

Everton FC Accounts 2011

At the risk of being accused of putting a spin on this year's accounts then the numbers can speak for themselves:

Key highlights

- Turnover of £82m is the highest in the club's history
- Media revenues (new TV deal) up 5.4% to £53m – up from £27m five years ago.
- Gate receipts and catering down for the second consecutive year by 9% (down 11% year before)
- Wages and salaries up by 7% to £58m (£38m in 2007)
- Record operating loss of £13.8m **excluding** the one off sale of Bellefield training ground for £8.4m
- The level of borrowing is static at £47.6m (£9m bank overdraft, £14m bank loans, £24.6m Bear Stearns loan)
- The balance sheet is the weakest ever – net liabilities of £33.6m v £28m last year.
- Total finance charges for the last ten years now over £32m (Bear Stearns loan was originally £30m – point at which the selling assets and taking loans strategy started)

EVERTON P&L	May 00/01	May 01/02	May 02/03	May 03/04	May 04/05	May 05/06	May 06/07	May 07/08	May 08/09	May 09/10	May 10/11	09 v 10 % change	this year % change
Gate receipts & catering	15,121	15,274	18,026	19,125	24,127	25,751	18,172	21,340	22,775	20,122	18,357	-11.6%	-8.8%
Media	12,856	18,885	25,165	20,764	29,504	26,349	27,462	46,637	48,634	50,194	52,890	3.2%	5.4%
Commercial	5,090	4,281	3,751	4,783	6,322	6,023	5,778	7,673	8,260	8,760	10,774	6.1%	23.0%
Turnover	33,067	38,440	46,942	44,672	59,953	58,123	51,412	75,650	79,669	79,076	82,021	-0.7%	3.7%
Profit/ (loss) player sales	10,741	13,979	(269)	1,592	23,364	(402)	4,048	9,249	3,797	19,023	7,426	401.0%	-61.0%
Football Income	43,808	52,419	46,673	46,264	83,317	57,721	55,460	84,899	83,466	98,099	89,447	17.5%	-8.8%
Employee benefit expenses	(23,086)	(25,664)	(25,600)	(33,171)	(30,840)	(36,966)	(38,427)	(44,480)	(49,069)	(54,311)	(58,026)	10.7%	6.8%
Other operating expenses	(13,165)	(14,175)	(14,004)	(12,120)	(17,360)	(16,416)	(11,694)	(21,078)	(21,213)	(23,797)	(23,554)	12.2%	-1.0%
Operating Costs (ex depn, amort)	(36,251)	(39,839)	(39,604)	(45,291)	(48,200)	(53,382)	(50,121)	(65,558)	(70,282)	(78,108)	(81,580)	11.1%	4.4%
EBITDA (ex player sales)	(3,184)	(1,399)	7,338	(619)	11,753	4,741	1,291	10,092	9,387	968	441	-89.7%	-54.4%
EBITDA (inc player sales)	7,557	12,580	7,069	973	35,117	4,339	5,339	19,341	13,184	19,991	7,867	51.6%	-60.6%
EBITDA margin (ex player sales)	-9.6%	-3.6%	15.6%	-1.4%	19.6%	8.2%	2.5%	13.3%	11.8%	1.2%	0.5%	-89.6%	-56.1%
Amortisation of player reg	(9,606)	(8,913)	(14,780)	(11,343)	(10,380)	(11,421)	(10,438)	(12,349)	(13,023)	(17,150)	(16,620)	31.7%	-3.1%
Profit on disposal of Tang Fix Assets	0	0	(882)	0	2,813	164	263	11	2	39	8,432	1850.0%	21520.5%
Exceptional	0	0	0	0	0	0	0	(1,491)	(1,313)	0	0		
Depreciation	0	0	(1,763)	(2,039)	(1,367)	(1,690)	(1,796)	(1,792)	(1,808)	(1,515)	(970)	-16.2%	-36.0%
EBIT (ex-player sales)	(12,790)	(10,312)	(10,087)	(14,001)	2,819	(8,206)	(10,680)	(5,529)	(6,755)	(17,658)	(8,717)	161.4%	-50.6%
EBIT (inc-player sales)	(2,049)	3,667	(10,356)	(12,409)	26,183	(8,608)	(6,632)	3,720	(2,958)	1,365	(1,291)	-146.1%	-194.6%
EBIT margin (ex-player sales)	-38.7%	-26.8%	-21.5%	-31.3%	4.7%	-14.1%	-20.8%	-7.3%	-8.5%	-22.3%	-10.6%	163.4%	-52.4%
Interest received	0	76	283	157	242	271	145	183	123	29	13	-76.4%	-55.2%
Interest paid	(1,603)	(2,188)	(2,907)	(3,124)	(2,916)	(2,457)	(2,939)	(3,877)	(4,085)	(4,487)	(4,135)	9.8%	-7.8%
Net finance charge	(1,603)	(2,112)	(2,624)	(2,967)	(2,674)	(2,186)	(2,794)	(3,694)	(3,962)	(4,458)	(4,122)	12.5%	-7.5%
Profit before tax	(3,652)	1,555	(12,980)	(15,376)	23,509	(10,794)	(9,426)	26	(6,920)	(3,093)	(5,413)	-55.3%	75.0%

<u>EVERTON CASH FLOW</u>	<u>May</u> <u>04/05</u>	<u>May</u> <u>05/06</u>	<u>May</u> <u>06/07</u>	<u>May</u> <u>07/08</u>	<u>May</u> <u>08/09</u>	<u>May</u> <u>09/10</u>	<u>May</u> <u>10/11</u>
EBITDA (ex player sales)	11,753	4,741	1,291	10,092	9,387	968	441
Exceptionals	0	0	0	(1,491)	(1,313)	0	9,325
Change in working capital	1,551	8,250	1,440	2,012	1,577	457	1,465
Cash from Operations	13,304	12,991	2,731	10,613	9,651	1,425	11,231
Cash interest received	241	271	126	173	151	29	13
Cash interest paid	(2,937)	(2,523)	(2,857)	(4,010)	(4,040)	(4,489)	(4,140)
Net cash interest	(2,696)	(2,252)	(2,731)	(3,837)	(3,889)	(4,460)	(4,127)
Cash flow before investment	10,608	10,739	0	6,776	5,762	(3,035)	7,104
Sales of players	25,468	2,708	8,339	8,582	12,071	24,475	5,065
Purchase of players	(13,794)	(15,931)	(12,432)	(24,257)	(17,839)	(27,960)	(11,616)
Net player transfers	11,674	(13,223)	(4,093)	(15,675)	(5,768)	(3,485)	(6,551)
Net capex	1,579	268	(458)	(1,212)	(1,010)	(341)	(568)
Total investment	13,253	(12,955)	(4,551)	(16,887)	(6,778)	(3,826)	(7,119)
Cash flow before financing	23,861	(2,216)	(4,551)	(10,111)	(1,016)	(6,861)	(15)
Purchase of a current asset investment		(2,767)					
New loans	(10,400)	0	500	198	207	9,000	5,000
Loan repayments	(3,144)	(531)	(640)	(717)	(765)	(3,222)	(8,873)
Other	(53)	195	(32)	(274)	(195)	(79)	(41)
Cash flow from financing	(13,597)	(3,103)	(172)	(793)	(753)	5,699	(3,914)

Change in cash	10,264	(5,319)	(4,723)	(10,904)	(1,769)	(1,162)	(3,929)
Net debt	(19,529)	(21,787)	(26,404)	(36,752)	(37,909)	(44,863)	(44,914)

Headings in the report and accounts

“Commercial Review – record breaking partnership”

“Commercial Review – sustained and successful partnerships”

“Commercial Review – commitment to offering value for money”