022 £	2021 £
(Loss)/profit for the year after tax	(945,679)	1,058,999
Adjustments for:		
Taxation credited	(35,788)	(50,861)
Finance costs	396,855	169,745
Investment income	(367,003)	(169,115)
Gain on disposal of tangible fixed assets	-	(380,000)
Depreciation and impairment of tangible fixed assets	81,454	107,679
Movements in working capital:		
(Increase)/decrease in debtors	(4,297,112)	3,179,330
Decrease in creditors	(2,741,694)	(9,736,862)
Cash absorbed by operations	(7,908,967)	(5,821,085)

30 Analysis of changes in net debt - group

	1 January 2022 £	Cash flows £	Interest £	31 December 2022 £
Cash at bank and in hand	15,485,041	(7,605,653)	-	7,879,388
Bank overdrafts	(15)	15	-	-
	15,485,026	(7,605,638)	-	7,879,388
Borrowings excluding overdrafts	(23,205,840)	(574,515)	(396,855)	(24,177,210)
	(7,720,814)	(8,180,153)	(396,855)	(16,297,822)

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