

CONSOLIDATED
ANNUAL ACCOUNTS
FOR THE YEAR
(ended June 30th, 2022)
AND CONSOLIDATED
MANAGEMENT
REPORT



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CONSOLIDATED ANNUAL ACCOUNTS AUDIT REPORT ISSUED BY AN INDEPENDENT AUDITOR

(Translation of a report originally issued in Catalan and of consolidated annual accounts originally drawn up in Catalan and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Catalan version shall prevail.)

To the General Meeting of FUTBOL CLUB BARCELONA

Opinion

We have audited the consolidated annual accounts of FUTBOL CLUB BARCELONA (the Club) and its subsidiaries (the Group), comprising the balance sheet at June 30th, 2022, the profit and loss account, the statement of changes in net worth, the cash flow statement and the annual report, all consolidated, for the year ended on that date.

In our opinion, the attached consolidated annual accounts reflect, in every significant aspect, a true and fair view of the Group's net worth and financial situation at June 30th, 2022, and of its results and its cash flow, all consolidated, for the year ended on that date, in accordance with the applicable regulatory framework on financial information (identified in Note 2 of the annual report) and, in particular, with the generally accepted accounting principles and standards contained therein.

Basis of the opinion

We have carried out our audit in accordance with the regulations on the auditing of accounts in force in Spain. Our responsibilities in accordance with such rules are described hereunder in the section *Auditor's responsibilities with regard to auditing annual accounts* in our report.

We are independent of the Group, in accordance with the requirements on ethics, including those relating to independence, which apply to our audit of consolidated annual accounts in Spain, as required by the regulations on auditing accounts. In that respect, we have not rendered any services other than the auditing of accounts, nor have any situations or circumstances occurred, which, as established in the said regulations, may have affected the necessary independence in such a way that it has been undermined.

We consider that the audit evidence that we have obtained provides a sufficient and adequate basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those which, in our professional opinion, have been considered as the most significant risks of material misstatements in our audit of the consolidated annual accounts for the current period. These risks have been dealt with in the context of our audit of the consolidated annual accounts as a whole, and in the formation of our opinion on them, and we do not express a separate opinion on those risks.

Recognition of income from non-sports intangible fixed assets

As stated in Note 2.6 of the attached consolidated annual report, at June 30th, 2022 the Club has transferred 10% of its audiovisual rights in the "La Liga" professional competition to Locksley Invest, S.L., a company in which the Club holds a 49% stake, the remaining 51% belonging to Sixth Street Partners (Note 10.3). This transaction has generated a profit in the year's consolidated profit and loss account for an amount of €267.089 thousand.

The recognition of this income and the analysis of the contractual terms and conditions of the transaction, which have served as the basis for determining the accounting entry thereof, has been considered as a most relevant aspect of the audit, due to the significance of the amount, complexity and impact on the attached consolidated annual accounts.

As part of our work, we have carried out, *inter alia*, the following procedures:

- we have obtained an understanding of the accounting standards applied by the Club to enter in the books the audiovisual rights sale transaction as income in the financial year. To that end, we have obtained and revised the report issued by an expert from the management on the accounting entry of the transaction. In addition, we have evaluated his competence, capacity and objectivity, and whether such report is adequate as additional evidence of our audit procedures;
- we have revised the documentation in support of the transaction in order to determine the consistency of the accounting standards used, including reading and comprehending the contractual terms and conditions and other relevant documents;
- we have involved our specialists in the revision of aspects related to the methodology used to value the audiovisual rights transferred, the mathematical revision of the model and the analysis of the reasonableness of the most relevant hypotheses and data used; and
- we have assessed whether the information disclosed in the attached consolidated annual accounts is tailored to the requirements of the applicable regulatory framework on financial information.

Classification and valuation of sports intangible fixed assets and non-current assets maintained for sale

As shown in Note 5 of the attached consolidated annual report, at June 30th, 2022 the Club has posted under the heading "Sports intangible fixed assets" in the attached balance sheet an amount of €246.207 thousand corresponding to the net book value of the costs required to obtain from other clubs players' registration rights and the like, which are subject to amortization depending on the duration of the contracts signed. Nevertheless, when the recovery of the sports intangible fixed assets is planned through the sale thereof, instead of through the continual use thereof, their net book value is entered in the books under the heading "Non-current assets maintained for sale" in the consolidated balance sheet, valued for the lesser of the net book value and the fair value thereof, minus sale costs, this heading ascending to an amount of €3.000 thousand at June 30th, 2022.

The valuation and classification as sports intangible fixed assets or non-current assets maintained for sale, as well as the identification of signs of impairment and, where appropriate, the estimation of the recoverable value thereof, have been considered as a most relevant aspect of the audit because they are subject to significant judgments by the Club's Board of Directors and due to the relevance of the aforementioned amounts.

As part of our work, we have carried out, *inter alia*, the following procedures:

- we have obtained knowledge of the procedures established by the Club for the valuation and correct classification of players' registration rights as sports intangible fixed assets or as non-current assets maintained for sale, verifying the activation, valuation and amortization criteria, as well as identifying any possible signs of impairment;
- we have revised the movements for the financial year, analysing the main registrations and deregistrations with support documentation and the reasonableness of the allocation to the amortization of the financial year; and
- we have assessed whether the information broken down in the attached consolidated annual report is adequate in accordance with the regulatory framework on financial information applicable to the Group.

Recognition of contingent liabilities

As stated in Notes 13 and 15.7 of the attached consolidated annual report, at June 30th, 2022 the Club is involved in several contentious and legal proceedings, as well as in a Tax Inspection procedure. The Club's Board of Directors, based on the best information available, has evaluated and quantified the risks that could be derived for the Club, recording a reserve in those cases in which the risk has been deemed probable.

We have considered this recognition as a most relevant aspect in our audit, given that such evaluation and quantification include estimates of uncertainty, which require a high degree of judgment by the Club's Board of Directors.

As part of our work, we have carried out, *inter alia*, the following procedures:

- We have obtained knowledge of the procedures established by the Club for the valuation, estimation and recognition of contingent liabilities;
- We have obtained written confirmation from the Club's legal department and from its external tax and legal advisors, about the evaluation, classification and quantification of the risks that could be derived from such proceedings;
- We have involved our tax specialists, in order to check the conclusions drawn by the Club's legal department and its external advisers; and
- We have assessed whether the information disclosed in the attached consolidated annual report is adequate in accordance with the regulatory framework on financial information applicable to the Group.

Emphasis paragraph

We wish to point out Note 2.6 of the attached consolidated annual report, in which it is stated that, as a result of the losses carried over from previous years, the consolidated net worth at June 30th, 2022 is negative in the amount of €353.213 thousand. In addition, the consolidated working capital at the year end is negative in the amount of €279.094 thousand. The Club's Board of Directors has drawn up the attached consolidated annual accounts, applying the principle of going concern, as a result of taking into account the mitigating factors mentioned in such Note and the other action stipulated in Note 2.5, as well as the subsequent facts described in Note 24 of the attached consolidated annual report, notably the sale of an additional 15% of the audiovisual rights and the other action that the Club is working on. Our opinion has not been modified with regard to this matter.

Other matters

The Club's consolidated annual accounts for the year ended June 30th, 2021 were audited by another auditor, which expressed a favourable opinion on such annual accounts on August 10th, 2021.

Other information: Consolidated Management Report

The other information exclusively comprises the consolidated Management Report for the year ended June 30th, 2022, the preparation of which falls under the responsibility of the Club's Board of Directors, and it does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated Management Report. Our responsibility in respect of the consolidated Management Report, in accordance with the requirements established in the regulations on the auditing of consolidated accounts, consists of assessing and reporting on the consolidated Management Report tallying with the consolidated annual accounts, based on the Group's knowledge obtained whilst carrying out the audit of the said consolidated accounts, as well as assessing and reporting on whether the contents and presentation of the consolidated Management Report comply with the applicable regulations. If, based on the work that we have carried out, we conclude that any material misstatements exist, we are under the obligation to point this out.

Based on the work carried out, as described in the previous paragraph, the information contained in the consolidated Management Report tallies with the information contained in the consolidated annual accounts for the year ended June 30th, 2022 and the contents and presentation thereof comply with the applicable regulations.

The Board of Directors' responsibility with regard to the consolidated annual accounts

The Board of Directors is responsible for drawing up the attached consolidated annual accounts, which reflect a true and fair view of the Group's net worth, financial situation, and consolidated results, in accordance with the regulatory framework on financial information applying to the Group in Spain, and the internal control that it deems necessary to allow for the preparation of consolidated annual accounts free from material misstatements, due to fraud or error.

In drawing up the consolidated annual accounts, the Board of Directors is responsible for assessing the Group's capacity to continue as a going concern, revealing, where appropriate, the matters related to the going concern and using the accounting principle of going concern, unless the Board of Directors intends to liquidate the Group or cease its operations, or if there is no other realistic alternative.

The auditor's responsibility with regard to auditing the consolidated annual accounts

Our objectives are to obtain reasonable certainty that the consolidated annual accounts as a whole are free from material misstatements, due to fraud or error, and to issue an audit report which contains our opinion. Reasonable certainty is a high degree of certainty, but does not guarantee that an audit carried out in accordance with the regulations on the auditing of accounts in force in Spain always detects a material misstatement when it exists. Misstatements may be due to fraud or error and are deemed to be material if, individually or jointly, it can be reasonably foreseen that they influence users' economic decisions based on the consolidated annual accounts.

As part of an audit in accordance with the regulations on the auditing of accounts in force in Spain, we apply our professional judgment and maintain an attitude of professional scepticism throughout the entire audit. In addition:

- We identify and assess the risks of material misstatements in the consolidated annual accounts, due to fraud or error, we design and apply audit procedures to respond to such

risks and we obtain sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, because fraud can entail collusion, forgery, deliberate omissions, intentionally erroneous statements, or the avoidance of internal control;

- We obtain knowledge of the relevant internal control for the audit in order to design adequate audit procedures depending on the circumstances, and not to express an opinion on the effectiveness of the Group's internal control;
- We assess whether the accounting policies applied are adequate and the reasonableness of the accounting estimations and the corresponding information disclosed by the Club's Board of Directors;
- We conclude on whether the use, by the Club's Board of Directors, of the accounting principle of going concern is adequate and, based on the audit evidence obtained, we conclude whether or not there is material uncertainty relating to the facts or with conditions that may generate significant doubts over the Group's capacity to continue as a going concern. If we conclude that material uncertainty exists, we are required to point out in our audit report the corresponding information disclosed in the consolidated annual accounts or, if such disclosures are not adequate, we are required to express a modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future facts or conditions may be the reason for the Group ceasing to be a going concern;
- We assess the global presentation, structure and contents of the consolidated annual accounts, including the information disclosed, and whether the consolidated annual accounts represent the transactions and underlying facts in such a way as to express the true and fair view; and
- We obtain sufficient and adequate evidence with regard to the financial information of the companies or business activities in the Group to express an opinion on the consolidated annual accounts. We are responsible for managing, supervising and carrying out the audit of the Group. We alone are responsible for our audit opinion.

We communicate with the Club's Board of Directors with regard to, *inter alia*, the scope of and the time for carrying out the audit planned and the significant findings of the audit, as well as any significant impairment in the internal control, which we identify during the course of the audit.

Of the significant risks communicated to the Club's Board of Directors, we determine the ones that have had the greatest significance in the audit of the consolidated annual accounts for the current period and which are, therefore, the risks considered as most significant.

We describe those risks in our audit report, unless the rules and regulations prohibit disclosing the matter publicly.

Grant Thornton, S.L.P. Sociedad Unipersonal
ROAC n° S0231

(Original in Catalan, signed by Carlos Capellá Bruguera, recorded in the Official List of Registered Auditors under N° 2242)

July 28th, 2022

CONSOLIDATED BALANCE SHEET AT JUNE 30th, 2022

(Thousands of Euros)

ASSET-SIDE	Notes in the Annual Report	06/30/22	06/30/21	NET WORTH AND LIABILITY-SIDE	Notes in the Annual Report	06/30/22	06/30/21
NON-CURRENT ASSETS:				NET WORTH:	Note 12		
Intangible fixed assets		264,789	335,557	EQUITY		(355,245)	(452,822)
Sports intangible fixed assets	Note 5.1	246,207	313,179	Joint stock		(444,199)	28,828
Non-sports intangible fixed assets	Note 6	18,582	22,378	Joint stock		(444,199)	28,828
Computer applications		15,068	17,112	Reserves		(8,623)	(332)
Transfer rights		-	103	Other reserves		(8,623)	(332)
Audiovisual property rights		2,008	2,833	Year's results attributable to dominant company		97,577	(481,318)
Fixed assets in progress and cash advances		1,506	2,330	GRANTS, DONATIONS AND LEGACIES RECEIVED	Note 12.2	2,032	2,090
Tangible fixed assets	Note 7	236,631	231,078				
Sports stadiums and pavilions		75,370	81,580	Total net worth		(353,215)	(450,732)
Other land and constructions		35,986	37,118				
Technical installations and other tangible fixed assets		8,310	11,348				
Fixed assets in progress and cash advances		116,965	101,032				
Real estate investment	Note 8	40,668	14,099	NON-CURRENT LIABILITIES:			
Long-term intercompany investments	Note 10.2	110,500	-	Long-term reserves-	Note 13.1	83,752	101,491
Stakes in capital equivalence companies	Note 10.2	63,000	-	Long-term debts-	Note 14.1	803,918	553,681
Credits to companies	Note 20.2	47,500	-	Loan stock and other negotiable instruments		596,778	198,586
Long-term financial investment	Note 10.1	26,817	19,497	Debts with banks		68,574	145,877
Credits to sports organizations		17,734	12,452	Debts with sports organizations	Note 14.3	84,424	115,452
Other financial assets		9,083	7,045	Sports personnel	Note 14.3	54,142	93,766
Deferred tax assets	Note 15.6	120,716	128,206	Deferred tax liabilities	Note 15.6	19,750	497
Non-current trade debtors	Note 10.4	39,915	43,326	Long-term accruals	Note 16	6,734	13,391
Total non-current assets		840,036	771,763	Total non-current liabilities		914,154	669,060
CURRENT ASSETS:				CURRENT LIABILITIES:			
Non-current assets maintained for sale	Note 5.2	3,000	38,000	Short-term reserves	Note 13.2	7,221	2,322
Stock	Note 11	10,686	5,834	Short-term debts	Note 14.2	175,315	188,181
Trade debtors and other accounts receivable	Note 10.4	161,286	148,483	Loan stock and other negotiable instruments		3,109	4,633
Clients, companies in group and associated companies	Note 20.2	29,682	634	Debts with banks		172,197	183,539
Sports organizations, trade debtors		40,034	25,144	Other financial liabilities		9	9
Sundry trade debtors		70,464	97,807	Creditors and other accounts payable-	Note 14.3	519,415	407,776
Sports personnel	Note 14.3	19,809	22,588	Suppliers		102,126	83,415
Non-sports personnel		232	154	Intergroup suppliers	Note 20.2	381	323
Current tax asset	Note 15.1	90	18	Sundry creditors		8,880	7,893
Other credits	Note 15.1	616	1,863	Sundry creditors, associated companies	Note 20.2	7,060	6,640
Cash advances to suppliers / creditors		359	275	Debts with sports organizations		108,434	115,742
Short-term financial investments		1,139	2,139	Sports personnel	Note 14.3	163,611	144,417
Short-term accruals	Note 16	7,233	4,318	Non-sports personnel		756	2,268
Cash and other equivalent liquid assets		378,227	60,411	Other debts with Public Administrations	Note 15.1	127,907	46,958
Cash at bank		378,227	60,411	Client cash advances		260	120
Total current assets		561,571	259,185	Short-term accruals	Note 16	138,714	214,341
TOTAL ASSETS		1,401,607	1,030,948	Total current liabilities		840,665	812,620
				TOTAL NET WORTH AND LIABILITIES		1,401,607	1,030,948

Notes 1 to 24 in the attached consolidated Annual Report form part of the consolidated balance sheet at June 30th, 2022.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30th, 2022

(Thousands of Euros)

	Notes in Annual Report	Financial Year 2021/22	Financial Year 2020/21
CONTINUING OPERATIONS:			
Net turnover	Note 18.1	627,986	575,447
Income from competitions		61,450	8,131
Income from season-ticket holders and members		48,963	15,532
Income from television transmissions and rights		250,193	281,431
Income from marketing and advertising		267,175	270,299
Income from rendering services		205	54
Variation of stock of finished and unfinished products		-	-
Work carried out by company for its assets		1,489	1,312
Supplies		(29,168)	(19,666)
Consumption of sports material		(27,995)	(18,050)
Other supplies		(2,322)	(2,299)
Impairment of commodities, raw materials and other supplies	Note 11	1,149	683
Other operating income	Note 18.2	10,852	14,730
Casual income and other current management income		9,701	13,862
Operating grants included in year's results		1,151	868
Personnel expenses	Note 18.3	(457,246)	(489,590)
Sports personnel wages and salaries		(393,554)	(433,986)
Non-sports personnel wages and salaries		(48,478)	(39,925)
Social Security contributions		(15,214)	(15,679)
Other operating charges		(164,212)	(172,135)
External services	Note 18.4	(112,938)	(106,044)
Dues		(3,413)	(3,483)
Loss, impairment and variation in reserves for commercial transactions	Note 10.3	(3,314)	(26,255)
Loss for credit impairment for commercial transactions		(4,903)	(26,255)
Reversal of credit impairment for commercial transactions		1,589	-
Travelling expenses		(10,155)	(8,627)
Players' acquisition costs		(1,558)	(638)
Other current management costs		(32,834)	(27,088)
Fixed asset depreciation		(139,136)	(174,844)
Depreciation of players' acquisition rights	Note 5	(113,303)	(154,906)
Other amortizations	Notes 6 and 7	(25,833)	(19,938)
Allocation of grants for non-financial fixed assets and others	Note 12.2	77	336
Impairment and result for fixed asset disposals		314,119	(156,519)
Impairment and loss	Notes 5, 8 and 14.3	20,382	(160,266)
Loss for impairment of sports intangible fixed assets		(36,082)	(164,931)
Reversal for impairment of sports intangible fixed assets		29,895	4,375
Loss for impairment of non-sports intangible fixed assets		-	(363)
Reversal for impairment of real estate investments		26,569	653
Results for disposals and others		293,737	3,747
Loss from tangible fixed assets		(66)	(2)
Profit from tangible fixed assets		(32)	-
Profit from intangible fixed assets	Note 20.1	266,112	-
Loss from sports intangible fixed assets	Note 5	(15,175)	(30,463)
Profit from sports intangible fixed assets	Note 5	42,898	34,212
Allocation and application of reserves and others	Note 18.5	(7,261)	(84,070)
Allocation of reserves and other expenditure		(9,700)	(84,105)
Application of reserves and other income		2,439	35
OPERATING RESULT		157,500	(504,999)
Financial income		1,439	4,055
From negotiable instruments and other financial instruments		1,439	4,055
- Of companies in the group		-	134
- Of third parties		1,439	3,921
Financing charges and assimilated headings		(38,368)	(41,863)
- With third parties		(38,365)	(41,863)
- For updating reserves		(4)	-
Exchange differences		651	(397)
Positive exchange differences		872	182
Negative exchange differences		(221)	(579)
Impairment and result for financial instruments disposal		3,268	(12,157)
Loss for impairment of stakes in companies in the group	Note 10.2	-	(3,670)
Loss for impairment of credits to companies in the group	Note 10.2	(87)	(3,401)
Loss for impairment of credits to other companies	Note 10.1	3,355	(5,086)
FINANCIAL RESULT		(33,010)	(50,362)
PRE-TAX PROFIT		124,489	(555,361)
Profit tax	Note 15.4	(26,912)	74,043
CONSOLIDATED YEAR'S RESULTS		97,577	(481,318)

Notes 1 to 24 in the attached consolidated Annual Report form part of the consolidated profit and loss account for the year ended June 30th, 2022.

CONSOLIDATED STATEMENT OF CHANGES IN NET WORTH FOR THE YEAR ENDED JUNE 30th, 2022

A) CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENDITURE

(Thousands of Euros)

	Notes in Annual Report	Financial Year 2021/22	Financial Year 2020/21
CONSOLIDATED PROFIT AND LOSS ACCOUNT RESULT (I)		97,577	(481,318)
Grants, donations and legacies received	Note 12.2	(77)	(336)
Tax impact	Note 15.3	19	84
TOTAL CONSOLIDATED TRANSFERS TO THE PROFIT AND LOSS ACCOUNT (II)		(58)	(252)
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENDITURE (I + II)		97,519	(481,570)

Notes 1 to 24 in the attached consolidated Annual Report form part of the consolidated recognised income and expenditure statement for the year ended June 30th, 2022.

B) CONSOLIDATED TOTAL STATEMENT OF CHANGES IN NET WORTH

(Thousands of Euros)

	Joint stock	Reserves	Year's Results attributable to the dominant company	Negative results from previous years	Grants, donations and legacies	Total
Balance at the end of 2019/20	130,330	(595)	(97,339)	-	2,342	34,738
Correction of errors	-	-	(3,900)	-	-	(3,900)
Adjusted balance at the end of 2019/20	130,330	(595)	(101,239)	-	2,342	30,838
Application of result for 2019/20	(101,502)	263	101,239	-	-	-
Total consolidated recognised income and expenditure	-	-	(481,318)	-	(252)	(481,570)
Balance at the end of 2020/21	28,828	(332)	(481,318)	-	2,090	(450,732)
Correction of errors	-	-	-	-	-	-
Adjusted balance at the end of 2020/21	28,828	(332)	(481,318)	-	2,090	(450,732)
Application of result for 2020/21	(473,027)	(8,291)	481,318	-	-	-
Total consolidated recognised income and expenditure	-	-	97,577	-	(58)	97,519
Balance at the end of 2021/22	(444,199)	(8,623)	97,577	-	2,032	(353,213)

Notes 1 to 24 in the attached consolidated Annual Report form part of the consolidated total statement of changes in net worth for the year ended June 30th, 2022.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30th, 2022

(Thousands of Euros)

	Financial Year 2021/22	Financial Year 2020/21
CASH FLOWS IN OPERATING ACTIVITIES (I)		
Pre-tax year's results	124,489	(555,361)
Adjustments to result		
- Fixed asset depreciation	139,136	174,844
- Changes in value due to impairment	(18,573)	197,995
- Fluctuations in reserves	(12,480)	84,249
- Allocation of grants	(78)	(336)
- Results for fixed asset disposals	(27,625)	(3,747)
- Results for financial instruments disposals	(3,269)	-
- Financial income	(1,439)	(4,055)
- Financing charges	38,369	41,863
- Exchange differences	(651)	329
- Other income and expenditure	(4,844)	1,071
Changes in current capital		
- Stock	(3,703)	(1,945)
- Trade debtors and other accounts receivable	(48,655)	(10,830)
- Accruals in assets	(2,915)	1,946
- Creditors and other accounts payable	118,947	(52,665)
- Accruals in liabilities	(82,284)	(17,742)
- Other non-current assets and liabilities	(36,213)	48,995
Other cash flows in operating activities		
- Payment of interest	(29,970)	(40,913)
- Collection of payment of interest	1,439	4,055
- Collections (payments) for profit tax	(72)	116
	149,610	(132,131)
CASH FLOWS IN INVESTMENT ACTIVITIES (II)		
Payments for investments		
- Sports intangible fixed assets	(128,654)	(183,170)
- Non-sports intangible fixed assets	(4,846)	(6,586)
- Tangible fixed assets	(26,600)	(15,235)
- Companies in the group and associated companies	(2,038)	-
- Other financial assets	(63,000)	-
Collections for disinvestments		
- Sports intangible fixed assets	86,983	180,140
- Other financial assets	246,089	4,682
	107,934	(20,169)
CASH FLOWS FOR FINANCING ACTIVITIES (III)		
Collections and payments for financial liability instruments		
Issue		
- Debt with banks	28,400	107,312
- Loan stock and other negotiable instruments	208,911	-
Repayment and redemption		
- Debt with banks	(117,038)	(56,807)
- Loan stock and other negotiable instruments	(60,000)	-
	60,273	50,505
NET INCREASE/DECREASE OF CASH OR EQUIVALENT (I+II+III)	317,816	(101,795)
Cash or equivalent at the beginning of the year	60,411	162,206
Cash or equivalent at the end of the year	378,227	60,411

Notes 1 to 24 in the attached consolidated Annual Report form part of the consolidated cash flow statement for the year ended June 30th, 2022

CONSOLIDATED ANNUAL REPORT FOR THE YEAR ENDED JUNE 30th, 2022

1. CLUB'S ACTIVITY

Futbol Club Barcelona (hereinafter, the Club) is a non-profit making private association of individuals, with legal personality and capacity to act, incorporated on November 29th, 1899. Its registered office is at Avenida Aristides Maillol, s/n, Barcelona.

The Club's corporate purpose mainly comprises, inter alia, promoting football and sports in general, competing in competitions and organizing physical/sporting shows for its members and, where appropriate, the general public.

On October 5th, 2013 the General Meeting approved the Club's new By-laws, including an article establishing that the Board of Directors will have to ensure that the Club's net worth is maintained.

The Club is the parent company of a Group of companies (hereinafter, the Group). Pursuant to the provisions of Article 7 of Royal Decree 1159/2010, of September 17th, approving the Rules for drawing up Consolidated Annual Accounts, the Club prepared for the first time consolidated annual accounts in the year ended June 30th, 2019, due to the relevance of the dependent company, Barça Licensing & Merchandising, S.L.U., which company commenced its activity on July 1th, 2018, when the exclusive exploitation agreement with the company Fútbol Club Barcelona Merchandising, S.L.U. (a company belonging to the Nike Group) terminated. To that date, the Club did not prepare consolidated annual accounts given that it only held a stake in dependent companies which were of no significant interest, either individually or jointly, for the true and fair view of the net worth, financial situation and results of the Group of which the Club is the parent company.

Given the activity in which the Group engages, it does not have significant environmental responsibilities, expenses, assets, reserves and contingencies with regard to its net worth, financial situation and results. Therefore, no specific breakdowns are included in the consolidated annual accounts regarding information on environmental matters.

1.1. Structure of the Group and variations in the consolidation perimeter

The dominant Company has its registered office at Avenida Aristides Maillol, s/n, Barcelona. The details of the partially-owned companies at December 31th, 2021 are set out in the following tables, classified in the following categories:

- Dependent companies: the companies that the Club controls, directly or indirectly, in such a way that it can steer the financial and operational policies, in order to obtain profits from the investment.
- Associated companies: the companies over which the Club holds a significant influence, maintaining a long-term link, which favours and influences its activity, but with limited representation in the management and control mechanisms.

The information on the dependent companies, consolidated through the method of global integration, is as follows:

Company Name	Address	Country	Stake
Barça Licensing & Merchandising, S.L.U.	Avenida Aristides Maillol, s/n, 08028 Barcelona	Spain	100%
Barça Produccions, S.L.U.	Avenida Aristides Maillol, s/n, 08028 Barcelona	Spain	100%
Sudburylane, S.L.	Travessera de Gràcia, 11, 08021 Barcelona	Spain	100%

The information on the associate company, consolidated through the method of equivalence integration, is as follows:

Company Name	Address	Country	Stake
Locksley Invest, S.L.	Suero de Quiñones, 34-36, 1P, 28002 – Madrid	Spain	49%

There are other non-consolidated dependent companies in these consolidated annual accounts, given that they do not have a significant interest, either individually or jointly, for the true and fair view of the Group's net worth, financial situation and results (Note 10.2).

Barça Licensing & Merchandising, S.L.U. was incorporated on March 23th, 2018 and its corporate purpose is the retail, including the promotion, sale, marketing and distribution, in any form permitted by mercantile practice and use, of toys, sports items and sports or non-sports clothing within the scope of the exploitation of the trademarks held by FC Barcelona. This dependent company is not listed on a securities market.

Barça Produccions, S.L.U. was incorporated on September 29th, 2021 and its corporate purpose is the creation, production and exploitation of all types of audiovisual content, as well as the rendering of audiovisual production services of any type. This dependent company is not listed on a securities market.

Sudburylane, S.L. was incorporated on June 10th, 2022 and its corporate purpose is the incorporation, direct or indirect participation in the management and control of other companies, as well as the acquisition, alignment, holding and exploitation of real estate, as well as the mediation in commercial, business and real estate transactions, and the negotiation and exploitation of patents, trademarks, licences, know-how and property rights. This dependent company is not listed on a securities market.

Losksley Invest, S.L. was incorporated on January 11th, 2022 and its corporate purpose is the incorporation, direct or indirect participation in the management and control of other companies, as well as the acquisition, alignment, holding and exploitation of real estate, as well as the mediation in commercial, business and real estate transactions, and the negotiation and exploitation of patents, trademarks, licences, know-how and property rights. This dependent company is not listed on a securities market. At June 30th, 2022, it has been included in the consolidation perimeter through the equivalence method.

At June 30th, 2021, the only company included in the consolidation perimeter was Barça Licensing & Merchandising, S.L.U.

2. BASES FOR PREPARING THE CONSOLIDATED ANNUAL ACCOUNTS

2.1. Regulatory Framework on Financial Information applying to the Group

These consolidated annual accounts have been drawn up by the Club's Board of Directors, in accordance with the regulatory framework on financial information applying to the Group, as established in:

- a. The Commercial Code and other mercantile legislation;
- b. The General Chart of Accounts approved by Royal Decree 1514/2007, of November 16th, which has been subject to several amendments since it was published, the latter of which in Royal Decree 1/2021, of January 12th, and the sectorial adaptations thereto, as well as any provisions which do not contravene the New General Chart of Accounts and which are established in the General Chart of Accounts adapted to Sports Public Limited Companies;
- c. Royal Decree 1159/2010, of September 17th, approving the rules for drawing up consolidated annual accounts;
- d. The obligatory rules approved by the Accounting and Audit Institute developing the General Chart of Accounts and its complementary rules; and
- e. All other applicable Spanish accounting regulations

These consolidated annual accounts also include the information required under the Regulation of the Economic Control of Clubs and Sports Public Limited Companies which are members of the National Professional Football League, as well as all of the information required by the Spanish Sports Council ("Consejo Superior de Deportes") in a letter dated February 18th, 2015.

2.2. True and fair view

The consolidated annual accounts have been prepared based on the subsidiary ledgers of the Club and its dependent company, and include the relevant consolidation adjustments and depreciations, having applied the legal provisions in force on accounting in order to reflect a true and fair view of the Group's net worth, financial situation and results. The consolidated cash flow statement has been prepared to truly inform of the origin and use of the monetary assets representing the Group's cash and other equivalent liquid assets.

As stated in Note 1, certain dependent companies have not been consolidated, given that they do not have a significant interest, either individually or jointly, for the true and fair view of the Group's net worth, financial situation and results (Note 10.2).

These consolidated annual accounts, which have been drawn up by the Club's Board of Directors, shall be submitted for the approval of the General Meeting, and it is expected that they will be approved without being amended. For their part, the 2020/21 consolidated annual accounts were approved by the General Meeting on October 17th, 2021.

2.3. Non-obligatory accounting principles applied

No non-obligatory accounting principles have been applied. In addition, the Club's Board of Directors has prepared these consolidated annual accounts taking into consideration all the obligatory accounting principles that have a material effect on such consolidated annual accounts. No accounting principle that is obligatory but has not been applied, exists.

2.4. Critical aspects in the evaluation and estimation of uncertainty

When drawing up the attached consolidated annual accounts the estimates made by the Club's Board of Directors to evaluate some of the assets, liabilities, income, expenditure and undertakings recorded therein, have been used. Basically, these estimates refer to:

- The application of the going concern principle (see Note 2.6);
- The evaluation of possible losses due to the impairment of certain assets (see Notes 4.1, 4.2, 4.3, 4.6, 4.7 and 4.8), including the impact on the assets of the Espai Barça project (see Note 7);
- The useful life of the tangible and intangible assets and real estate investments (see Notes 4.1, 4.2 and 4.3);
- The calculation of reserves (see Note 4.12);
- The analysis of the recoverability of the tax assets recorded in the attached consolidated balance sheet based on the Club's future business plan prepared by the Board of Directors (see Note 4.10); and
- The income recognition from sponsorship agreements and audiovisual rights in the corresponding period (see Note 4.11).

Despite the fact that these estimates have been drawn up based on the best information available at the 2021/22 financial year end, given the uncertainty inherent therein, it is possible that future events might mean that they have to be adjusted (upwards or downwards) in the coming years, which adjustments would be made, if appropriate, as a forecast.

2.5. Effects of the COVID-19 pandemic on the Club's activity

The international pandemic, as declared by the World Health Organization (WHO) on March 11th, 2020, entailed an unprecedented health crisis, which had an impact on the macroeconomic environment and business evolution.

As a result of the COVID-19 pandemic, the Group's income for the 2020/21 season and, to a lesser extent, for the 2019/20 season, dropped considerably. To be specific, the public's restricted access to Camp Nou and the rest of the Club's sports venues, has mainly affected the income from competitions (gate money and hospitality), members and season ticket holders and marketing (merchandising, museum and similar). Mobility restrictions and the decline in tourism also significantly affected the activity of the dependent company, Barça Licensing & Merchandising, S.L.U.

In order to address the significant reduction in income during the year 2020/21, several measures were adopted, including, inter alia, the following:

- Collective agreement with players and technical staff in the first football team and Barça B for a reduction in fixed remuneration or related amounts for the 2020/21 season and establishing compensation, which will accrue and fall due in the remaining contractual seasons, as well as the deferred payment of the variable remuneration which will accrue in the 2020/21 season (Note 18.3);
- A reduction in the non-essential investment costs; and
- Specific plans to obtain liquidity, such as the factoring of certain collection rights from other sports organizations or the advance collection of some of the income from audiovisual rights for the 2021/22 season.

In addition, the new Club's Board of Directors implemented several initiatives to increase income and reduce expenditure, consisting of, inter alia: (i) a reduction in the payroll of the first football team and, in general, of all the Club's professional sections; (ii) rationalization of overhead expenses; (iii) increase in income from merchandising by way of promoting e-commerce, new product lines, new sales channels and new licences; (iv) boosting income from digital activities; (v) entering into new sponsorship agreements; and (vi) monetization of certain business areas with strategic members.

In the year 2021/22 the income from competitions, members and season-ticket holders, and marketing began to recover after the public's restricted access to Camp Nou and the rest of the Club's sports venues was gradually lifted. This circumstance has resulted in a significant rise in income from competitions (gate money and hospitality), marketing (merchandising, museum and others) and members and season ticket holders. However, such income has not reached the level that it did in seasons prior to the pandemic, inter alia, due to the still-incomplete recovery of tourism in the city of Barcelona. In addition, the Club implemented a programme of voluntary leave of absence for the members whose income has diminished for this reason. Finally, as a result of the effects of the pandemic, the consideration for certain sponsorship agreements has been reduced, significantly affecting the income under the heading of sponsorship.

In the year 2021/22 the Group has continued to implement the initiatives adopted in the previous year in order to increase income and reduce expenditure, notably, due to the relevance thereof, the policy to reduce the first football team's payroll.

2.6. Application of the going concern principle

As stated in Note 2.5, as a result of the COVID-19 pandemic, in the year ended June 30th, 2021 the Group's income was reduced significantly. This, combined with the existence of extremely high overhead costs, especially regarding to the first football team's payroll, meant that the Group sustained significant losses both in the year 2020/21 and in the year 2019/20, which was already partially affected by the pandemic. In the year ended June 30th, 2022, the Group has generated a profit in the amount of €97,577 thousand.

As a result of these accumulated losses, the consolidated net worth at June 30th, 2022 is negative in the amount of €353,213 thousand. In addition, the consolidated balance sheet at June 30th, 2022 reflects a negative working capital in the amount of €279,094 thousand (€553,435 thousand at June 30th, 2021). These facts could cast significant doubt over the application of the going concern principle.

The Club's Board of Directors has considered the following mitigating factors:

- The General Meeting held on June 20th, 2021 approved the subscription of new financing for the amount of €525 million, to restructure the Club's financial debt and obtain liquidity, securing such financing with the credit rights derived from the marketing of the Club's audiovisual rights (Note 14.1). On August 19th, 2021, "Senior Secured Notes" were issued for the amount of €595 million, to pay off the loan for the amount of €80 million granted on June 10th, 2021 by a North American finance company and expiring on September 8th, 2021, as well as the existing "Senior Notes" for the amount of €200 million (the sum of €60 million has been repaid to the holders and the sum of €140 million has been novated in new series of the "Senior Secured Notes" issued and, therefore, is not deemed as new financing). Consequently, the Board of Directors is authorised to issue "Senior Secured Notes" for the amount of €70 million, if it deems necessary;
- Due to the restructuring of the financial debt mentioned above, on June 30th, 2022 the negative working capital was reduced significantly compared to that existing at June 30th, 2021;
- The Group includes short-term liability accruals, the amount of which, at June 30th, 2022, ascends to €138,714 thousand (Note 16). These accruals do not constitute future financial obligations for the Club because they are entered in the consolidated balance sheet as they are invoiced, in keeping with the collection of payment deadlines established in the contracts, and are recognised as income in accordance with their due date;
- The existence of a negative net worth at June 30th, 2022 does not entail any legal breach which might prevent the Club from continuing to operate normally. In addition, the non-fulfilment at June 30th, 2021 of certain ratios established in the Regulation of the Economic Control of Clubs and Sports Public Limited Companies which are members of the National Professional Football League, does not prevent the first football team from participating in national and international competitions;

- The Group has prepared a cash at bank budget for the next 12 months, reflecting its capacity to be able to meet its payment undertakings. This cash at bank budget takes into account the foreseeable impact derived from COVID-19 in accordance with the information available at the date on which these annual accounts are drawn up, the loan agreements available (Note 14.1), as well as certain corporate and financial transactions that the Board of Directors expects will materialise in the coming months;
- With regard to the loan granted on August 16th, 2018 by a North American finance company for the amount of €90 million to finance the first phase of the construction of Espai Barça, on January 28th, 2022 a novation agreement was executed in respect of this loan, increasing the credit limit to €180 million and extending the expiry thereof by one year, up to February 15th, 2023 (Note 14.2); and
- On June 30th, 2022, 10% of the Club's audiovisual rights over "La Liga" professional competition was sold to Locksley Invest S.L. in which the Club holds a 49% stake. This transaction has generated a profit of €267,089 thousand in the consolidated profit and loss account. During the month of July 2022, as stated in Note 24, the Club sold the remaining 15% of the audiovisual rights, in accordance with the approval received at the General Meeting of Delegate Members.

Consequently, the Club's Board of Directors has prepared these annual accounts applying the principle of going concern.

2.7. Comparison of information

According to mercantile law, as well as the figures for the year ended June 30th, 2021, the figures for the previous year are filed, for the purposes of comparing each heading of the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of changes in net worth and the consolidated cash flow statement, except when an accounting rule specifically establishes that it is not necessary.

On January 30th, 2021, Royal Decree 1/2021, of January 12th, amending the General Chart of Accounts approved by Royal Decree 1514/2007, of November 16th, was published. The changes in the General Chart of Accounts apply to financial years commencing as of January 1th, 2021 and focus on the principles of recognition, evaluation and breakdown of income and financial instruments. In addition, on February 13th, 2021, the Decision dated February 10th, 2021, given by the Accounting and Audit Institute, establishing the rules on the registration, evaluation and preparation of annual accounts for the recognition of income, the provision of goods and the rendering of services, was published. The changes implemented have no relevant impact for the Group.

The provisions of the Second and Third Transitional Provisions of the Royal Decree establishing the registration and evaluation rules to be applied for the first time for financial instruments, and the Fifth Transitional Provision, establishing the transitional rules on the registration and evaluation applying for the first time to income from sales and the rendering of services, allow for not re-expressing the comparative figures reflected in the consolidated annual accounts, as an exception to the general principle established by Registration and Evaluation Rule 22 on changes of accounting standards, errors and accounting estimates.

2.8. Grouped headings

Certain headings in the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of changes in net worth and the consolidated cash flow statement are grouped together for ease of understanding; however, where significant, the information has been broken down in the corresponding consolidated annual report notes.

3. THE CLUB'S PROFIT BREAKDOWN

The proposed breakdown of the profit for 2021/22, which shall be submitted for the approval of the General Meeting, forecasts distributing all the profits to increase the Joint Stock. In addition, the losses for 2020/21 were allocated in full to reduce the Joint Stock.

4. REGISTRATION AND EVALUATION RULES

The main registration and evaluation rules used by the Group when drawing up its consolidated annual accounts this year, in accordance with those established in the General Chart of Accounts, have been as follows::

4.1. Intangible fixed assets

Sports intangible fixed assets:

The costs required for the acquisition of registration rights for players from other clubs and the similar amounts paid are activated in intangible fixed assets and are amortized linearly throughout the term of the first contract with the player, without considering any residual value. The registration rights are recognised as intangible fixed assets when all of the significant terms and conditions have been fulfilled to transfer the player, i.e., with unconditional effectiveness, which means that a legally binding agreement must be in force between two clubs and between the acquiring club and the player. In addition, in the event of renewal, the amortization is re-estimated to the foreseen new term of the contract.

The contracts for the acquisition of players' registration rights usually include variable remuneration, which basically depends on the sports performance of the Club and the player himself. These variable payments are entered in the books when the conditions precedent are fulfilled, and are amortized from the date of registration up to the termination of the labour contract in force with the player.

In the event of new contracts or the renewal of contracts, the amounts entailing higher remuneration for the player, such as signing premiums or signing bonuses, are classified as personnel expenses, without prejudice to the fact that, since they are pending accrual, it is appropriate to record them, depending on the nature thereof, for the amounts pending accrual in more than one year, under the heading "Non-current trade debtors" and, for the amounts to be accrued in less than one year, under the heading "Trade debtors and other accounts receivable– Sports personnel" in the consolidated balance sheet. This criterion shall apply to the acquisition of player or trainer image rights, which shall be allocated to the consolidated profit and loss account, depending on the nature thereof, as the economic profit derived from the contract is received. In addition, in the event of early termination of contract or the assignment of players, the foregoing shall be applied in the latter headings, allocating the income or expenditure in the consolidated profit and loss account, depending on the nature thereof.

In the case of the acquisition of a pre-emption right over players' registration rights or similar, initially the costs shall be recorded as an asset if there is no reasonable doubt as to the exercise of the pre-emption right or the possibility of the transfer and such right has an economic value. The costs shall be amortized linearly upon the definitive acquisition, in accordance with the term of the contract with the Club. Otherwise, the total amount would be set against results.

In the event of early termination of contract, the outstanding cost is amortized in full and, in conjunction with the corresponding income, reflected in the consolidated profit and loss account. The transfer of a player's registration rights is recognised when it is not effectively subject to conditions and the risks and benefits have been substantially transferred to the new club.

In the event of the assignment of players, the assignment cost, construed as the proportional part of the amortization for the assignment period, is recorded in the consolidated profit and loss account.

No training cost is activated for players of base football and other sections.

Non-sports intangible fixed assets:

In general, non-sports intangible fixed assets are initially valued at their acquisition price or production cost. Subsequently, they are valued at their cost, less the corresponding accumulated amortization and, if appropriate, any losses due to impairment. Such assets are amortized in accordance with their useful life.

Regarding to computer applications, the Group enters in this account the costs incurred in the acquisition and development of computer programs, including website development costs. Computer applications maintenance costs are recorded in the consolidated profit and loss account for the year in which they are incurred. The amortization of computer applications is implemented by applying the linear method over a 5-year period.

Regarding to audiovisual property rights, the Group enters in this account the costs incurred in the acquisition and development of series, documentaries and contents exclusively for digital platforms. The amortization of audiovisual property rights is implemented by applying the linear method over the temporary period over which these rights are assigned to third parties.

Going concern:

The going concern is initially valued, at the date of acquisition, at the cost thereof, this being the excess of the cost of the business combination compared to the fair value of the identified acquired assets, minus the cost of the liabilities assumed. Subsequent to the initial recognition, the going concern is recorded at cost, minus any loss for accumulated impairment. In order to analyse whether impairment exists, the going concern acquired in a business combination is allocated, as of the date

of acquisition, to each unit generating cash in the Group, which is expected to profit from the combination, irrespective of whether there are other assets or liabilities, different from the one acquired, allocated to these units. Going concerns are amortized in a period of 10 years, and are subsequently adjusted, if necessary, for the value corrections for impairment. The value corrections for impairment recognised in the going concern are not subject to reversal in subsequent years.

Intangible assets value impairment, tangible assets and real estate investments :

When there are signs of a loss in value, the Group proceeds to estimate, through the so-called "impairment test", a potential loss in value which would reduce the recoverable value of such assets to an amount less than their book value.

The recoverable amount is determined as the higher of the following amounts: the estimated value, minus selling costs; and the use value.

The use value of players is determined considering the entire staff of the first team as one single unit generating cash, given that each player does not generate cash flow separately, except for a sale.

As a result of the foregoing, as of each years close, the Club's Board of Directors order a third party independent expert with the preparing of the valuations of the majority of its assets recorded under the heading "Real estate investments", in order to verify whether the recoverable amount of these assets is higher than or equal to the book value thereof. Such valuations are prepared considering the current use of the assets included under this heading.

If it is necessary to recognise a loss due to the impairment of an asset, the book value is reduced to the limit of the higher of the following values: its fair value, minus selling costs; its use value; and zero.

When a loss in value due to impairment is subsequently reversed, the book value of the asset is increased by its revised estimate recoverable amount, but in such a way that the increased book value does not exceed the book value that would have been determined had no loss for impairment been recognised in previous years. This reversal of a loss of value due to impairment recognised as income.

4.2. Tangible fixed assets

Tangible fixed assets are initially valued for their acquisition price or production cost, which were updated up to 1996 in accordance with the legislation in force, and subsequently reduced by the corresponding accumulated amortization and impairment losses, where applicable, in accordance with the criterion stipulated in Note 4.1.

The tangible fixed assets acquired gratuitously up to June 30th, 2000 are entered for their fair market value at the time of acquisition, in accordance with the corresponding certificates and expert reports.

Included in the cost of those assets acquired or produced subsequent to January 1th, 2008, which require more than one year to be in a condition for use, are the financial expenses accrued prior to the start-up of the fixed asset, meeting the pre-requisites for the capitalization thereof.

The maintenance charges for the different elements comprising the tangible fixed assets are allocated to the consolidated profit and loss account in the year in which they are incurred. However, the amounts invested in improvements, which help to increase capacity or efficiency or prolong the useful life of such assets, are entered as the highest cost thereof.

The Group amortizes tangible fixed assets following the linear method, applying annual amortization percentages calculated in accordance with the estimated years of useful life of the respective assets, as follows:

	Estimated years of useful life
Stadiums, pavilions and other constructions	25 to 50
Machinery, plant and equipment	3.3 to 10
Transportation elements	5
Fixtures and fittings	10 to 12.5
Data processing equipment	4 to 5

4.3. Real estate investments

The real estate investments heading in the consolidated balance sheet reflects the value of land, buildings and other constructions, which are maintained either to be exploited under lease, or to obtain capital gain in the sale thereof as a result of future increases in their respective market prices.

These assets are valued in accordance with the criteria stipulated in Note 4.2, regarding tangible fixed assets.

4.4. Swaps

For the elements acquired through swap, the Group analyses each transaction in order to define whether the swap is or is not commercial.

When the swap is commercial, the asset received is valued for the fair value of the asset delivered, plus, where appropriate, the monetary consideration delivered in exchange, unless there is clearer evidence of the fair value of the asset received, and in this case, it is valued for the latter value. The valuation differences arising when cancelling the element delivered are recognised in the consolidated profit and loss account.

When the swap is not commercial, or when it has not been possible to obtain a reliable estimate of the fair value of the elements involved in the transaction, the asset received is valued for the book value of the asset delivered, plus, where appropriate, the monetary consideration delivered.

4.5. Leases

Leases are classified as financial leases provided that it is clear from the terms and conditions thereof that the risks and benefits inherent in the ownership of the asset, which is the subject-matter of the contract, are substantially transferred to the lessee. All other leases are classified as operative leases.

Operative lease :

In operative lease agreements in which the Group acts as the lessor, the income is posted in the consolidated profit and loss account in the year in which it accrues.

Furthermore, in the operative lease agreements in which the Group acts as the lessee, the expenditure derived therefrom is posted in the consolidated profit and loss account in the year in which it accrues.

Any collection of payment or payment made under an operative lease, shall be treated as advanced collection of payment or payment made, which is allocated to the results throughout the lease period, as the profit from the leased asset is assigned or received.

4.6. Non-current assets maintained for sale

The Group classifies under the heading "Non-current assets maintained for sale" those assets, the book value of which is mainly going to be recovered through the sale thereof, instead of through the continuous use thereof, when the following prerequisites are met:

- They are available in their current condition for the immediate sale thereof, subject to the usual and habitual terms for the sale thereof; and
- The sale thereof is highly likely.

Non-current assets maintained for sale are valued at the lesser of their book value and their fair value, less selling costs. These assets are not amortized and, if necessary, are allocated the appropriate valuation corrections so that the book value does not exceed the fair value, less selling costs.

When an asset ceases to meet the prerequisites to be classified as maintained for sale, it is reclassified to the heading in the balance sheet corresponding to the nature thereof, and is valued for the lesser amount, at the date on which the reclassification is appropriate, between its book value prior to its classification as non-current asset maintained for sale, adjusted, if appropriate, by the amortizations and value corrections that would have been recognised had it not been classified as maintained for sale, and the recoverable amount thereof, recording any difference under the appropriate heading of the profit and loss account, corresponding to the nature thereof.

4.7. Financial instruments

4.7.1. Financial assets

Classification and valuation

Financial assets at amortized cost:

The Group classifies a financial asset in this category, if the investment is maintained under a management model, the purpose of which is to receive the cash flow derived from performing the contract.

To all intents and purposes, credits for commercial transactions and credits for non-commercial transactions are included in this category.

The financial assets classified in this category are initially valued for their fair value, which, save evidence to the contrary, is assumed to be the price of the transaction, which is equal to the fair value of the consideration paid, plus the transaction costs directly attributable thereto. In other words, the inherent transaction costs are capitalized.

Notwithstanding the foregoing, credits for commercial transactions expiring within one year and which do not have an explicit contractual interest rate, the amount of which is expected to be received in the short term, are valued for the face value when the effect of not updating the cash flow is insignificant.

For the subsequent valuation, the amortized cost method is used. The accrued interest is entered in the profit and loss account (financial income), applying the effective interest rate method.

The credits expiring within one year, which, as previously stated, are initially valued at their face value, shall continue to be valued for such amount, unless they have been impaired.

Financial assets at cost:

The Group includes in this category investments in the net worth of companies in the Group, multi-group companies and associated companies.

The investments included in this category are initially valued at cost, which is equal to the fair value of the consideration paid, plus the transaction costs directly attributable thereto. In other words, the inherent transaction costs are capitalized.

If there is an investment prior to its classification as company in the Group, multi-group company or associated company, the cost of this investment is deemed to be the book value that it would necessarily have immediately prior to the company establishing this classification.

The subsequent valuation is also at cost, less, if appropriate, the accumulated amount of the value corrections for impairment.

Cancellation of financial assets in the balance sheet

The Group cancels a financial asset in the balance sheet when:

- The contractual rights over the cash flow of the asset, expire. In that respect, a financial asset is cancelled when it has expired and the Group has received the corresponding amount; and
- The contractual rights over the cash flow of the financial asset have been assigned. In this case, the financial asset is cancelled when the risks and benefits inherent in the ownership thereof have been substantially transferred. In particular, with regard to factoring transactions, the financial asset is cancelled when the Group's exposure has been compared, before and after the assignment, to the fluctuation in the amounts and time schedule of the net cash flow of the transferred asset, and it is deduced that the risks and benefits have been transferred.

Subsequent to the analysis of the risks and benefits, the Group records the cancellation of the financial assets in the following situations:

- a. The risks and benefits inherent in the ownership of the asset have been substantially transferred. The transferred asset is cancelled in the balance sheet and the Group recognises the result of the transaction: the difference between the consideration received after the attributable transaction costs (considering any new asset obtained, less any liability assumed) and the book value of the financial asset, plus any accumulated amount which has been directly recognised in the net worth;

- b. The risks and benefits inherent in the ownership of the asset have been substantially retained by the Group. The financial asset is not cancelled and a financial liability is recognised for the same amount as the consideration received; and
- c. The risks and benefits inherent in the ownership of the asset have not been substantially transferred or retained. In that case, two possible situations simultaneously exist:
- Control is assigned (the assignee has practical capacity to transfer the asset once again to a third party): the asset is cancelled in the balance sheet; and
 - Control is not assigned (the assignee does not have practical capacity to transfer the asset once again to a third party): the Group continues to recognise the asset for the amount to which it is exposed to the value fluctuations of the assigned asset, i.e., due to its continual implication, and has to recognise an associated liability.

Impairment in the value of financial assets

Financial assets at amortized cost:

At the year end, the Group analyses whether there is objective evidence that the value of a financial asset has been impaired as a result of one or more events occurring subsequent to the initial recognition and causing a reduction or delay in the future estimated cash flows, which may be motivated by the debtor's insolvency.

Should this evidence exist, the loss due to impairment is calculated as the difference between the book value and the current value of the future cash flows, which, as estimated, shall be generated, deducting the effective interest rate calculated at the time of the initial recognition thereof. For financial assets at variable interest rates, the effective interest rate corresponding to the date on which the financial statements are closed in accordance with the contractual terms and conditions, is used.

The value corrections due to impairment, and the reversal thereof when the amount of this loss decreases for reasons related to a subsequent event, are recognised as an expenditure or an income, respectively, in the profit and loss account. The limit of the reversal of the impairment is the book value of the asset, which would be recognised at the date of reversal if the impairment of the value had not been recorded.

Financial assets at cost:

In this case, the amount of the value correction is the difference between the book value and the recoverable amount, the latter being construed as the higher of the fair value, less selling costs, and the current value of the future cash flows derived from the investment, which, in the case of financial instruments, are calculated, either by estimating what is expected to be received as a result of the distribution of dividends by the partially-owned company and the transfer or cancellation instead of the investment, or by estimating the participation in the cash flows that are expected to be generated by the partially-owned company, both from the ordinary activities and from the transfer or cancellation in the accounts. Save better evidence of the recoverable amount of the investments in financial instruments, the estimation of the loss due to impairment in respect of this class of assets is calculated based on the net worth of the partially-owned company and the tacit capital gain existing at the date of valuation, net of the tax impact.

The recognition of value corrections due to impairment of value and, where appropriate, the reversal thereof, are recorded as expenditure or income, respectively, in the profit and loss account. The limit of the reversal of the impairment is the book value of the investment that would be recognised at the date of reversal, if the impairment of the value has not been recorded.

Interest and dividends received from financial assets

The interest and dividends from financial assets accrued subsequent to the date of acquisition, are recorded as income in the profit and loss account. The interest is recognised using the effective interest rate method and the dividends, when the right to receive them is declared.

4.7.2. Financial liabilities

Classification and valuation

Financial liabilities at amortized cost:

The Group classifies all financial liabilities in this category, which are initially valued for their fair value, which, save evidence to the contrary, is deemed to be the price of the transaction, which is equal to the fair value of the consideration received adjusted by the transaction costs directly attributable thereto. In other words, the inherent transaction costs are capitalized.

However, debits for commercial transactions expiring within one year and which do not have a contractual interest rate, the amount of which is expected to be paid in the short term, are valued for the face value when the effect of not updating the cash flow is insignificant.

For the subsequent valuation, the amortized cost method is used. The accrued interest is entered in the consolidated profit and loss account (financial charge), applying the effective interest rate method.

Notwithstanding the foregoing, the debits expiring within one year, which, as previously stated, are initially valued at their face value, shall continue to be valued for such amount.

Cancellation of financial liabilities in the balance sheet

The Group cancels a previously-recognised financial liability in the balance sheet when any of the following circumstances applies:

- The liability has been cancelled because the payment has been made to the creditor to cancel the debt (through payment in cash or other goods or services), or because the debtor legally releases it from any responsibility over the liability;
- Own financial liabilities are acquired, albeit with the intention of replacing them in the future; or
- Debt instruments are exchanged between a lender and a borrower, provided that they have substantially different conditions, and the new financial liability that arises is recognised; similarly, a substantial modification of the current terms and conditions of a financial liability is recorded, as stated for debt restructurings.

The cancellation of a financial liability is entered in the books as follows: the difference between the book value of the financial liability (or the cancelled part thereof) and the consideration paid, including attributable transaction costs, and in which any transferred asset, different from the cash or liability assumed, must also be reflected, is recognised in the profit and loss account for the year in which it takes place..

Debt restructuring

In certain cases, the Group restructures its debt undertakings with its creditors. There are several ways in which these changes to the terms of a debt can be implemented:

- Immediate payment of the nominal (prior to expiry) followed by a refinancing, in whole or in part, of the nominal amount through a new debt ("debt swap"); and
- Modification of the terms of the debt contract prior to the expiry thereof ("debt modification").

In these cases of "debt swap" or "debt modification" with the same creditor, the Group analyses whether there has been a substantial change in the conditions of the original debt. If there has been a substantial change, the accounting treatment is as follows:

- The book value of the original financial liability (or the corresponding part thereof) is cancelled in the balance sheet;
- The new financial liability is initially recognised for its fair value;
- The transaction costs are recognised against the consolidated profit and loss account; and
- The difference between the book value of the original financial liability (or the cancelled part thereof) and the fair value of the new liability is also recognised against profit and loss.

However, when, subsequent to the analysis, the Group reaches the conclusion that the two debts do not have substantially different conditions (it is, essentially, the same debt), the accounting treatment is as follows:

- The original financial liability is not cancelled in the balance sheet (i.e., it is maintained in the balance sheet);
- The commission paid for the restructuring operation is reflected as an adjustment to the book value of the debt; and
- A new effective interest rate is calculated as of the restructuring date. The amortized cost of the financial liability is determined by applying the effective interest rate, which is equal to the book value of the financial liability at the date of modification with the cash flows to be paid in accordance with the new conditions.

The conditions of the contracts shall be deemed to be substantially different, *inter alia*, when the current value of the cash flows of the new contract, including any commission paid, net of any commission received, differs by at least 10% of the current value of the remaining cash flows of the original contract, both amounts updated to the latter's effective interest rate.

Certain modifications in determining the cash flows may not exceed this quantitative analysis, but may also give rise to a substantial modification of the liability, such as, for example: a change in the fixed interest rate to variable in the remuneration of the liability, the re-expression of the liability to a different currency, a fixed-rate loan which is converted to a participation loan, amongst others.

4.8. Stock

Stock is valued at its acquisition price. The acquisition price includes the amount invoiced by the seller, having deducted any discount, price reduction or other similar headings, and all of the additional expenses generated up to the goods are in place for the sale thereof, such as transportation, insurance and others directly attributable to the acquisition of the stock.

Given that the Group's stock does not require a period of more than one year to be in a condition to be sold, financial expenses are not included in the acquisition price.

The Group uses the weighted average cost to allocate value to the stock.

When the realizable net value of the stock is less than its acquisition price, the appropriate value corrections are made, recognising them as an expense in the consolidated profit and loss account.

4.9. Foreign currency transactions

The functional currency used by the Group is the Euro. Consequently, transactions in currencies other than the Euro are deemed to be denominated in foreign currency and are entered according to the exchange rates in force on the date of the transactions.

At the year end, the monetary assets and liabilities denominated in a foreign currency are converted applying the exchange rate at the date of the consolidated balance sheet. The profits or losses shown are allocated directly to the consolidated profit and loss account for the year in which they are incurred.

4.10. Profit tax

As of the financial year commencing July 1th, 2018, the Club and the dependent company, Barça Licensing & Merchandising, S.L.U., have paid company tax under the regime of tax consolidation, the Club being the head of the tax group bearing identification number 568/18. On June 26th, 2018, the Club informed the Inland Revenue that the said tax group was set up. As of the year 2020/21, the Group no longer pays tax in accordance with the special regime of tax consolidation of company tax.

The income or expenditure for profit tax comprises the part related to the income or expenditure for current tax and the part corresponding to the income or expenditure for deferred tax.

Current tax is the amount that the Group pays for profit tax liquidations in any given year. The deductions and other tax benefits in the tax quota, excluding withholdings and payments on account, as well as compensatable tax losses carried over from previous years and actually applied in the current year, give rise to a lesser amount of current tax.

The income or expenditure for deferred tax corresponds to the recognition and cancellation of the assets and liabilities for deferred tax. These include the temporary differences identified as the amounts forecast as payable or recoverable derived from the differences between the book amounts of the assets and liabilities and their tax value, as well as the negative tax bases pending compensation and the credits for tax deductions not applied from a fiscal standpoint. Such amounts are entered by applying to the appropriate temporary difference or credit the tax rate at which they are expected to be recovered or liquidated.

Liabilities for deferred tax are recognised for all taxable temporary differences, except those derived from the initial recognition of goodwill or other assets and liabilities in a transaction which does not affect either the tax result or the profit and is not a business combination.

For their part, assets for deferred tax are only recognised insofar as it is considered that the Group will likely have future tax returns against which it can charge them.

The assets and liabilities for deferred tax, derived from transactions with direct debits or credits in capital accounts, are also entered with an offsetting item in net worth.

At each year end the entered assets for deferred tax are reconsidered, and the appropriate corrections are made thereto if there is any doubt as to the future recovery thereof. In addition, at each year end the assets for deferred tax not entered in the consolidated balance sheet are evaluated and are subject to recognition if they will probably be recovered with future tax profits.

4.11. Income and expenditure

According to the accrual principle, income is recorded with the transfer of control and expenditure is recorded when the expenses occur, irrespective of the date of collection or payment thereof.

For income accounting entries, the Group follows a process comprised of the following successive steps:

- Identify the contract (or contracts) with the client, construed as an agreement between two or more parties, creating enforceable rights and obligations for them;
- Identify the obligation or obligations to be fulfilled in the contract, representing the undertakings to transfer goods or render services for a client;
- Determine the price of the transaction, or consideration of the contract to which the company expects to be entitled in exchange for the transfer of goods or the rendering of services undertaken with the client;
- Allocate the price of the transaction to the obligations to be fulfilled, which will have to be performed in accordance with the individual selling price of each good or different service undertaken in the contract, or, if appropriate, following an estimated selling price when this cannot be observed independently; and
- Recognise the income from ordinary activities when the company fulfils an undertaken obligation through the transfer of a good or the rendering of a service; which fulfilment takes place when the client obtains control of the good or service, in such a way that the recognised amount of the income from ordinary activities shall be the amount allocated to the satisfied contractual obligation

Recognition

The Group recognises the income derived from a contract when the control over the goods or services undertaken is transferred to the client (i.e., the obligation to be fulfilled).

For each obligation identified, the Group determines at the beginning of the contract whether the undertaking assumed is to be fulfilled over time or at a specific moment.

The income derived from the undertakings that are fulfilled over time are recognised depending on the degree of progress towards the complete fulfilment of the contractual obligations, provided that the Group has reliable information to measure the degree of progress. In the case of contractual obligations that are fulfilled at a specific moment, the income derived from the performance thereof is recognised at that date. To be specific, the income is recognised as follows:

- The income from television transmission rights and other consideration from participating in a competition, which is fixed consideration, are proportionally entered in the books as the corresponding games are held during this season. In addition, in the case of income from television transmission rights and/or any consideration from participating in a competition, which is variable consideration and which depends on certain conditions being fulfilled by the Group, they are entered in the books when the conditions are fulfilled;
- The income from sponsorship agreements, which is fixed consideration, is proportionally entered in the books over the period covered by the sponsorship rights agreement. In the case of variable consideration depending on certain conditions being met by the Group, it is entered in the books when the conditions are fulfilled;
- The income from members and season-ticket holders is proportionally entered in the books during the season;
- The income under the heading of tickets or the like is entered in the books when the corresponding game is held; and
- The income for the sale of merchandising products is entered in the books when the product is delivered to the client.

4.12. Reserves and contingencies

When drawing up the consolidated annual accounts, the Club's Board of Directors differentiates between:

1. Reserves: credit balances covering current obligations derived from past events, the cancellation of which will probably create a financial outflow, but which are indeterminate in terms of amount and/or time of cancellation; and
2. Contingent liabilities: possible obligations emerging as a result of past events, the future materialization of which is subject to one or more future events occurring, or not, beyond the Group's control.

The consolidated annual accounts reflect all of the reserves in respect of which it is deemed that the likelihood of having to meet the obligation is higher than not having to meet it. Contingent liabilities are not recognised in the consolidated annual accounts, but rather information is provided in respect thereof in the notes in the consolidated annual report, if they are not considered as remote.

The reserves are valued at the current value of the best possible estimate of the amount required to cancel or transfer the obligation, taking into account the information available on the event and the consequences thereof, and entering the adjustments arising from the update of such reserves as a financial expense as it accrues.

The Club's Board of Directors is responsible for estimating and quantifying the risks related to the possible reserves to be entered or contingent liabilities to be expounded in the consolidated annual report. In order to estimate and quantify these risks, the valuation made by its lawyers and other consultants is, inter alia, applied as the basis.

4.13. Compensation for dismissal, termination of contract and others

In accordance with the legislation in force, the Group is under the obligation to pay compensation to those employees with whom, under certain conditions, it terminates their labour relations. Therefore, the compensation for dismissal that can be quantified reasonably is entered as an expense in the year in which the decision is made and valid expectations are created vis-à-vis third parties with regard to the dismissal.

The Club has signed contracts with players, which provide for the payment of premiums upon termination, if a series of conditions are met. These premiums are entered linearly as an expense throughout the term of the contract.

In addition, there are undertakings with certain players that are linked to their development and other external factors, which are posted up on the achievement thereof.

4.14. Environmental financial elements

Environmental assets are construed as assets that are used permanently in the Group's activity, the main purpose of which is to minimize the impact on the environment and protect and improve the environment, including reducing or eliminating future pollution. The Group's activity, by nature, does not have a significant impact on the environment.

4.15. Pension undertakings

The Group recognises the cost of pension obligations or retirement premiums in accordance with the accrual thereof.

The cost of the undertakings for retired personnel, consisting of a supplement to Social Security pensions, as well as the cost corresponding to the retirement premiums accrued, is outsourced in a defined group insurance policy.

The pension undertakings for active personnel are included in a Pension Plan with defined contributions to Fondo de Pensiones BS Pentapensión Empresa, F.P. and Fonsolbank F.P. The contributions made to the Pension Fund in the year 2021/22 were €1,384 thousand (€1,555 thousand in 2020/21). These contributions are entered in the consolidated profit and loss account under the heading "Personnel expenses".

4.16. Criteria used to record and value personnel expenses

According to the National Professional Football League Rules on drawing up budgets for Clubs and SADs, personnel expenses shall be recorded in accordance with the following valuation criteria:

Non-sports or structure personnel expenses

The following categories are distinguished:

- Technical non-sports personnel: sports manager, technical secretary, representative, physiotherapists and persons in charge of equipment; and
- Other non-sports personnel: all other personnel bound to the Group under a labour contract, including directors, administration personnel, security and accesses, marketing, communication, maintenance and others.

Sports personnel expenses

For the purposes of presentation in this consolidated report, the expenses under the heading of sports personnel include all types of consideration (wages, salary, compensation, remuneration in kind, etc.), as well as the Social Security contributions paid by the company, group premiums and others. In the case of players received or given under assignment, all of the income and expenditure derived from the said assignment are included.

Distinction is made between:

- Expenses for sports personnel who can be registered in the National Professional Football League:

The sports personnel who can be registered with the National Professional Football League will be comprised of the players bound to the Club under labour contracts allocated to the first team, i.e., numbers 1 to 25 inclusive, and those not allocated to the playing staff; as well as the first team trainer, second trainer and fitness trainer.

- Expenses for sports personnel who cannot be registered with the National Professional Football League:

The sports personnel who cannot be registered in the National Professional Football League is comprised of the players bound to the Club under a labour contract or otherwise, allocated to the other teams and dependents of any rank; trainers, second trainers and fitness trainers of the respective teams.

4.17. Grants, donations and legacies

For the posting of grants, donations and legacies received, the Group follows the following criteria:

1. Grants, donations and legacies of non-redeemable capital: are valued at the reasonable value of the amount or asset granted, depending on whether they are monetary or not, and are allocated to results in proportion to the allowance to the amortization made in the period for the subsidized elements or, where appropriate, when they are disposed of or the value thereof is corrected due to impairment, except for those received from members or owners, which are entered directly in equity and do not constitute income; and
2. Operating grants: are credited to results when they are granted, unless they are to finance an operating deficit in future years, in which case they will be allocated in those years. If they are granted to finance specific expenditure, they shall be allocated as the financed expenditure accrues.

4.18. Long- and short-term accruals

The amounts received pending recognition as income in the consolidated profit and loss account, mainly with regard to television and sponsorship contracts and members' quotas, are entered under the headings "Long-term accruals" or "Short-term accruals" in accordance with the time limit for allocation in results. These amounts, which do not have future financial obligations are recognised as income only in the corresponding years (accrual principle).

4.19. Current / non-current classification

Current assets are deemed to be those linked to the normal operating cycle, generally considered as one year, as well as those other assets the expiry, disposal or realization of which is expected to occur in the short term, subsequent to the year end, the financial assets maintained to negotiate, except for financial derivatives, the liquidation time limit of which is more than one year, and cash and other equivalent liquid assets. The assets that do not meet these prerequisites are classified as non-current assets.

Similarly, current liabilities are those linked to the normal operating cycle, the financial liabilities maintained to negotiate, except for financial derivatives, the liquidation time limit of which is more than one year and, in general, all of the obligations, the expiry or termination of which will occur in the short term. Otherwise, they are classified as non-current liabilities.

4.20. Transactions with associated parties

The Group enters into all its transactions with associated parties at market value. In addition, the transfer prices are adequately borne and, therefore, the Club's Board of Directors considers that no significant risks exist under this heading that might derive in future liabilities.

4.21. Evaluation of separate information

At June 30th, 2022 and 2021, the Group divides its activity into its 8 sports sections, and into the non-sports activity, as stipulated in Annex I of the attached consolidated annual report.

4.22. Cash flow statement

In the cash flow statement, prepared in accordance with the indirect method, the following expressions are used in the following sense:

1. Cash flows: incoming and outgoing of cash and equivalents thereof; the latter construed as the short-term investments of great liquidity and at risk of fluctuations in the value thereof.
2. Operating activities: the Club's typical activities, as well as other activities which cannot be classified as investment or financing.
3. Investment activities: activities entailing the acquisition, transfer or disposal through other means of long-term assets and other investments not included in cash and equivalents thereof.
4. Financing activities: activities that produce changes in the size and composition of the net worth and of the liabilities that do not form part of the operating activities.

5. SPORTS INTANGIBLE FIXED ASSETS AND NON-CURRENT ASSETS MAINTAINED FOR SALE

5.1. Sports intangible fixed assets

The heading "Sports intangible fixed assets" includes players' acquisition rights and the like. The movement under this heading of the consolidated balance sheet for the 2021/22 and 2020/21 seasons, has been as follows:

June 30th, 2022:	Thousands of Euros				
	Balances at 06/30/2021	Incomings and allowances	Outgoings, discharges or reductions	Transfers (Note 5.2)	Balances at 06/30/2022
Cost:					
Football	589,560	81,342	(50,209)	-	620,693
Basketball	2,666	239	(1,610)	-	1,295
Handball	1,000	67	(42)	-	1,025
Hockey and others	501	-	-	-	501
Cash advances and others	10,550	-	-	-	10,550
Total cost	604,277	81,648	(51,861)	-	634,064
Accumulated amortization:					
Football	(277,782)	(112,651)	18,344	-	(372,089)
Basketball	(1,957)	(395)	1,346	-	(1,006)
Handball	(383)	(218)	42	-	(559)
Hockey and others	(426)	(39)	-	-	(465)
Total accumulated amortization	(280,548)	(113,303)	19,732	-	(374,119)
Impairment:					
Football	-	(3,188)	-	-	(3,188)
Cash advances and others	(10,550)	-	-	-	(10,550)
Total impairment	(10,550)	(3,188)	-	-	(13,738)
Net total	313,179	(34,843)	(32,129)	-	246,207

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June 30th, 2021:	Thousands of Euros				
	Balances at 06/30/2020	Incomings and allowances	Outgoings, discharges or reductions	Transfers (Note 5.2)	Balances at 06/30/2021
Cost:					
Football	957,781	90,783	(167,130)	(291,874)	589,560
Basketball	4,640	196	(2,170)	-	2,666
Handball	2,550	300	(1,850)	-	1,000
Hockey and others	491	190	(180)	-	501
Cash advances and others	16,550	-	(6,000)	-	10,550
Total cost	982,012	91,469	(177,330)	(291,874)	604,277
Accumulated amortization:					
Football	(379,699)	(153,747)	126,831	128,833	(277,782)
Basketball	(3,513)	(564)	2,120	-	(1,957)
Handball	(1,674)	(511)	1,802	-	(383)
Hockey and others	(448)	(84)	106	-	(426)
Total accumulated amortization	(385,334)	(154,906)	130,859	128,833	(280,548)
Impairment:					
Football	-	(129,416)	4,375	125,041	-
Cash advances and others	-	(10,550)	-	-	(10,550)
Total impairment	-	(139,966)	4,375	125,041	(10,550)
Net total	596,678	(203,403)	(42,096)	(38,000)	313,179

Players' acquisition rights are considered as expenditure in the forthcoming seasons, without considering the effect of the reserves for impairment, in accordance with the following estimate:

Season:	Thousands of Euros	
	06/30/2022	06/30/2021
2021/2022	-	120,372
2022/2023	79,406	83,154
2023/2024	76,835	76,144
2024/2025	46,445	33,509
2025/2026* et seq.	43,521	-
Total	246,207	313,179

* At June 30th, 2022 it corresponds to the expenditure for the season 2025-2026 et seq.

The signings this year correspond to the acquisition of players' registration rights in the amount of €81,648 thousand (€91,469 thousand at June 30th, 2021).

At June 30th, 2022 and 2021, there are contingent liabilities derived from the agreements reached with clubs for the acquisition of players' registration rights belonging to the first team, which are subject to the fulfilment of a series of conditions. The likelihood of occurrence depends on uncertain future facts, the maximum amount to pay based on the contractual agreements applicable at the year ended June 30th, 2022 being €70 million (€65 million in the year ended June 30th, 2021). In addition, there are agreements with clubs over which the Club has contingent collection rights with regard to sold or transferred players for a maximum amount of €47 million (€57 million in the year ended June 30th, 2021).

In addition, pre-emption rights are maintained over certain players and the like for the amount of €10,550 thousand (€10,550 thousand at June 30th, 2021). The Board of Directors and the sports management of the Club considered that there were signs of impairment in respect of the said assets and proceeded with full impairment in the year 2020/21.

This year, the outgoings mainly correspond to the sale of players, which generated a net profit of €28,233 thousand entered under the heading "Result for disposals and others" in the attached profit and loss account (a net profit of €23,443 thousand in the year ended June 30th, 2021). In addition, this year, the contracts of several players have been terminated entailing a loss for the amount of €15,175 thousand (€30,463 thousand in the year ended June 30th, 2021).

Furthermore, the heading "Result for disposals and others" in the attached profit and loss account reflects other profits in the amount of €14,665 thousand (€10,769 thousand in the year ended June 30th, 2021), basically generated under the heading of payments received for variables for sports performance agreed in different agreements for the sale of registration rights and for transferring to other clubs players who formed part of the Club in previous years.

The Club's Board of Directors is not aware of situations requiring the registration of impairments for a significant amount at June 30th, 2022, apart from those entered in the attached consolidated annual accounts.

The average term of the labour contracts entered into with the personnel who can be registered with the National Professional Football League is 5 years as of the signing thereof.

At June 30th, 2022 and 2021, totally amortized elements exist in the amount of €140,859 and €916 thousand, respectively.

The players are contracted under a labour contract, pursuant to the provisions of Royal Decree 1006/1985, of June 26th, regulating the special labour relations of sports professionals, under the general regime.

The income derived from the assignment and training of players recorded under the heading "Other operating income" in the consolidated profit and loss account during 2021/22 ascends to €2,418 thousand (€9,504 thousand during 2020/21) (Note 18.2).

5.2. Non-current assets maintained for sale

The movement under the heading "Non-current assets maintained for sale" in the consolidated balance sheet in the 2021/22 and 2020/21 seasons, has been as follows:

June 30th, 2022:	Thousands of Euros				
	Balances at 06/30/2021	Incomings and Allowances	Outgoings, Discharges or reductions	Transfers (Note 5.1)	Balances at 06/30/2022
Football:					
Net amortization cost	163,041	-	(91,492)	-	71,549
Correction for impairment	(125,041)	(5,000)	61,492	-	(68,549)
Net total	38,000	(5,000)	(30,000)	-	3,000

The outgoings for the year 2021/22 correspond to the sale of several players' registration rights.

June 30th, 2021:	Miles de euros				
	Balances at 06/30/2020	Incomings and allowances	Outgoings, discharges or reductions	Transfers (Note 5.1)	Balances at 06/30/2021
Football:					
Net amortization cost	-	-	-	163,041	163,041
Correction for impairment	-	-	-	(125,041)	(125,041)
Net total	-	-	-	38,000	38,000

As established in Note 4.6, the Group classifies under the heading "Non-current assets maintained for sale" those assets the book value of which shall mainly be recovered through the sale thereof, instead of through the continual use thereof, when the following prerequisites are met: they are available for immediate sale; the action required to find a purchaser has been initiated; and the sale thereof is highly likely within a period of one year. The non-current assets maintained for sale are valued at the lesser of their book value and their fair value, minus selling costs.

In the case of certain assets of the sports intangible fixed assets in which the aforementioned prerequisites were met for the year 2020/21, the Group proceeded to implement the appropriate reclassification of the value of these assets under this heading of the balance sheet.

6. NON-SPORTS INTANGIBLE FIXED ASSETS

The movement under this heading of the consolidated balance sheet in the 2021/22 and 2020/21 seasons has been as follows::

June 30th, 2022:	Thousands of Euros				
	Balances at 06/30/2021	Incomings and allowances	Outgoings, discharges or reductions	Transfers	Balances at 06/30/2022
Cost:					
Computer applications	49,312	3,357	(673)	564	52,560
Development	508	-	-	-	508
Transfer rights	928	4	-	-	932
Audiovisual property rights	4,201	25	-	-	4,226
Fixed assets in progress and advanced payments	2,330	588	(592)	(564)	1,762
Total cost	57,279	3,974	(1,265)	-	59,988
Accumulated amortization:					
Computer applications	(32,200)	(6,218)	672	-	(37,746)
Development	(145)	-	-	-	(145)
Transfer rights	(825)	(77)	-	-	(902)
Audiovisual property rights	(1,368)	(881)	1	-	(2,248)
Total accumulated amortization	(34,538)	(7,177)	673	-	(41,041)
Impairment:					
Development	(363)	-	-	-	(363)
Total impairment	(363)	-	-	-	(363)
Net total	22,378	(3,203)	(592)	-	18,582

June 30th, 2022:	Thousands of Euros				
	Balances at 06/30/2020	Incomings and allowances	Outgoings, discharges or reductions	Transfers	Balances at 06/30/2021
Cost:					
Computer applications	43,227	5,304	-	781	49,312
Development	508	-	-	-	508
Transfer rights	924	4	-	-	928
Audiovisual property rights	4,016	74	-	111	4,201
Fixed assets in progress and advanced payments	2,017	1,205	-	(892)	2,330
Total cost	50,692	6,587	-	-	57,279
Accumulated amortization:					
Computer applications	(25,806)	(6,394)	-	-	(32,200)
Development	(94)	(51)	-	-	(145)
Transfer rights	(136)	(689)	-	-	(825)
Audiovisual property rights	(535)	(833)	-	-	(1,368)
Total accumulated amortization	(26,571)	(7,967)	-	-	(34,538)
Impairment:					
Development	-	(363)	-	-	(363)
Total impairment	-	(363)	-	-	(363)
Net total	24,121	(1,743)	-	-	22,378

The registrations for the year 2021/22 mainly correspond to the continual improvement of the web page, the creation of the web page for the Masia and the Museum, several licences and the development of CRM.

The registrations for the year 2020/21 mainly correspond to the continual improvement of the web page, several licences and different social and security projects, amongst others.

At June 30th, 2022 and 2021, totally amortized elements exist for the amount of €22,107 and €18,619 thousand.

7. TANGIBLE FIXED ASSETS

The movement under this heading of the consolidated balance sheet in the 2021/22 and 2020/21 seasons has been as follows:

June 30th, 2022:	Thousands of Euros				
	Balances at 06/30/2021	Incomings and allowances	Outgoings, discharges or reductions	Transfers	Balances at 06/30/2022
Cost:					
Stadiums and pavilions	198,590	5,937	(6,173)	900	199,254
Other land and constructions	54,598	139	(414)	18	54,341
Technical installations and other tangible fixed assets	55,534	812	(3,919)	63	52,490
Fixed assets in progress and advanced payments	101,032	16,918	(4)	(981)	116,965
Total cost	409,754	23,806	(10,510)	-	423,050
Accumulated amortization:					
Stadiums and pavilions	(117,010)	(12,951)	6,077	-	(123,884)
Other land and constructions	(17,480)	(1,291)	416	-	(18,355)
Technical installations and other tangible fixed assets	(44,186)	(3,893)	3,899	-	(44,180)
Total accumulated amortization	(178,676)	(18,135)	10,392	-	(186,419)
Net total	231,078	5,671	(118)	-	236,631

June 30th, 2021:	Thousands of Euros				
	Balances at 06/30/2020	Incomings and allowances	Outgoings, discharges or reductions	Transfers	Balances at 06/30/2021
Cost:					
Stadiums and pavilions	177,717	1,197	-	19,676	198,590
Other land and constructions	52,591	82	-	1,925	54,598
Technical installations and other tangible fixed assets					
Fixed assets in progress and advanced payments	53,877	1,290	(2)	369	55,534
Total cost	110,335	12,667	-	(21,970)	101,032
Total coste	394,520	15,236	(2)	-	409,754
Accumulated amortization:					
Stadiums and pavilions	(109,834)	(7,176)	-	-	(117,010)
Other land and constructions	(15,769)	(1,711)	-	-	(17,480)
Technical installations and other tangible fixed assets	(41,102)	(3,084)	-	-	(44,186)
Total accumulated amortization	(166,705)	(11,971)	-	-	(178,676)
Net total	227,815	3,265	(2)	-	231,078

The entries for the year 2021/22 mainly correspond to the refurbishment of the Spotify Camp Nou and Palau Blaugrana, the works carried out in Espai Barça and the renovation of pitches no 4, 5 and 6 of Ciutat Esportiva Joan Gamper. In the year 2021/22 financial expenses have been capitalized for the amount of €4,304 thousand.

ECONOMIC REPORT

The entries for the year 2020/21 mainly correspond to the new installations works. In the year 2020/21 financial expenses have been capitalized for the amount of €6,585 thousand. The transfers mainly correspond to the start-up of Estadio Johan Cruyff.

On April 5th, 2014 the Espai Barça proposal was approved in a referendum, which entailed commissioning the Club's Board of Directors with executing the new Espai Barça project. In addition, on December 19th, 2021 authorisation was approved in a referendum for the Board of Directors to perform the activities that it deems necessary in order to obtain financing for Espai Barça for a maximum amount of €1,500 million. The financing that is being negotiated will not begin to be repaid until the works have been completed, given that Espai Barça will be financed with the increase in income generated by the new project. It is estimated that Espai Barça will generate additional income of approximately €200 million per annum derived from sponsorships and naming rights, tickets and restaurants, VIP boxes and hospitality assets, meeting & events operations.

With regard to the Espai Barça project, on August 16th, 2018 the Club executed a loan with a North American finance company for a maximum amount of €90 million to meet payments in respect of this project (Note 14.2). At June 30th, 2022, the accumulated costs incurred for Espai Barça ascend to €131,640 thousand, which amount has mainly been financed with this loan (€114,914 thousand at June 30th, 2021). On January 28th, 2022 a novation agreement was executed in respect of this loan, extending the limit up to €180 million and extending the expiry by 1 year, up to February 15th, 2023 (Note 14.2). As a result of the approval in the referendum of the project to renew the Stadium and adjacent installations, the Club has applied the revision of the useful life of the currently existing assets, which have an amount still to be redeemed and which shall be affected by the works. This analysis, individualised by asset, determines a new useful life for each one of them, in accordance with the schedule of works defined by the project technical team.

The Group has real estate, the cost value of which, separately for construction and land, at June 30th, 2022 and 2021, is as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Land	22,289	22,289
Constructions	231,308	230,899
Total	253,597	253,188

During the project to adapt the sports grounds and installations to the safety measures established in the Regulation for the Prevention of Violence, in previous years, the Club obtained from the National Professional Football League gratuitous tangible fixed assets for the amount of €11,081 thousand. These elements, included under the heading "Stadiums and pavilions", are entered in the books for the value stipulated in the works certificate issued by the National Professional Football League, with the offsetting item under the heading of capital grants (see Note 12.2).

The Group's policy is to take out insurance policies covering the possible risks to which the different elements of its tangible fixed assets are exposed. The Club's Board of Directors deems that the significant risks are adequately covered.

At June 30th, 2022 and 2021, some elements are totally amortized for an amount of €76,499 and €81,452 thousand, respectively.

8. REAL ESTATE INVESTMENTS

The movement under this heading of the consolidated balance sheet for the 2021/22 and 2020/21 seasons has been as follows:

June 30th, 2022:	Thousands of Euros		
	Balances at 06/30/2021	Incomings and allocation/reversal impairment	Balances at 06/30/2022
Cost:			
Land Hospitalet de Llobregat (Can Rigalt)	37,236	-	37,236
Land Viladecans	18,744	-	18,744
Other land	682	-	682
Total cost	56,662	-	56,662
Impairment:			
Land Hospitalet de Llobregat (Can Rigalt)	(27,623)	23,709	(3,914)
Land Viladecans	(14,940)	2,860	(12,080)
Total impairment	(42,563)	26,569	(15,994)
Net total	14,099	26,569	40,668

June 30th, 2021:	Thousands of Euros		
	Balances at 06/30/2020	Incomings and allocation/reversal impairment	Balances at 06/30/2021
Cost:			
Land Hospitalet de Llobregat (Can Rigalt)	37,236	-	37,236
Land Viladecans	18,744	-	18,744
Other land	682	-	682
Total cost	56,662	-	56,662
Impairment:			
Land Hospitalet de Llobregat (Can Rigalt)	(15,588)	648	(14,940)
Land Viladecans	(27,628)	5	(27,623)
Total impairment	(43,216)	653	(42,563)
Net total	13,446	653	14,099

The Group's real estate investments correspond to land with which it expects to obtain some type of future rent or capital gains from the sale thereof, without the consolidated profit and loss account for this year (or the previous year) reflecting any income whatsoever derived from this land.

Can Rigalt

The Club owns four plots of land located in the municipal district of Hospitalet de Llobregat (Barcelona), with an approximate surface area of 30,783, 23,676, 3,578 and 2,533 square metres, respectively. The first two properties fall under the "Modificació del PGM Sector de Can Rigalt Àmbit Municipal al nord de l'Avinguda Collblanc al barri Pubilla Casas" ("Modification of the PGM Sector of Can Rigalt Municipal Area to the North of l'Avinguda Collblanc in the Pubilla Casas district").

Viladecans

During the year 2007/08, the Club acquired some land in the municipal district of Viladecans (Barcelona), covering a surface area of 278,544 square metres, for the sum of €18,744 thousand.

At the 2021/22 year end, the Club's Board of Directors commissioned an update of the valuation of the land from an independent third expert, which, according to the town planning plan in force, at June 30th, 2022, has revealed the need to record a reversal of the impairment for a total amount of €26,659 thousand.

9. LEASES

9.1 Operative leases in which the Group acts as the lessor

As the lessor, income from the punctual lease of the Group's different facilities for holding events organized by third parties, such as concerts etc., is entered in the books. The payments received for such events vary depending on the negotiations with the organizers of each particular event. At the year end, the Group has not contracted with tenants significant minimum lease quotas which cannot be cancelled.

9.2 Operative leases in which the Group acts as the lessee

The Group leases various premises, facilities and equipment in order to engage in activities related to its normal course of business. The Group has not contracted with lessors significant minimum lease quotas which cannot be cancelled. In addition, the amount of expenditure for operative leases for the financial year is not significant.

10. FINANCIAL ASSETS

10.1. Long-term financial investments

The balance of the accounts under the heading “Long-term financial investments” at June 30th, 2022 and 2021 is as follows:

Categories	Thousands of Euros					
	06/30/2022			06/30/2021		
	Credits to third parties	Other financial assets	Total	Credits to third parties	Other financial assets	Total
Credits to sports organizations	17,734	-	17,734	12,452	-	12,452
Other financial assets	-	9,083	9,083	-	7,045	7,045
Total	17,734	9,083	26,817	12,452	7,045	19,497

Credits to sports organizations:

The heading “Credits to sports organizations” at June 30th, 2022 and 2021 mainly reflects the accounts receivable from sports organizations for the transfer or assignment of players, as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Aston Villa F.C. (Philippe Coutinho Correia)	9,897	-
Club Brugge K.V. (Ferran Jutglà)	1,924	-
Granada C.F. (Ramón Rodríguez)	374	-
Aston Villa F.C. (Lucas Digne)	44	-
F.C. Shakhtar Donetsk (Marlon da Silva)	38	-
S.C. Braga (Abel Ruiz)	3,200	4,000
U.D. Almería (Sergio Akieme)	1,243	1,950
Olympique de Marseille (Konrad de la Fuente)	993	947
Torino F.C. (Antonio Sanabria)	16	51
Borussia Dortmund (Francisco Alcácer)	5	17
Olympique Gymnaste Club de Nice (Jean-Clair Todibo)	-	4,344
Liverpool F.C. (Thiago Alcántara)	-	446
Udinese Calcio (Gerard Deulofeu)	-	371
F.C. Famalicão (Daniel Morer)	-	200
Paris Saint-Germain, F.C. (Mauro Icardi)	-	126
Total	17,734	12,452

During the year 2021/22, the Club has entered into several non-recourse factoring agreements, in which the long-term and short-term accounts receivable from sports organizations were factorized for an amount of €38 million (€147 million in the year 2020/21).

The details, by expiry, of the entries forming part of the heading “Long-term credits to sports organizations” at June 30th, 2022 and 2021 are as follows:

June 30th, 2022:	Thousands of Euros		
	2023/24	2024/25 et seq.	Total
Long-term credits to sports organizations	10,969	6,765	17,734
Total	10,969	6,765	17,734

June 30th, 2021:	Thousands of Euros		
	2022/23	2023/24 et seq.	Total
Long-term credits to sports organizations	3,488	8,964	12,452
Total	3,488	8,964	12,452

Other financial assets:

At June 30th, 2022 and June 30th, 2021 this heading includes a loan for an amount of €4,485 thousand to the company, Audiovisual New Aged AIE, the corporate purpose of which is the management and performance of the covenants established in the agreement regarding the adjustments to be made in the distribution of income derived from SAD audiovisual rights and sports clubs dated November 16th, 2010. At June 30th, 2021 this loan was totally impaired, given that the Club's Board of Directors and management, in accordance with their best estimation based on the information available at that date, deemed that it was highly unlikely that it would be recovered.

At June 30th, 2022, the Club's Board of Directors and management have revalued this estimate based on the most recent information available, and have reverted €2,755 thousand of the impairment reserve set up the previous year

10.2. Companies in the Group, multi-group and associated companies

The details under this heading at June 30th, 2022 and 2021 are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Equity instruments	-	-
Cost	3,670	3,670
Impairment	(3,670)	(3,670)
Stakes in capital equivalence companies (Note 10.3)	63,000	-
Cost	61,740	-
Goodwill	(1,260)	-
Credits to companies (Note 20.2)	47,500	-
Nominal value	57,336	9,749
Impairment	(9,836)	(9,749)
Total	110,500	-

The heading "Equity instruments" includes, at June 30th, 2022 and 2021, the Club's stakes in the companies, FCBarcelona HK Limited and FCB North America LLC. These dependent companies are not included in the consolidation perimeter, given that they do not have a significant interest, either individually or jointly, for a true and fair view of the Group's net worth, financial situation and results.

On June 30th, 2022, the Club sold 10% of the Club's audiovisual rights over the "La Liga" professional competition to the company, Locksley Invest, S.L., incorporated on January 11th, 2022, of which the Club holds a 49% stake. The remaining 51% belongs to the North American investment company, Sixth Street Partners.

The most significant information regarding equity instruments corresponding to companies in the Group, multi-group and associated companies is as follows:

June 30th, 2022:

Name / Address	% Stake		Thousands of Euros						
	Direct	Indirect	Capital	Result		Rest of Net Worth	Total Net Worth	Book value	
				Operation	Net			Cost	Impairment
FCBarcelona HK Limited (Hong Kong) (*)	100%	-	3,670	177	(128)	(6,021)	(2,479)	3,670	(3,670)
FCB North America L.L.C. (United States of America) (*)	100%	-	0	270	259	(7,051)	(6,792)	0,09	(0,09)
Haikou Barca Mission Hills (People's Republic of China) (*)	-	50%	7,320	(1,165)	(1,165)	(2,456)	3,699	-	-
Total								3,670	(3,670)

(*) Amounts not audited and converted at a historical exchange rate.

June 30th, 2021:

Name / Address	% Stake		Thousands of Euros						
	Direct	Indirect	Capital	Result		Rest of Net Worth	Total Net Worth	Result	
				Operation	Net			Cost	Impairment
FCBarcelona HK Limited (Hong Kong) (*)	100%	-	3,670	517	341	(3,161)	850	3,670	(3,670)
FCB North America LLC. (United States of America) (*)	100%	-	0,09	(194)	(178)	(6,327)	(6,505)	0,09	(0,09)
Haikou Barca Mission Hills (People's Republic of China) (*)	-	50%	7,320	(947)	(947)	(1,852)	4,521	-	-
Total								3,670	(3,670)

(*) Amounts not audited and converted at a historical exchange rate.

The results of the companies stipulated in the above table correspond, in their entirety, to continual operations.

The stakes in the net worth of FCBarcelona HK Limited and FCB North America LLC have been impaired, given that, according to the most recently updated business plan for the coming years, it is forecast that these companies will not generate positive cash flows.

The heading "Credits to companies" includes, at June 30th, 2022, contributions made to the companies in the Group, FCBarcelona HK Limited and FCB North America LLC, to cover cash at bank needs in the amount of €2,992 and €6,844 thousand, respectively (€2,980 and €6,769 thousand, respectively, at June 30th, 2021). At June 30th, 2022, the credits to FCB North America LLC and FCBarcelona HK Limited are fully impaired (fully impaired at June 30th, 2021).

The remaining balance corresponds to €47,500 thousand at June 30th, 2022 corresponding to non-current debit balances with associated companies (see Note 20.2).

In compliance with the provisions of Additional Provision 18 of General Law 58/2003, of December 17th, on Taxation, with regard to the obligation to inform about goods and rights located abroad, it is informed that employees of the Club, tax residents on Spanish territory, are authorised to operate with bank accounts located abroad, held by foreign dependent companies.

Set out hereunder is a table summarising these accounts:

Number of Accounts	Type of Account	Year opened	Bank	Country	Dependent company holder
1	Current Account	2013	HSBC	Hong Kong	FC Barcelona HK Limited
2	Savings Account	2013	HSBC	Hong Kong	FC Barcelona HK Limited
1	Term Deposit Account	2013	HSBC	Hong Kong	FC Barcelona HK Limited
3	Current Account	2016	CityBank	United States	FCB North America
3	Current Account	2021	Santander	United States	FCB North America

10.3. Stakes in capital equivalence companies

As stated in Note 10.2 of the attached consolidated annual report, at June 30th, 2022, the Group holds a stake in the following national non-listed company:

At June 30th, 2022:

Name	%	Thousands of Euros				
		Nominal value per share	Net worth	Capital equivalence result	N.M. Adjust Capital equivalence investments	Book value
Locksley Invest, S.L.	49%	-	126,000	-	-	63,000
Total		-	126,000	-	-	63,000

The movement of capital equivalence investments during the year 2021/22 is as follows:

Name	Thousands of Euros					
	06/30/2021	Additions	Goodwill Amortization	Results	Dividends	06/30/2022
Locksley Invest, S.L.	-	61,740	-	-	-	-
Total	-	61,740	-	-	-	-

From the first application of the capital equivalence process in the year 2021/22, taking into account the date of acquisition of the stake and the commencement of its activity on June 30th, 2022, a positive difference has been revealed between the investment cost recorded in the Club's individual annual accounts and the dependent company's net worth. As a result, goodwill has been entered for the amount of €1,260 thousand, which has been included under the heading "Capital equivalence stakes".

10.4. Trade debtors and other accounts receivable

The details of this heading at June 30th, 2022 and 2021 are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Non-current trade debtors (Note 14.3)	39,915	43,326
Clients, companies in the Group and associated companies (Note 20.2)	29,682	634
Sports organizations, trade debtors	40,034	25,144
Sundry trade debtors	70,464	97,807
Sports personnel (Note 14.3)	19,809	22,588
Non-sports personnel	232	154
Cash advances to suppliers / creditors	359	275
Current tax assets (Note 15.1)	90	18
Other credits with Public Administrations (Note 15.1)	616	1,863
Current trade debtors	161,286	148,483
Total	201,201	191,809

Sports organizations, trade debtors:

At June 30th, 2022 and 2021, accounts receivable from sports organizations for the transfer or assignment of players and others are recorded under the heading "Sports organizations, trade debtors", as detailed below:

	Thousands of Euros	
	06/30/2022	06/30/2021
Accounts receivable from the "National Professional Football League"	10,254	10,786
Accounts receivable from sports organizations for the transfer or assignment of players and others:		
Football:		
Real Betis Balompié (Marc Bartra)	-	1,089
R.C. Celta de Vigo (Denis Suárez)	-	908
Olympique Gymnaste Club de Nice (Jean-Clair Todibo)	(82)	3,853
Sevilla, C.F. (Ivan Rakitic)	2,359	2,359
U.D. Almería (Sergio Akieme)	1,128	2,202
Olympique de Marseille (Konrad de la Fuente)	920	1,940
Liverpool F.C. (Thiago Alcántara)	446	204
F.C. Famalicão (Daniel Morer)	200	200
Paris Saint-Germain F.C. (Mauro Icardi)	126	189
Torino, F.C. (Antonio Sanabria)	34	51
Borussia Dortmund (Francisco Alcácer)	12	41
S.C. Braga (Abel Ruiz)	829	(81)
F.C. Shakhtar Donetsk (Marlon da Silva)	19	-
Real Betis Balompié (Emerson Royal)	78	-
Udinese Calcio (Gerard Deulofeu)	371	-
Granada C.F. (Ramón Rodríguez)	375	-
F.C. Zenit (Malcom Filipe Silva de Oliveira)	980	-
Getafe C.F. (Carles Aleñá)	1,000	-
Club Brugge K.V. (Ferran Jutglà)	2,846	-
Wolverhampton Wanderers F.C. (Francisco Trincão)	6,481	-
Aston Villa F.C. (Philippe Coutinho Correia)	9,796	-
	27,918	12,955
Other sections	120	-
Total accounts receivable from sports organizations	38,292	23,741
Other federations and associations	1,742	1,403
Total	40,034	25,144

Sundry trade debtors:

At June 30th, 2022 and 2021, the details of the heading "Sundry trade debtors" are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Exclusive contracts and sponsors	53,498	77,533
Accounts receivable for television transmissions and sports programs	10,184	10,786
Others	6,782	9,488
Total	70,464	97,807

The heading "Others" includes €4,722 and €220 thousand for client balances of the dependent company, Barça Licensing & Merchandising, S.L.U. and Barça Produccions, S.L.U., respectively (€5,573 thousand at June 30th, 2021 in respect of Barça Licensing & Merchandising, S.L.U.).

The value corrections for impairment reflected at June 30th, 2022 and 2021 under the heading "Sundry trade debtors" in the attached consolidated balance sheet ascend to €42,326 and €39,012 thousand, respectively. In the attached consolidated profit and loss account for this year, an impairment expense has been entered for the amount of €4,903 thousand (€26,255 thousand for expenses in the year 2020/21) and impairment reversal income of €1,589 (no income from impairment reversal in the year 2020/21).

10.5. Information on the nature and risk level of financial instruments

The Club's Finance Department and Board of Directors manage the Group's financial risks, and have established the mechanisms required to control exposure to fluctuations in interest rates and exchange rates, and credit and liquidity risks. The main financial risks that have an impact on the Group are set out below:

1. Credit risk

In general, the Group keeps its cash at bank and equivalent liquid assets in banks with a high credit level. The Group analyses its trade debtors individually, thus reducing the credit risk.

2. Liquidity risk

In order to guarantee liquidity and be able to meet all its payment undertakings derived from its activity, the Group has cash at bank and other equivalent liquid assets showing the consolidated balance thereof, as well as the credit and finance lines detailed in Note 14. As stated in Note 2.7, on August 19th, 2021, the Club issued "Senior Secured Notes" for the amount of €595 million, which have allowed for restructuring the financial debt and obtain liquidity (Note 14.1). In addition, if necessary, the Club could have recourse to the sale of assets.

On June 30th, 2022, the Club sold 10% of the Club's audiovisual rights to the company, Locksley Invest, S.L. This transaction has generated in the profit and loss account a profit for the amount of €267,089 thousand, entered under the heading "Profits from non-sports intangible fixed assets".

3. Market risk (including interest rates and exchange rates)

Both the Group's cash at bank and financial debt are exposed to an interest rate risk, which could have an adverse effect on the financial results and on cash flows. The Club's Board of Directors deems that the risk should not have a significant impact on these consolidated annual accounts. The interest rate risk is concentrated on debts with banks (Note 14).

The transactions with foreign currency are exposed to the exchange rate risk and the value of the monetary liabilities has been adjusted by applying the exchange rate in force at June 30th, 2022, recording the result derived from this valuation under the heading of "Exchange differences" in the consolidated profit and loss account. The Group is not exposed to any significant exchange rate risk.

11. STOCK

Stock corresponds to the products marketed by the dependent company, Barça Licensing & Merchandising, S.L.U.

At June 30th, 2022, firm product purchase undertakings exist for the amount of €15,750 thousand (€10,098 thousand at June 30th, 2021).

The movements for value corrections for impairment are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Initial balance	4,738	5,421
Value corrections	(1,149)	(683)
Final balance	3,589	4,738

The value corrections for impairment mainly correspond to the adjustment of the value of the stock at its net realizable value.

The Group has taken out insurance policies covering the recoverability of the net book value of the stock.

12. NET WORTH

At June 30th, 2022, the consolidated net worth is negative by an amount of €353,213 thousand. Notwithstanding the foregoing, there is no legal impediment for the Club to continue operating as usual.

12.1. Net worth for the purposes of Sports Law

The Law on Sports (Law 10/1990), of October 15th, 1990, establishes that the clubs that participate in professional sports competitions shall adopt the form of a Sports Public Limited Company. As an exception to this rule, it is established that the clubs that participate in official professional football competitions and which, according to the audits carried out by the National Professional Football League, have obtained a positive net worth balance since the financial year 1985/86, can maintain their legal structure, which condition is met in the case of Futbol Club Barcelona. In that case, the said Law establishes that the Board of Directors should furnish a guarantee of 15% of the expenditure budget for the year in which the Board of Directors commenced its management. Therefore, on March 17th, 2021, prior to taking office, the current Board of Directors deposited in the National Professional Football League, such guarantee for the legally appropriate amount.

However, the Third Final Provision of Law 22/2021, of December 28th, on the National Budget for 2022, has amended Law 10/1990, of October 15th, on Sports, deleting the obligation to furnish the guarantee referred to in the previous paragraph, establishing in clubs' by-laws the requirements to be a member of their boards of directors, such as, for example length of service or guarantees required. The regime of responsibility established in this provision applies as of the 2020/21 season and, therefore, the Board of Directors has cancelled the furnished guarantee.

12.2. Grants

The information on the grants received by the Group, which form part of the consolidated net worth, and the results allocated to the consolidated profit and loss account derived therefrom, is as follows:

June 30th, 2022:

Authority	Area	Thousands of Euros (*)			
		06/30/2021	Transfer to results	Tax impact (Note 15.3)	06/30/2022
Generalitat de Catalunya [Catalan Autonomous Government]	Public	97	(11)	3	89
National Professional Football League (Note 7)	Private	1,395	(66)	16	1,345
Works of art	Private	598	-	-	598
Total		2,090	(77)	19	2,032

(*) Amounts net of tax impact

June 30th, 2021:

Authority	Area	Thousands of Euros (*)			
		06/30/2020	Transfer to results	Tax impact (Note 15.3)	06/30/2021
Generalitat de Catalunya [Catalan Autonomous Government]	Public	102	(7)	2	97
National Professional Football League (Note 7)	Private	1,642	(329)	82	1,395
Works of art	Private	598	-	-	598
Total		2,342	(336)	84	2,090

(*) Amounts net of tax impact

At June 30th, 2022 and 2021, the Group had complied with all of the prerequisites required to receive the aforementioned grants.

13. RESERVES AND CONTINGENCIES

13.1. Long-term reserves

The details of the long-term reserves in the consolidated balance sheet at June 30th, 2022 and 2021 are as follows:

June 30th, 2022:

Long-term reserves	Thousands of Euros					
	06/30/2021	Allowances	Applications and payments	Reversals	Transfers (Note 13.2)	06/30/2022
Tax reserve (Note 15.7)	72,251	2,943	(17,059)	(80)	-	58,055
Reserves for other responsibilities	29,240	-	-	-	(3,543)	25,697
Total	101,491	2,943	(17,059)	(80)	(3,543)	83,752

The allocation for the year 2021/22 corresponds to a reserve for different tax disputes, as well as reserves for other contentious proceedings. The applications and payments consist of the payment of the signed tax reports for the years 2015 to 2018 for Company Tax, Income Tax withholdings and non-resident withholdings and Value Added Tax (Note 15.7).

June 30th, 2021:

Long-term reserves	Miles de euros					
	06/30/2020	Allowances	Applications and payments	Reversals	Transfers (Note 13.2)	06/30/2021
Tax reserve (Note 15.7)	16,208	52,809	-	-	3,234	72,251
Reserves for other responsibilities	-	29,240	-	-	-	29,240
Total	16,208	82,049	-	-	3,234	101,491

The allocation for the year 2020/21 corresponds to a reserve for tax disputes (Note 15.7), as well as reserves for other contentious proceedings.

13.2. Short-term reserves

At June 30th, 2022 and 2021, the details of short-term reserves are as follows:

June 30th, 2022:

Short-term reserves	Thousands of Euros					
	06/30/2021	Allowances	Applications and payments	Reversals	Transfers (Note 13.2)	06/30/2022
Tax reserve (Note 15.7)	-	-	-	-	-	-
Reserves for other responsibilities	2,322	6,576	(2,919)	(2,301)	3,543	7,221
Total	2,322	6,576	(2,919)	(2,301)	3,543	7,221

The allocation for the year 2021/22 corresponds to a reserve for various occupational hazards.

June 30th, 2021:

Short-term reserves	Thousands of Euros					06/30/2021
	06/30/2020	Allowances	Applications and payments	Reversals	Transfers (Note 13.2)	
Tax reserve (Note 15.7)	3,234	-	-	-	(3,234)	-
Reserves for other responsibilities	122	2,200	-	-	-	2,322
Total	3,356	2,200	-	-	(3,234)	2,322

The allocation for the year 2020/21 corresponds to a reserve for tax disputes (Note 15.7), and reserves for other legal proceedings.

The members of the Club's Board of Directors, and its advisors, deem that no significant risks other than those reflected in these consolidated annual accounts, shall arise.

13.3. Lawsuits

Detailed hereunder are the main lawsuits and contentious proceedings to which the Club is party at June 30th, 2022, except for those derived from tax inspections, which are detailed in Note 14.7:

- During the financial year 2015, preliminary procedures were initiated at Central Magistrates' Court nº 5 of the National Court derived from a complaint filed by DIS-Esportes y Organizaçao de Eventos LTDA against the Club and other members. The complaint was based on alleged offences for fraudulent simulation of contract derived from the contracts executed by the Club in which it signed the player, Neymar da Silva Santos Jr. In a Ruling dated July 8th, 2016, Central Magistrates' Court nº 5 of the National Court ordered the provisional stay of proceedings, but subsequently, on September 23th, 2016, the Criminal Chamber of the National Court agreed that the proceedings should continue. Finally, on November 3th, 2016, Central Magistrates' Court nº 5 of the National Court gave a Ruling initiating oral proceedings against the Club and other natural persons for committing two offences of corruption between individuals and embezzlement. To date, the proceedings are being heard at Barcelona Court of Appeal, and the oral hearing has been scheduled for October 2022. The Club's Board of Directors and legal advisers consider that the risk derived from the future lawsuit is low and, therefore, the Club has not posted any reserve for this lawsuit in the attached annual accounts.
- The company Muro Cortina Modular Renting, S.A. applied to Barcelona Mercantile Court no 12 for the involuntary bankruptcy of the Club. On November 12th, 2020, this Court suspended leave for the application for involuntary bankruptcy to go ahead. The Club has filed a writ asking the Court to directly refuse leave for the application for fraud to go ahead on the grounds of the applicant's lack of status of creditor and lack of proof of the generalised situation of failing to meet its payment obligations. At June 30th, 2021, the Club's Board of Directors and legal advisers deem that the risk of leave being given for the involuntary bankruptcy to go ahead is remote. On September 20th, 2021, a settlement agreement was signed and Muro Cortina Modular Renting, S.A. has withdrawn the action, and the proceedings have been shelved.
- In addition, Muro Cortina Modular Renting, S.A. applied to Barcelona Court of First Instance no 44, asking it to order the Club to pay compensation for damages in the amount of €78.8 million for an alleged breach of the contract for the joint exploitation of the façade of the Masia in Ciudad Deportiva de Sant Joan Despí (Barcelona) whilst the proceedings in which Muro Cortina Modular Renting, S.A. sought termination of contract, were being processed. These proceedings were heard by Barcelona Court of First Instance no 25, which set aside the complaint in integrum, the Judgment subsequently being confirmed by Barcelona Court of Appeal. At June 30th, 2021, the Club's Board of Directors and legal advisers deemed that the risk derived from these proceedings was low. On September 20th, 2021, a settlement agreement was signed and Muro Cortina Modular Renting, S.A. has withdrawn the action, and the proceedings have been shelved.
- On April 21th, 2020, a group of members of the Club filed a complaint at Barcelona Magistrates' Court no 13, generically against the Club's directors or managers who had participated in recruiting the services of the company, 13 Ventures, which would engage in, according to the complaint, creating states of opinion on social networks. The alleged offences that were reported were misappropriation of trust funds and corruption between individuals. On May 21th, 2020, the Magistrates' Court gave leave for the complaint to go ahead and ordered that the facts be investigated by the Mossos d'Esquadra Central Money Laundering and Economic Crime Division, ordering the secrecy of the proceedings, extended up to March 1th, 2021, the date on which several companies and the offices of the Club were searched. In these proceedings, the Club has the status of damaged party, and the former Chairman of the Club's Board of Directors and three directors are being investigated. These proceedings are at the preliminary investigation stage. The Club's Board of Directors and legal advisers deem that there is no risk for the Club, given its status as damaged party.

- On January 26th, 2022, the Club's Board of Directors filed a complaint with Barcelona provincial Prosecutor's Office as a result of the outcome of the forensic investigation with which independent external professionals were commissioned, which, based on circumstantial evidence, could constitute an offence of misappropriation of trust funds or, subsidiarily a continuous offence of fraudulent conversion, as well as an offence of forgery in mercantile documents and accounting forgery. The Club's Board of Directors and legal advisers deem that there is no financial risk for the Club under the heading of corporate person's vicarious liability or criminal liability, since the aforementioned offences are not established in Article 31 bis of the Criminal Code. In addition, based on the information available, at the date of preparation of the annual accounts, no potential impact that might affect such annual accounts or the annual accounts for previous years, has been identified.
- In November 2009, the European Commission received a complaint regarding possible preferential treatment with regard to company tax in respect of four Spanish sports clubs: Real Madrid CF, Athletic Club Bilbao, Club Atlético Osasuna and FC Barcelona, with regard to public limited sports companies.

In a Decision dated 2016, the European Commission declared that Spain had illegally established aid in the form of tax privilege in company tax in favour of the aforementioned four professional football clubs. According to the European Commission, this regime was not compatible with the domestic market and, therefore, ordered Spain to eliminate it and immediately and effectively recover from the beneficiaries the amount of the aid granted. Futbol Club Barcelona and Athletic Club appealed the European Commission's Decision before the General Court of the European Union. On February 26th, 2019, the General Court of the European Union, in a Judgment delivered in case T-865/16 (Club / Commission), overturned the European Commission's Decision, allowing the appeal in favour of the Club.

The European Commission lodged an appeal for cassation against the General Court's decision, at the Court of Justice of the European Union. On March 4th, 2021, the Court of Justice of the European Union delivered a Judgment against the Club, overturning the Judgment delivered by the General Court of the European Union, which had initially allowed the Club's appeal, putting an end to the lawsuit. The Club has reserved the amounts required to meet the economic consequences of this Judgment.

- On August 11th, 2017, the Club sued the former player, Neymar da Silva Santos Jr., at Barcelona Labour Court no 15, for breach of contract. In turn, the former player, Neymar da Silva Santos Jr., sued the Club at Barcelona Labour Court no 32, for payment of debt based on section 4.1.1 of the contract signed between the Club and the player on July 1th, 2016. The Club claimed the total bonus collected by the player (€20,750 thousand) and the player claimed the part of the bonus not paid (€43,650 thousand). The trial was held on October 6th, 2019 and the Judgment delivered on June 19th, 2020 set aside the player's complaint in integrum, and partially allowed the Club's complaint, ordering the player to return to the Club the amount of €6,797 thousand. This Judgment was appealed by the former player, Neymar da Silva Santos Jr., and is pending Judgment from the Labour Chamber of the High Court of Justice for Catalonia. In July 2021, a settlement agreement was signed and the actions between the Club and Neymar da Silva Santos Jr. were withdrawn, both parties putting an end to all of the labour and civil lawsuits existing between them.

14. FINANCIAL LIABILITIES

The details of the financial liabilities at June 30th, 2022 and 2021 are as follows:

Categories	Thousands of Euros									
	06/30/2022					06/30/2021				
	Debts with banks	Loan stock and other negotiable instruments	Debts with sports personnel	Others	Total	Debts with banks	Loan stock and other negotiable instruments	Debts with sports personnel	Others	Total
Debts and items payable: Long-term debts	68,574	596,778	54,142	84,424	803,918	145,877	198,586	93,766	115,452	553,681
Long-term	68,574	596,778	54,142	84,424	803,918	145,877	198,586	93,766	115,452	553,681
Debts and items payable: Short-term debts Creditors and other accounts payable	172,197	3,109	-	9	175,315	183,539	4,633	-	9	188,181
Short-term	172,197	3,109	163,611	355,813	694,730	183,539	4,633	144,417	263,368	595,957
Total financial instruments	240,771	599,887	217,753	440,237	1,498,648	329,416	203,219	238,183	378,820	1,149,638

14.1. Long-term debts

The details, by expiry, of the items forming part of the heading "Long-term debts", are as follows:

June 30th, 2022:	Thousands of Euros				
	Long-term				
	2023/24	2024/25	2025/26	2026/27 et seq.	Total
Loan stock and other negotiable instruments	-	34,855	35,514	526,409	596,778
Debts with banks	-	33,574	35,000	-	68,574
Debts with sports organizations (Note 14.3)	54,924	15,750	13,750	-	84,424
Other long-term liabilities (Note 14.3):					
Compensation for termination of contract	15,101	14,614	-	-	29,715
Outstanding remuneration	6,876	17,551	-	-	24,427
Total	76,901	116,344	84,264	526,409	803,918

Long-term outstanding remuneration corresponds to fixed remuneration or related amounts and to variable remuneration based on individual or group targets accrued in the 2020/21 season and which, based on the collective bargaining agreement dated December 17th, 2020, shall be paid in the long-term (Note 18.3).

June 30th, 2021:	Thousands of Euros				
	Long-term				
	2022/23	2023/24	2024/25	2025/26 et seq.	Total
Loan stock and other negotiable instruments	-	198,586	-	-	198,586
Debts with banks	70,308	-	35,569	40,000	145,877
Debts with sports organizations (Note 14.3)	81,973	33,479	-	-	115,452
Other long-term liabilities (Note 14.3):					
Compensation for termination of contract	7,062	42,997	3,614	-	53,673
Outstanding remuneration	16,177	16,177	7,739	-	40,093
Total	175,520	291,239	46,922	40,000	553,681

Loan stock and other negotiable instruments:

On August 28th, 2018, the Club issued "Senior Notes" (series A) for an amount of €90 million, expiring on August 28th, 2023, which accrued a fixed rate of interest. A North American insurance company acquired these "Senior Notes". At June 30th, 2021, the redeemed cost for which the said debt was posted was €89.4 million. Also, on August 28th, 2018, the Club made a second issue of "Senior Notes" (series B) for an amount of €50 million, expiring on August 28th, 2023, which also accrued a fixed rate of interest, and which was acquired by another North American insurance company. At June 30th, 2021, the redeemed cost for which the said debt was posted ascended to €49.6 million.

In addition, on May 16th, 2019, the Club made a third issue of "Senior Notes" (series C) for an amount of €30 million, expiring on May 23th, 2024, which accrued a fixed rate of interest, and which was acquired by a French insurance company. At June 30th, 2021, the redeemed cost for which the said debt was posted ascended to €29.8 million.

Also, on May 16th, 2019, the Club made a fourth issue of "Senior Notes" (series D) for an amount of €30 million, expiring on May 23th, 2024, which accrues a fixed rate of interest, and which was acquired by a French asset management company. At June 30th, 2021, the redeemed cost for which the said debt was posted ascended to €29.8 million.

The General Meeting held on June 20th, 2021 approved the subscription of new financing for an amount of €525 million, to restructure the Club's financial debt and obtain liquidity. On August 19th, 2021, "Senior Secured Notes" (series A1, A2, B1, B2, E1 and E2) were issued for the amount of €595 million, having paid off the loan in the amount of €80 million granted on June 10th, 2021 by a North American bank and the expiry of which was September 8th, 2021 (Note 14.2), as well as cancelling series C and D of the "Senior Notes" for a nominal amount of €60 million. Series A and B of the "Senior Notes" have been novated in the new series A1, A2, B1 and B2 of the "Senior Secured Notes".

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For accounting purposes, with regard to series A and B of the "Senior Notes", there has been a substantial change in the terms and conditions of the original debt (Note 4.7.2), which ascends to €8,399 thousand, the financial expense at the date of restructuring of these series of "Senior Notes".

The "Senior Secured Notes" are guaranteed with credit rights derived from the marketing of the Club's audiovisual rights, accrued a fixed rate of interest, and establish the fulfilment of a minimum ratio of audiovisual income in respect of the Club's financial expenses.

The expiry of the principal of the "Senior Secured Notes" is as follows:

Year:	Thousands of Euros
2024	34,855
2025	35,514
2026	36,185
2027	36,869
2028	37,566
2029	38,276
2030	38,999
2031	336,736
Total	595,000

At June 30th, 2022, the redeemed cost for which the "Senior Secured Notes" was posted ascended to €596,778 thousand.

At June 30th, 2022, the outstanding interest accrued in respect of the "Senior Secured Notes" ascended to €3.1 million (€4.6 million at June 30th, 2021 in respect of the "Senior Notes").

Debts with banks

On June 1th, 2017, the Club signed a loan for the sum of €20 million, for a term of 6 years, expiring on June 1th, 2023, with quarterly redemption payments and a 1-year grace period, linked to Euribor 12 months, plus a differential. At June 30th, 2022, the outstanding amount ascends to €4.1 million, which has a short-term expiry (€8.2 million long term and €4.1 million, short term, at June 30th, 2021).

On June 20th, 2019 the Club signed a loan for the sum of €15 million, for a term of 3 years, expiring on June 20th, 2022, with quarterly redemption payments and linked to Euribor 12 months, plus a differential. At June 30th, 2022, the amount has been repaid in full (€5 million short term at June 30th, 2021).

On June 12th, 2020 the Club signed a loan for the sum of €5.1 million, for a term of 3 years, expiring on June 12th, 2023, with quarterly redemption payments and linked to Euribor 12 months, plus a differential. At June 30th, 2022, the outstanding amount ascends to €1.7 million, expiring in the short term (€1.7 million long term and €1.7 million short term at June 30th, 2021).

Debts for drawn down credits

The Group has granted loan agreements at June 30th, 2022 and 2021 with the following limits:

	Thousands of Euros		
	Limit	Amount not Drawn down	Amount Drawn down
June 30th, 2022	140,500	25,711	114,789
June 30th, 2021	140,500	536	139,964

The loan agreements currently expire between April 2023 and May 2026 and are linked to Euribor, plus a market differential. The Club does not secure the grant of these loans. It should be noted that the expiry of the loan agreements has been extended, which are secured by the Official Credit Institute [Instituto de Crédito Oficial] (ICO) COVID-19 guarantee line.

14.2. Short-term debts

The details of the accounts under the heading “Short-term debts” at June 30th, 2022 and 2021 are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Loan stock and other negotiable instruments (outstanding interest)	3,109	4,633
Debts with banks	172,197	183,539
Other financial liabilities	9	9
Total	175,315	188,181

Debts with banks:

The details under the heading “Debts with banks” at June 30th, 2022 and 2021 are as follows:

	Thousands of Euros			
	06/30/2022		06/30/2021	
	Nominal value	Redeemed cost	Nominal value	Redeemed cost
Short-term loans with banks	124,831	124,831	181,170	181,170
Short-term debts for drawn down credits	46,214	46,214	-	-
Confirming transactions debts	950	950	1,854	1,854
Outstanding interest and others	202	202	515	515
Total	172,197	172,197	183,539	183,539

Loans with banks

On August 16th, 2018, a North American finance company granted the Club a loan for the amount of €90 million to finance the first phase of the construction of Espai Barça, in which the dependent company, Barça Licensing & Merchandising, S.L.U., acts as the guarantor. Such loan expired on February 15th, 2022 and accrued a rate of interest linked to Euribor, plus a differential. On January 28th, 2022, a contract for the novation of these financing agreements entered into on August 16th, 2018 was executed, extending the credit limit up to €180 million and the expiry thereof up to February 15th, 2023 (Note 7). At June 30th, 2022, €118 million had been drawn down (€90 million at June 30th, 2021). On June 10th, 2021, the Club obtained a loan for the amount of €80 million from a North American finance company, in which the dependent company, Barça Licensing & Merchandising, S.L.U., acted as the guarantor. This loan expired on September 8th, 2021 and accrued a rate of interest linked to Euribor, plus a differential. This loan has been repaid in this financial year (Note 14.1).

The loans taken out by the Club on June 1th, 2017 and August 16th, 2018 (novated and adapted on January 28th, 2022) entail the fulfilment of a series of biannual and annual ratios calculated based on the Club's consolidated financial statements (Note 14.1).

14.3. Creditors and other accounts payable

The details of the accounts included under this heading at June 30th, 2022 and 2021 are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Suppliers	102,126	83,415
Suppliers, companies in the Group (Note 20.2)	381	323
Sundry creditors	8,880	7,893
Creditors, associated companies (Note 20.2)	7,060	6,640
Debts with sports organizations	108,434	115,742
Sports personnel	163,611	144,417
Non-sports personnel	756	2,268
Other debts with Public Administrations (Note 15.1)	127,907	46,958
Client cash advances	260	120
Total	519,415	407,776

ECONOMIC REPORT

Debts with sports organizations

The details of the debts with sports organizations, which have mainly been generated by the acquisition of players' registration rights by the Club, at June 30th, 2022 and 2021, are as follows:

June 30th, 2022:	Thousands of Euros	
	Short-term	Long-term (Note 14.1)
<i>Football clubs:</i>		
Manchester City F.C. (Ferran Torres)	12,600	39,323
Juventus F.C. (Miralem Pjanic)*	19,568	17,100
A.F.C. Ajax (Frenkie de Jong)*	16,011	16,012
Real Racing Club de Santander (Pablo Torre)	1,500	3,500
Valencia C.F. (Ferran Torres)	455	1,364
Toulouse F.C. (Jean-Clair Todibo)	-	434
F.C. Metz (Miralem Pjanic)	364	312
Olympique Lyonnais (Miralem Pjanic)	333	285
A.S. Roma (Miralem Pjanic)	192	165
F.C. Schëffleng 95 (Miralem Pjanic)	161	138
Wolverhampton Wanderers F.C. (Nélson Semedo)	111	111
Club Atlético Boston River (Ronald Araujo)	40	-
Associação Atlética Ponte Preta (Emerson Royal)	48	-
Villarreal C.F. (Denis Suárez)	241	-
Real Betis Balompié (Emerson Royal)*	3,000	-
S.C. Braga (Francisco Trincão)*	5,000	-
Grêmio Foot-Ball Porto Alegrense (Arthur Melo)*	7,520	-
Valencia C.F. (Norberto Murara Neto)*	9,500	-
Liverpool F.C. (Philippe Coutinho Correia)*	14,679	-
A.F.C. Ajax (Serginho Dest)*	10,697	(28)
Others	6,414	5,708
Total debts with sports organizations	108,434	84,424

*These clubs have factorized their collection right with a finance company.

June 30th, 2021:	Thousands of Euros	
	Short-term	Long-term (Note 14.1)
<i>Football clubs:</i>		
Grêmio Foot-Ball Porto Alegrense (Arthur Melo)*	7,931	6,750
Valencia C.F. (Norberto Murara Neto)*	6,500	8,500
Liverpool F.C. (Philippe Coutinho Correia)*	29,299	13,333
A.F.C. Ajax (Frenkie de Jong)*	16,011	32,023
Juventus F.C. (Miralem Pjanic)*	14,250	37,050
A.F.C. Ajax (Serginho Dest)*	5,410	10,820
F.C. Metz (Miralem Pjanic)	260	677
Olympique Lyonnais (Miralem Pjanic)	238	618
A.S. Roma (Miralem Pjanic)	137	357
F.C. Schëffleng 95 (Miralem Pjanic)	115	298
Villarreal C.F. (Denis Suárez)	272	241
Real Betis Balompié (Emerson Royal)	5,844	2,922
Club Atlético de Madrid (Derechos preferenciales)	2,500	-
Club Atlético Boston River (Ronald Araujo)	1,093	-
Juventus F.C. (Matheus Pereira)*	3,864	-
F.C. Girondins de Bordeaux (Malcom Filipe Silva de Oliveira)*	10,114	-
S.C. Braga (Francisco Trincão)*	10,000	-
Wolverhampton Wanderers F.C. (Nélson Semedo)	333	-
Others	1,571	1,863
Total debts with sports organizations	115,742	115,452

*These clubs have factorized their collection right with a finance company.

Personnel

The details of the short- and long-term balances with sports personnel are as follows:

	Thousands of Euros			
	06/30/2022		06/30/2021	
	Debit balance (Note 10.3)	Credit balance	Debit balance (Note 10.3)	Credit balance
Long-term				
Players in the first team	37,439	53,109	38,411	90,530
Players in other sections	2,476	1,033	4,915	3,236
Total long-term	39,915	54,142	43,326	93,766
Short-term				
Players in the first team	16,773	160,427	18,530	136,181
Players in other sections	3,036	3,184	4,058	8,236
Total short-term	19,809	163,611	22,588	144,417
Total	59,724	217,753	65,914	238,183

The long-term and short-term debit balances mainly include the signing premiums for outstanding amounts in the sum of €39,915 and €19,809 thousand, respectively (€43,326 and €22,588 thousand, respectively, at June 30th, 2021). The registrations for the financial year have been €23,504 thousand, whereas the deregistrations have been €3,667 thousand (€39,109 and €8,667 thousand, respectively, in the financial year 2020/21).

In addition, the amounts accrued under the said heading for €25,965 and €391 thousand, respectively (€48,528 and €3,236 thousand, respectively, in the financial year 2020/21) have been transferred to the headings "Personnel expenses" and "External services". Furthermore, during the financial year 2021/22, the signing premiums pending accrual for the players transferred to non-current assets maintained for sale (Note 5.2) were impaired for an amount of €24,965 thousand.

14.4. Obligation to fulfil financial ratios

The loans dated June 1th, 2017 and August 16th, 2018 (Notes 14.2), entail the fulfilment of several biannual and annual ratios determined based on the net financial debt and the financial expenses, both in respect of EBITDA, calculated based on the Club's consolidated financial statements. For both loans, the Club has obtained the exemption for fulfilling the financial ratios for June 30th, 2022. With regard to the loan dated June 1th, 2017, the Club has obtained the exemption from fulfilling the financial ratios for June 30th, 2022. With regard to the loan dated August 16th, 2018, the ratios are fulfilled at June 30th, 2022. At June 30th, 2021, the ratios in force at that time were not fulfilled, but the Club obtained the corresponding exemption.

14.5. Information on the average period for paying suppliers

Set out hereunder is the information required by the Third Additional Provision of Law 15/2010, of July 5th, (amended through the Second Final Provision of Law 31/2014, of December 3th) prepared in accordance with the ICAC [Accounting and Audit Institute] Decision dated January 29th, 2016, on the information to be included in the financial statement with regard to the average period for paying suppliers in commercial transactions.

	06/30/2022	06/30/2021
	Days	Days
Average period for paying suppliers	94	100
Ratio of paid transactions	93	99
Ratio of outstanding transactions	124	109

	Thousands of Euros	
	06/30/2022	06/30/2021
Total payments made	206,567	159,544
Total outstanding payments	23,165	19,191

According to the ICAC Decision, in order to calculate the average period for paying suppliers, the commercial transactions corresponding to the delivery of goods or rendering of services accrued as of the date on which Law 31/2014, of December 3th, came into force, have been taken into account.

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For the exclusive purpose of providing the information provided for in this Decision, suppliers are construed as those creditors of debts for the supply of goods or services, included under the heading of Suppliers in current liabilities of the consolidated balance sheet.

“Average period for paying suppliers” means the period elapsed since the delivery of the goods or the rendering of the services on supplier’s account and the material payment of the transaction.

The balances with sports organizations and with suppliers of fixed assets are liquidated in accordance with the agreements between the parties, and the period established by law for commercial transactions can be exceeded.

15. PUBLIC ADMINISTRATIONS AND TAX SITUATION

15.1. Current balances with Public Administrations

The structure of the current balances with Public Administrations at June 30th, 2022 and 2021, is as follows:

Debit balances	Thousand Euros	
	06/30/2022	06/30/2021
Inland Revenue debtor for VAT (Note 10.3)	616	1,863
Inland Revenue debtor for Personal Income Tax (Note 10.3)	-	-
Inland Revenue debtor for Company Tax (Note 10.3)	90	18
Total	706	1,881

Credit balances	Thousand Euros	
	06/30/2022	06/30/2021
Inland Revenue creditor for current Personal Income Tax (Note 14.3)	66,871	40,365
Social Security authorities creditors (Note 14.3)	1,593	1,959
Inland Revenue creditor for VAT (Note 14.3)	59,151	4,191
Inland Revenue creditor for other headings (Note 14.3)	292	443
Total	127,907	46,958

15.2. Reconciliation between profit and tax base

The reconciliation between profit and the tax base for Company Tax is as follows:

June 30th, 2022:	Thousands of Euros		
	Increases	Decreases	Total
Pre-tax profit			124,489
Permanent differences:			
International double taxation tax credit	1,013	-	1,013
Fines, sanctions, donations and liberalities	3,856	-	3,856
Compensation	8,274	-	8,274
Risks and expenses reserve	5,943	(2,987)	2,956
Land impairment reversal	-	(26,569)	(26,569)
Stakes and credits impairment	714	-	714
Temporary differences:			
Risks and expenses and asset impairment reserve	82,135	(143,884)	(61,749)
Non-deductible financial expense	23,961	-	23,961
Forward transactions	-	(77,087)	(77,087)
Non tax-deductible amortization	-	(245)	(245)
Tax base			(387)

June 30th, 2021:	Thousands of Euros		
	Increases	Decreases	Total
Pre-tax profit			(555,361)
Permanent differences:			
International double taxation tax credit	1,210	-	1,210
Fines, sanctions, donations and liberalities	444	-	444
Compensation	5,149	-	5,149
Risks and expenses reserve	52,520	-	52,520
Stakes and credits impairment	7,071	-	7,071
Temporary differences:			
Risks and expenses and asset impairment reserve	254,802	(55,704)	199,098
Non tax-deductible amortization	-	(283)	(283)
Tax base			(290,152)

The main differences between the tax base for profit tax and the profit correspond to the reserves considered as non tax-deductible recorded during this financial year and in previous years.

15.3. Taxes recognised in the net worth

The details of the taxes recognised directly in the net worth at June 30th, 2022 and 2021 are as follows:

June 30th, 2022:	Thousands of Euros		
	Increases	Decreases	Total
For deferred tax:			
Originating in the period-			
Grants (Note 12.2)	19	-	19
Total tax recognised directly in the net worth	19	-	19

June 30th, 2021:	Thousands of Euros		
	Increases	Decreases	Total
For deferred tax:			
Originating in the period			
Grants (Note 12.2)	84	-	84
Total tax recognised directly in the net worth	84	-	84

15.4. Reconciliation between profit and Company Tax expenditure (income)

The reconciliation between profit and Company Tax expenditure (income) is as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Pre-tax profit	124,489	(555,361)
Permanent differences	(9,756)	66,394
Total base	114,734	(488,967)
Tax type	25%	25%
Quote	28,683	(122,242)
Capitalized deductions	(1,173)	(1,050)
Previous year company tax restatement	(418)	12
Previous year temporary differences regulation	-	4,914
Year's non-capitalized negative tax base	(179)	44,323
Deductions and negative tax bases restatement	-	-
Total expenditure / income for tax recognised in the profit and loss account	26,912	(74,043)

15.5. Breakdown of Company Tax expenditure (income)

The breakdown of Company Tax expenditure (income) is as follows:

	Thousands of Euros	
	06/30/2022	06/2021
Current tax	-	-
Deferred tax	26,912	(74,043)
Total tax expenditure / (income)	26,912	(74,043)

As stated in Note 4.10, as of the financial year 2020/21, the Club no longer pays Company Tax under the tax consolidation regime with its dependent company, Barça Licensing & Merchandising, S.L.U., in which the Club was the parent company of the consolidated tax group.

15.6. Assets and liabilities for deferred tax

The details of the balances of these accounts at the close of the financial years 2021/22 and 2020/21 are as follows:

June 30th, 2022:	Thousands of Euros			
	Assets for deferred tax		Liabilities for deferred tax	
	Amount	Tax impact	Amount	Tax impact
Description				
Grants	-	-	1,912	478
Credits for losses to be offset	217,008	54,252	-	-
Temporary differences	249,548	62,387	77,088	19,272
Deductions pending application	-	4,077	-	-
		120,716		19,750

June 30th, 2021:	Thousands of Euros			
	Assets for deferred tax		Liabilities for deferred tax	
	Amount	Tax impact	Amount	Tax impact
Description				
Grants	-	-	1,988	497
Credits for losses to be offset	215,128	53,782	-	-
Temporary differences	285,868	71,467	-	-
Deductions pending application	-	2,957	-	-
		128,206		497

At June 30th, 2022, the Club's negative tax bases pending offset ascend to €382,220 thousand, and correspond to those generated in the financial year 2021/22 for €727 thousand, in the financial years 2020/21 (€284,204 thousand), 2019/20 (€96,411 thousand), 2010/11 (€350 thousand) and 2009/10 (€528 thousand). In addition, at June 30th, 2022, the dependent company, Barça Licensing & Merchandising, S.L.U., has non-capitalized negative tax bases pending offset for the amount of €8,204 thousand generated in the year 2020/21.

The negative tax bases for the financial years 2019/2020 and 2020/21 were derived from the effects of the COVID-19 pandemic, which gave rise to a very significant drop in the income figure, especially affecting income from competitions (gate money and hospitality), marketing (merchandising, museum and the like) and season tickets, and a significant drop in transactions for the transfer of players' registration rights between clubs. This reduction in income could not be offset by a similar reduction in expenditure, especially that corresponding to the payroll of the first football team.

At June 30th, 2022, deferred tax assets are posted for the amount of €120,716 thousand, as a result of the Club's Board of Directors considering that, according to the best estimation of future results, it is likely that these assets will be recovered within a timeframe not exceeding 10 years, as established in the accounting standards. The recovery of these deferred tax assets is based on the business plan for the next 5 years (financial years 2022/23 to 2026/27) approved by the Club's Board of Directors, which forecasts the generation of positive results as of the year 2022/23. This business plan is based on an increase in income and containment of expenditure, especially corresponding to the payroll of the first football team. The forecast growth in income is based, inter alia, on: (i) the sale of merchandising by way of promoting e-commerce, new product lines, new sales channels and new licences; (ii) boosting digital activities; (iii) entering into new sponsorship agreements; and (iv) monetization of certain business areas with strategic members. As of the financial year 2027/28, the projections have considered a moderate growth of the profit provided for the financial year 2026/27.

15.7. Financial years pending verification and inspection

In 2016, the Inland Revenue notified the Club of the commencement of inspection proceedings for the periods comprised between the 2011/12 and 2014/15 seasons. The inspections were general, pursuant to the provisions of Article 148 of the General Law on Taxation and Article 178 of the General Regulation of Tax Action.

On June 29th, 2018, notice was served of liquidation agreements for the amount of €13,496 thousand and default interest of €3,298 thousand derived from dissatisfaction reports with regard to company tax, Value Added Tax, advance withholdings of non-resident taxation and Personal Income Tax withholdings for the period January 2012 to June 2015.

In July 2018, the Club filed economic-administrative claims with the Central Economic-Administrative Court against the said liquidation agreements. In addition, in January 2019, economic-administrative claims were filed with the Central Economic-Administrative Court against the sanctioning administrative acts derived from this inspection for the amount of €16,481 thousand, received that same month of January 2019. During the month of June 2020, the Central Economic-Administrative Court served notice of refusal with regard to company tax, personal income tax withholdings and non-resident withholdings and, in the month of May 2021, with regard to Value Added Tax. At July 20th, 2020 and July 20th, 2021 (the latter with regard to Value Added Tax), the Club lodged contentious-administrative appeals with the National Court with regard to the aforementioned taxes, which appeals are pending decision at the date of these consolidated annual accounts.

In addition, on July 5th, 2019 the Inland Revenue initiated general inspection proceedings in respect of company tax for the 2015/16 to 2017/18 seasons, VAT, earned income and professional withholdings, movable capital withholdings and non-resident income withholdings for the period between July 2015 and June 2018.

On July 21th, 2021, the Club signed deeds of agreement for the amount of €1,083 thousand, which have been paid (Note 13.1). In addition, on the same date, deeds of disagreement were signed for €15,794 thousand, which were paid in full in January 2022. On December 22th, 2021, the Club filed economic-administrative claims with the Central Economic-Administrative Court against the said liquidation agreements, which are pending decision at the date of these consolidated annual accounts.

The Club's Board of Directors, together with its tax advisers, consider that the reserve recorded at June 30th, 2022 under the heading "Long-term reserves" in the balance sheet (Note 13) is sufficient to meet the liabilities that might be derived from the aforementioned inspections.

As established by current legislation, taxes cannot be considered as definitively liquidated until the tax returns filed have been inspected by the tax authorities or the 4-year prescription period has elapsed. At June 30th, 2022, the Club has the following taxes and periods under inspection:

- i. Company tax for the years 2018/19, 2019/20 and 2020/21; and
- ii. VAT, withholdings on earned income, withholdings on movable capital and withholdings on the income of non-residents for the period running between July 2018 and May 2022.

With regard to the information obligations established in Article 86 of Law 27/2014, of November 27th, on Company Tax in relation to the non-monetary contribution set out in the special regime established in Chapter VII of Title VII of the same Law, it is declared that the assets contributed to Barça Produccions, S.L.U., as reflected in the individual annual accounts, had a tax and book value of €6,000 thousand, the securities that this company received having been posted for the same amount.

16. ACCRUALS

The details of the headings "Long-term accruals" and "Short-term accruals" at June 30th, 2022 and 2021, are as follows:

	Thousands of Euros					
	06/30/2022			06/30/2021		
	Assets	Liabilities		Assets	Liabilities	
	Short-term	Short-term	Long-term	Short-term	Short-term	Long-term
Long-term contracts	-	122.777	-	-	181.820	8.244
Subscriptions and membership cards	-	15.937	-	-	32.521	-
Other accruals	7.233	-	6.734	4.318	-	5.147
	7.233	138.714	6.734	4.318	214.341	13.391

Long-term contracts

The Group has entered into several exclusive contracts, which are estimated to entail future income for the Group of approximately €1,251,788 thousand at June 30th, 2022 (€862,450 thousand at June 30th, 2021). The income accrued in the period corresponding to these contracts is included under the heading "Net turnover" in the attached consolidated profit and loss account. The amounts invoiced but not due, and the advance payments received, are entered in the liability-side of the attached consolidated balance sheet "Accruals", either long-term or short-term, depending on the estimated accrual time limit.

The recognition as income of these contracts shall be implemented in the forthcoming years, according to the following estimate:

	Thousands of Euros	
	06/30/2022	06/30/2021
2021/2022	-	334,850
2022/2023	334,292	113,175
2023/2024	325,235	103,556
2024/2025	301,624	310,869
2025/2026 et seq.*	290,637	-
	1,251,788	862,450

*At June 30th, 2022 it corresponds to the income for the season 2025-2026 et seq.

The marketing of the Group's services has continued to be gradually implemented, in keeping with previous years, under specific long-term contracts. Set out hereunder are the most significant goods or rights marketed and the period for which the contracts have been executed.

a) Sponsorship of sports material

On October 25th, 2006, a contract was signed with Nike European Operations Netherlands, BV (hereinafter, Nike), whereby the Club appointed Nike as the exclusive technical sponsor and supplier of the sports products. In addition, the Club appointed Nike as the exclusive and non-exclusive licensee to sell the sponsored products containing property rights. The contract came into force on July 1th, 2008 for an initial term of five years, however a possible extension of five additional years was reciprocally established between the Club and Nike Europe BV, which extension was approved by the General Meeting on August 29th, 2007.

On January 1th, 2011, the Club and Nike executed an addendum to the sponsorship agreement, extending the term of the contract to June 2018.

On May 20th, 2016, the Club executed an addendum to the contract, extending the term thereof, and the extension was approved at the General Meeting of Delegate Members, up to June 30th, 2028.

b) Television transmissions

On May 1th, 2016, the Royal Decree regulating the centralised sale of television rights in respect of football (Royal Decree-Law 5/2015, of April 30th, on urgent measures in respect of the marketing of audiovisual contents exploitation rights in respect of professional football competitions) came into force. The main purpose of this Royal Decree is to establish a joint marketing system in respect of professional football audiovisual rights.

In accordance with the new rule, no professional club can directly market its audiovisual contents exploitation rights. Participation in an official professional football competition shall necessarily entail the assignment of these rights to the competition organiser: the Professional Football League ("Liga de Fútbol Profesional -LFP-"), in the case of the first and second division League, and the Spanish Royal Football Federation ("Real Federación Española de Fútbol -RFEF-") for the Copa del Rey.

On May 19th, 2021, the Club entered into an agreement with Euroleague Properties to market the Euroleague television rights through the channel DAZN. This agreement is in force up to the end of the 2022/23 season.

c) Official sponsor

On January 19th, 2017, the Club entered into an agreement with Rakuten INC, granting it, inter alia, the worldwide sponsorship and exploitation right over the shirt. The agreement came into force on July 1th, 2017 and expired on June 30th, 2021. This agreement was terminated on June 30th, 2022.

On February 27th, 2022, the Club entered into an agreement with Spotify AB, whereby the Swedish company became the Main Partner of the Club and the Official Audio Streaming Partner. Spotify will appear on the front of the masculine and feminine first team shirt, as of the 2022/23 season and over the next four seasons. Spotify shall also sponsor the training shirts for both teams as of the 2022/23 season and over the next three seasons. Furthermore, as part of the collaboration, the Swedish company has become the "Title Partner" of Camp Nou, which shall modify its name and become known as Spotify Camp Nou.

17. FOREIGN CURRENCY

The Group does not make any significant transactions in foreign currency.

18. INCOME AND EXPENDITURE

18.1. Net turnover

The distribution of the net turnover at June 30th, 2022 and 2021, distributed by activity categories and by geographical markets, is as follows:

June 30th, 2022:

Activities	Thousands of Euros				
	Club's first football team	Club's sections and structure	Barça Licensing & Merchandising, S.L.U.	Produccions, S.L.U.	Total
Income from competitions:					
League gate money	26,892	2,155	-	-	29,047
Gate money other national competitions	-	-	-	-	-
Gate money international competitions	8,799	2,504	-	-	11,303
Friendly games and others	6,228	1,433	-	-	7,661
Hospitality	12,601	838	-	-	13,439
Total income from competitions	54,520	6,930	-	-	61,450
Income from members and season-ticket holders	29,834	19,129	-	-	48,963
Income from television transmissions and rights	238,453	11,268	-	472	250,193
Income from rendering services	-	205	-	-	205
Income from marketing and advertising (*)					
Marketing	32,412	29,886	51,771	-	114,069
Sponsorship	138,463	14,371	-	-	152,834
Advertising and others	-	272	-	-	272
Total income from marketing and advertising	170,875	44,529	51,771	-	267,175
Total	493,682	82,061	51,771	472	627,986

(*) Includes income from marketing as a result of participating in the Champions League.

ECONOMIC REPORT

Geographical markets	Percentage (based on turnover)			
	Club's first football team	Club's sections and structure	Barça Licensing & Merchandising, S.L.U.	Total
National market	60%	12%	2%	74%
International market	21%	3%	2%	26%
Total	81%	15%	4%	100%

June 30th, 2021:

Activities	Thousands of Euros			
	Club's first football team	Club's sections and structure	Barça Licensing & Merchandising, S.L.U.	Total
Income from competitions:				
League gate money	1	127	-	128
Gate money other national competitions	7,400	-	-	7,400
Gate money international competitions	-	8	-	8
Friendly games and others	-	317	-	317
Hospitality	323	(45)	-	278
Total income from competitions	7,724	407	-	8,131
Income from members and season-ticket holders	(1,944)	17,476	-	15,532
Income from television transmissions and rights	273,499	7,932	-	281,431
Income from rendering services	271	55	(272)	54
Income from marketing and advertising (*)				
Marketing	22,383	13,845	24,304	60,532
Sponsorship	193,286	16,226	-	209,512
Advertising and others	-	255	-	255
Total income from marketing and advertising	215,669	30,326	24,304	270,299
Total	495,219	56,196	24,032	575,447

(*) Includes income from marketing as a result of participating in the Champions League

Geographical markets	Percentage (based on turnover)			
	Club's first football team	Club's sections and structure	Barça Licensing & Merchandising, S.L.U.	Total
National market	48%	3%	3%	54%
International market	38%	7%	1%	46%
Total	86%	10%	4%	100%

18.2. Other operating income

The details of other operating income at June 30th, 2022 and 2021 are as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Others	7,283	4,358
Assignment and training of players (Note 5)	2,418	9,504
Operating grants	1,151	868
Total	10,852	14,730

18.3. Personnel expenses

The balance under the heading "Personnel expenses" in the years ended June 30th, 2022 and 2021 has the following structure:

June 30th, 2022:	Thousands of Euros					
	Wages and salaries	Compensation	Collective premiums	Social Security	Others (*)	Total
Wages and salaries sports personnel:						
First team players and trainers	237,632	8,146	39,161	385	13,409	298,733
All other trainers and sections	79,420	2,332	8,871	4,549	4,583	99,755
Total wages and salaries sports personnel	317,052	10,478	48,032	4,934	17,992	398,488
Wages and salaries structure personnel	44,121	3,705	-	10,280	652	58,758
Total	361,173	14,183	48,032	15,214	18,643	457,246

(*) The heading "Others" in wages and salaries sports personnel corresponds, inter alia, to remuneration accrued by sports personnel in addition to annual salary which is not paid in the financial year.

	Thousands of Euros					
	Wages and salaries	Compensation	Collective premiums	Social Security	Others	Total
Amount Sports Staff Registrable PFL	237,632	8,146	39,161	385	13,409	298,733
Amount Sports Staff Not Registrable PFL	79,420	2,332	8,871	4,549	4,583	99,755
Total	317,052	10,478	48,032	4,934	17,992	398,488

June 30th, 2021:	Thousands of Euros					
	Wages and salaries	Compensation	Collective premiums	Social Security	Others	Total
Wages and salaries sports personnel:						
First team players and trainers	235,749	6,469	57,749	378	14,955	315,300
All other trainers and sections	71,438	11,437	34,463	5,300	1,727	124,365
Total wages and salaries sports personnel	307,187	17,906	92,212	5,678	16,682	439,665
Sueldos y salarios personal estructura	35,062	4,280	-	8,361	2,222	49,925
Total	342,249	22,186	92,212	14,039	18,904	489,590

(*) The heading "Others" in wages and salaries sports personnel corresponds, inter alia, to remuneration accrued by sports personnel in addition to annual salary which is not paid in the financial year.

	Thousands of Euros					
	Wages and salaries	Compensation	Collective premiums	Social Security	Others	Total
Amount Sports Staff Registrable PFL	235,749	6,469	57,749	378	14,955	315,300
Amount Sports Staff Not Registrable PFL	71,438	11,437	34,463	5,300	1,727	124,365
Total	307,187	17,906	92,212	5,678	16,682	439,665

The total expenditure for sports personnel for the financial years ended June 30th, 2022 and 2021 has the following structure:

	Thousands of Euros					
	06/30/2022			06/30/2021		
	Amount Sports Staff Registrable PFL	Amount Sports Staff Not Registrable PFL	Total	Amount Sports Staff Registrable PFL	Amount Sports Staff Not Registrable PFL	Total
Wages and salaries sports personnel and Social Security	298,733	99,755	398,488	315,300	124,365	439,665
Image rights to companies	3,199	171	3,369	21,099	1,014	22,113
Expenditure for sports staff:						
Redemption of players	107,429	5,874	113,303	147,615	7,291	154,906
Players impairment expenses	32,626	3,457	36,082	163,833	1,098	164,931
Players impairment reversal	(28,784)	(1,111)	(29,895)	(3,827)	(548)	(4,375)
Loss/profit for transfer of players	(7,537)	(20,185)	(27,722)	(1,237)	(2,512)	(3,749)
Loss/profit for assignment of players	(454)	(406)	(860)	(7,045)	(1,821)	(8,866)
Others	2,988	147	3,135	15	15	30
Total Cost Sports Staff	408,200	87,702	495,902	635,753	128,902	764,655

As mentioned in Note 2.6, as a result of the effects of the COVID-19 pandemic, the Club's income reduced very significantly. In order to deal with this situation, a single bargaining table was set up to modify collectively the labour conditions of the personnel of the first team and Barça Atlètic. On December 17th, 2020, such single bargaining table signed a collective agreement reducing the fixed remuneration or related amounts for the 2020/21 season for the professionals who signed the said agreement, which shall be compensated with an increase in salary for the same amount, which shall accrue and fall due in the remaining contractual seasons of each professional, thus having modified the contracts of employment.

In addition, it was agreed that all of the variable remuneration based on individual or group targets that should accrue in the 2020/21 season, will be paid prorated over a period of 36 months as of July 1th, 2021. This undertaking is independent of the provisions of the previous paragraph.

The total personnel expenditure shown in the following table, includes the amounts detailed in the calculation of the personnel expenditure indicator for the sports staff registrable PFL, as defined in the PFL Regulation of Economic Control, as well as the amounts for sports staff not registrable PFL:

	Thousands of Euros	
	2021/22	2020/21
Personnel wages and salaries and others	457,246	489,590
Image rights to companies	3,370	22,113
Others	3,135	30
Total	463,751	511,733

18.4. External services

This heading in the attached consolidated profit and loss account includes, inter alia, the amounts incurred by the Club under the heading of image rights of the players and trainers forming the Club's playing staff, in the amount of €6,503 thousand in this financial year and €22,113 thousand in the year 2020/21. The details of these expenses are as follows:

	2021/22		2020/21	
	Average term of the contracts	Thousands of Euros	Average term of the contracts	Thousands of Euros
Football	5 years	6,503	4,6 years	22,113
		6,503		22,113

With regard to the players who have assigned their image to image management companies, the Club pays them under this heading, a maximum amount of 15% of the player's total remuneration. During this financial year, the Club has recorded expenditure in the value of €3,135 thousand under the heading of remuneration for sports agents (€30 thousand in the financial year 2020/21). Such amount includes, where appropriate, the payment of the applicable taxes.

18.5. Allocation and application of reserves and others

This heading in the attached consolidated profit and loss account for the year ended June 30th, 2022 and 2021 includes the following structure:

	Thousands of Euros	
	2021/22	2020/21
Allocation of reserves (Notes 13.1 and 13.2)	(9,635)	(84,064)
Non-recurring expenditure	(64)	(41)
Allocation of reserves and other expenditure	(9,699)	(84,105)
Reserve reversal (Notes 13.1 and 13.2)	2,265	-
Non-recurring income	173	35
Application of reserves and other income	2,438	35
Total	(7,261)	(84,070)

The heading "Allocation of reserves and other expenditure" for the financial year 2021/22 corresponds to a reserve for tax disputes and other lawsuits.

19. COMPANIES' CONTRIBUTION TO THE YEAR'S RESULT

The contribution of each one of the companies included in the consolidation perimeter, to the consolidated result is as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Futbol Club Barcelona	70,720	(473,027)
Barça Licensing & Merchandising, S.L.U.	572	(8,291)
Barça Produccions, S.L.U.	(283)	-
Sudburylane, S.L	-	-
Total	71,009	(481,318)

20. TRANSACTIONS AND BALANCES WITH ASSOCIATED PARTIES

20.1. Transactions with associated parties

The details of the transactions executed with associated parties during the 2021/22 and 2020/21 seasons, are as follows:

Company	Thousands of Euros	
	06/30/2022	06/30/2021
Contributions:	(3,000)	(4,442)
Fundació Futbol Club Barcelona	(3,000)	(4,442)
Services received:	(3,216)	(2,580)
Fundació Futbol Club Barcelona	(3)	(1)
FC Barcelona HK Limited	(1,013)	(1,772)
FC Barcelona North America LLC	(2,200)	-
Sale of fixed assets:	267,089	-
Locksley Invest, S.L.	267,089	-
Services rendered:	601	565
Fundación Fútbol Club Barcelona	587	554
FC Barcelona North America LLC	-	11
Haikou Barça Mission Hills	14	-
Financial income:	107	134
FC Barcelona HK Limited	32	42
FC Barcelona North America LLC	75	92

The transactions with Locksley Invest, S.L. in the year 2021/22 correspond to the sale transaction of 10% of the Club's audiovisual rights of the professional la Liga competition (Note 6).

20.2. Balances with associated parties

The amount of the balances in the balance sheet with associated parties is as follows:

Company	Thousands of Euros	
	06/30/2022	06/30/2021
Long-term trade debtors and other accounts receivable:	47,500	-
Locksley Invest, S.L (Note 10.2)	47,500	-
Trade debtors and other accounts receivable:	29,682	634
Fundación Futbol Club Barcelona (Note 10.3)	17	-
FC Barcelona HK Limited (Note 10.3)	6	30
FC Barcelona North America LLC (Note 10.3)	15	3
Haikou Barça Mission Hills (Note 10.3)	26	601
Locksley Invest, S.L. (Note 10.3)	29,584	-
Trade creditors and other accounts payable:	(7,060)	(6,963)
FC Barcelona 1--1K Limited (Note 14.3)	(66)	(321)
FC Barcelona North America LLC (Note 14.3)	(315)	(2)
Fundación Futbol Club Barcelona (Note 14.3)	(6,679)	(6,640)

20.3. Remuneration paid to the Board of Directors and the Management Committee

As established in the Club's By-laws, the members of the Board of Directors have not received or accrued any type of remuneration, or cash advances or credits on the part of the Club during the financial years 2021/22 and 2020/21.

In addition, the remuneration received by the Club's Management Committee, which is included under the heading 'wages', and the variable remuneration estimated at June 30th, 2022 and 2021, have been as follows:

June 30th, 2022:	Thousands of Euros		
	Wages	Pension Plans	Compensation for termination
Management Committee	6,127	24	3,344

The above figures correspond to all of the persons who formed part of the Management Committee during the 2021/22 season.

June 30th, 2021:	Thousands of Euros		
	Wages	Pension Plans	Compensation for termination
Management Committee	3,772	102	2,322

At June 30th, 2022 and 2021, the members of the Club's Management Committee have not received any advance payment or credit from the Club.

During the 2021/22 season, public liability insurance premiums have been paid in respect of the Board of Directors, the Management Committee and the Executive Committee in the year of the charge for the amount of €570 thousand (€2,265 thousand in the 2020/21 season).

21. OTHER INFORMATION

21.1. Personnel

The average number of persons employed by the Group during this financial year and the previous financial year, detailed by rank, is as follows:

Categories	2021/22		2020/21	
	Average number of Employees	Average number of persons with > 33% disability of total employees	Average number of Employees	Average number of persons with > 33% disability of total employees
Management Committee	17	-	13	-
Professional sports personnel	645	6	653	7
Administrative services personnel	532	5	500	3
Others (installations, medical services and others)	198	8	123	4
Total	1,392	19	1,289	14

In addition, the distribution by sexes at June 30th, 2022 and 2021, detailed by rank, is as follows:

June 30th, 2022:

Categories	06/30/2022		
	Male	Female	Total
Management Committee	17	5	22
Professional sports personnel	599	73	672
Administrative services personnel	286	253	528
Others (installations, medical services and others)	174	153	327
Total	1,076	484	1,560

June 30th, 2021:

Categories	06/30/2021		
	Male	Female	Total
Management Committee	9	2	11
Professional sports personnel	594	68	662
Administrative services personnel	274	228	502
Others (installations, medical services and others)	89	88	177
Total	966	386	1,352

At June 30th, 2022, the Club's Board of Directors was comprised of 18 men and 1 woman (18 men and 1 woman at June 30th, 2021).

21.2. Audit fees

The fees for the audit services and other services rendered by the Group's auditor in the financial years 2021/22 and 2020/21, have been as follows:

	Thousands of Euros	
	2021/22	2020/21
Audit services	333	210
Other verification services	92	110
Total audit and verification services	425	320
Tax services	-	93
Other services	3	15
Total professional services	428	428

21.3. Guarantees undertaken with third parties and other financial liabilities

At June 30th, 2022 and 2021, the Group had furnished guarantees in the amount of €43,902 and €43,688 thousand, respectively. The most significant guarantees at June 30th, 2022 correspond to the deeds of disagreement and the corresponding sanctions (Note 15.7).

The Board of Directors deems that the liabilities not provided for at June 30th, 2022, which may be derived from such guarantees, would not be significant.

21.4. Sports organizations control ratios

Set out hereunder are the main ratios established in the Regulation on Economic Control and other obligatory Rules of the National Professional Football League (PFL). For comparison purposes, the figures for the previous year are included.

At June 30th, 2022, the Club does not meet some of the ratios and requirements established in the Regulation on Economic Control of Sports Public Limited Companies and Clubs, members of the National Professional Football League. Consequently, in accordance with the said Regulation, the Club has drawn up a viability plan.

Equilibrium Point Indicator

The difference between the relevant income and the relevant expenditure is the result of the equilibrium point. The total result of the equilibrium point shall be the sum of the results of the equilibrium point of each accounting period covered by the monitored period, i.e., accounting periods T, T-1 and T-2, T being the annual accounting period, in respect of which the audited annual accounts have been requested:

	Thousands of Euros		
	T	T-1	T-2
	06/30/2022	06/30/2021	06/30/2020
Relevant income	957,800	605,423	818,400
Relevant expenditure	737,791	1,046,536	871,874
Equilibrium point (+surplus, - deficit)	220,010	(441,113)	(53,474)
Total equilibrium point	(221,157)	(386,696)	157,886
Required equilibrium point	>0	>0	>0
Conclusion	NOT MET		

The calculation of the relevant income and the reconciliation thereof with these consolidated annual accounts are as follows:

	Thousands of Euros		
	T	T-1	T-2
	06/30/2022	06/30/2021	06/30/2020
Income			
Gate money, members and season-ticket holders	104.116	23.744	133.254
Sponsorship and advertising	139.008	195.198	196.522
Transmission rights	242.293	275.299	243.932
Commercial activities	113.452	60.351	122.093
Other operating income	8.232	11.887	17.367
Profits from sports intangible assets	21.329	28.813	50.687
Capital gain for the alienation of non-sport intangible assets	266.112	-	-
Financial income and exchange differences	2.310	4.236	2.496
Allocation of grants to exploitation operations	78	70	70
Other income not classified in the previous headings	58.430	5.825	51.979
Total relevant income	957.800	605.423	818.400
Consolidated annual accounts income			
Total exploitation operations income	1.009.907	-	-
Total financial income	5.667	-	-
Total consolidated annual accounts income	1.015.574	-	-
Difference	57.773	-	-
Reconciliation items	-	-	-
Income from operations not linked to professional football activity	57.773	-	-
Total reconciliation items	57.773	-	-

The calculation of the relevant expenditure and the reconciliation thereof with these consolidated annual accounts are as follows:

	Thousands of Euros		
	T	T-1	T-2
	06/30/2022	06/30/2021	06/30/2020
Relevant expenditure			
Cost of sales / materials	25,018	15,614	33,400
Staff remuneration expenses	369,039	396,531	415,159
Other exploitation operations expenses	145,661	156,021	177,067
Amortization / impairment of players' registration rights	141,765	312,090	211,274
Losses from the transfer of players' registration rights	13,792	27,576	3,850
Financial cost and dividends	38,589	54,599	30,721
Other expenditure not classified in the previous headings Total relevant expenditure	3,927	84,105	403
Consolidated annual accounts expenditure	737,791	1,046,536	871,874
Total exploitation operations expenditure			
Total financial expenses	879,321	-	-
Total consolidated annual accounts expenditure	38,676	-	-
Total consolidated annual accounts income	917,997	-	-
Difference	180,206	-	-
Reconciliation items			
Amortization / impairment of tangible fixed assets	29,996	-	-
Amortization / impairment of sports fixed assets	1,383	-	-
Tax expenditures (Company Tax)	26,912	-	-
Expenses in directly attributable community development activities	3,175	-	-
Other expenditure not classified in the previous reconciliation headings	118,740	-	-
Total reconciliation items	180,206	-	-

ECONOMIC REPORT

Indicator of personnel expenses for registrable sports staff

When the annual economic amount of the personnel expenses for sports staff who can be registered for football, the Club's players and trainers, exceeds 70% of the relevant income for the season, as defined in the Regulation on Economic Control of the PFL, this is deemed to indicate a potential situation of future financial economic disequilibrium.

	Thousands of Euros	
	06/30/2022	06/30/2021
Personnel expenses for the first team staff (*)	314,169	366,064
Relevant income	957,800	605,423
Indicator of personnel expenses for registrable sports staff	33%	60%
Required indicator of personnel expenses for registrable sports staff	<70%	
Conclusion	MET	

(*) Includes expenses under the heading of salaries, image companies and agents' remuneration.

The calculation and reconciliation of the income can be observed in the calculation of the above equilibrium point.

The reconciliation of the expenses for sports staff who can be registered for football with the total personnel expenses is as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Personnel expenses for sports staff who can be registered for football (a)	304,919	336,413
Personnel expenses for non-sports football and structure staff in the first football team (b)	9,250	29,651
Total personnel expenses for the first football team	314,169	366,064
Personnel expenses for sports staff who cannot be registered for the PFL	90,823	95,745
Non-sports personnel expenses except for those contemplated in section (b) and registrable personnel expenses except for those contemplated in section (a)	58,758	49,924
Total personnel expenses	463,750	511,733

Ratio of net debt over relevant income

As defined in the Regulation, when the net debt at June 30th, each sports season exceeds 100% of the organization's relevant income, this shall indicate a potential situation of financial economic disequilibrium.

According to the Regulation, the amount the net debt corresponds to the sum of the net debt for transfers (i.e., the net of the accounts receivable and accounts payable for the transfer of players), the amounts pending payment derived from financing received from finance companies, related parties or third parties, the advance collections accruing after a period of 1 year and debt with suppliers of fixed assets, minus cash at bank, equivalent liquid assets and temporary financial investments. Net debt does not include trade debts or other accounts payable.

	Thousands of Euros	
	06/30/2022	06/30/2021
Net debt	608,089	682,694
Relevant income	957,800	605,423
Ratio net debt over relevant income	63%	112,8%
Required ratio net debt over relevant income	<100%	
Conclusion	MET	

The structure of net debt is as follows:

	Thousands of Euros	
	06/30/2022	06/30/2021
Long-term debts		
Loan stock and other negotiable instruments (Note 14.1)	(596,778)	(198,586)
Debts with banks (Note 14.1)	(68,574)	(145,877)
Debts with sports organizations for transfers and assignments (Note 14.3)	(84,424)	(115,452)
Accruals (Note 16)	(6,734)	(13,391)
Total long-term debts	(756,510)	(473,306)
Short-term debts		
Loan stock and other negotiable instruments (Note 14.2)	(3,109)	(4,633)
Debts with banks (Note 14.2)	(172,197)	(183,539)
Debts with sports organizations for transfers and assignments (Note 14.3)	(108,434)	(115,742)
Other debts	(4,972)	(5,620)
Total short-term debts	(288,712)	(309,534)
Total liabilities	(1,045,222)	(782,840)
Asset-side balancing items		
Long-term credits with sports organizations for transfers and assignments (Note 10.1)	17,734	12,452
Short-term credits with sports organizations for transfers and assignments (Note 10.3)	40,034	25,144
Short-term cash at banks and equivalent liquid assets and financial investments	379,365	62,550
Total asset-side balancing items	437,133	100,146
Total	(608,089)	(682,694)

22. ANALYTICAL PROFIT AND LOSS ACCOUNT BY SPORTS SECTIONS

In the complimentary information of the consolidated analytical profit and loss account by sports sections, the Club has applied the following distribution criteria amongst the different sections:

- The income and expenditure attributable, by nature, to each sporting activity has been directly allocated to the corresponding section.

The consolidated analytical profit and loss account by sports sections for the year 2021/22 and, for comparison, the consolidated analytical profit and loss account for the year 2020/21, are set out in Annex I, which forms an integral part hereof.

23. BUDGET LIQUIDATION

Annex II shows the consolidated budget for the season 2021/22 and the consolidated budget for the season 2020/21 approved at the General Meetings held on October 16h, 2021 and June 30th, 2020, respectively, compared to the liquidations for the years ended June 30th, 2022 and June 30th, 2021. The liquidations show the same structure and are presented according to the same criteria as the profit and loss accounts of the corresponding annual accounts.

24. SUBSEQUENT EVENTS

On July 21st, 2022, the Club signed the additional sale of 15% of the audiovisual rights from the Professional Football League, which has led to it posting in the consolidated profit and loss account a capital gain of €400.4 million. As in the sale transaction executed on June 30th, 2022, in which it transferred 10% of these rights, the acquiring company was Locksley Invest, S.L., in which the Club holds 49% of the capital, the remaining 51% being held by the North American company, Sixth Street Partners. The structure of the transaction was the same as in the transaction dated June 30th, 2022, and therefore the accounting treatment is the same, the only difference being the quota of the rights transferred and the corresponding sale amount thereof. Thus, the Club has completed the authorisation received by the General Meeting of Delegate Members in order to proceed with the sale of up to a total of 25% of the said rights.

In addition, with some of the funds obtained from this sale, the Club has reduced its debt, redeeming early €125 million of the senior secured notes issued in favour of several international investors.

In order to improve its financial situation, Futbol Club Barcelona continues to work on the possible disinvestments authorised by the General Meeting of Delegate Members, to be specific, the sale of a block of shares in the companies Barça Produccions, S.L.U. and/or Barça Licensing & Merchandising, S.L.U.

During the month of July, the registration rights of the players Raphael Dias Belloli "Raphinha" and Robert Lewandowsky were acquired, to thus be able to reinforce the first football team staff.

ECONOMIC REPORT

ANNEX II CONSOLIDATED BUDGET AND BUDGET LIQUIDATION FOR THE YEAR ENDED JUNE 30th, 2022

(in thousands of Euros)

	REAL 2021/22	BUDGET 2021/22
CONTINUING OPERATIONS		
Net turnover	627,987	683,620
Income from competitions	61,450	41,129
Income from season-ticket holders and members	48,963	48,136
Income from television transmissions and rights	250,193	270,349
Income from marketing and advertising	267,175	323,657
Income from rendering services	205	350
Variation in inventories of finished products and products in progress	-	-
Work carried out by company for its assets	1,489	1,167
Supplies	(29,170)	(32,729)
Consumption of sports material	(27,997)	(29,175)
Other consumption and external expenses	(2,322)	(3,554)
Impairment of commodities, raw materials and other supplies	1,149	-
Other operating income	10,852	4,479
Operating income and other current management income	9,701	3,560
Operating grants included in year's results	1,151	918
Personnel expenses	(457,245)	(432,359)
Sports personnel wages and salaries	(393,554)	(369,361)
Wages and salaries and related amounts.	(48,478)	(45,589)
Social Security contributions	(13,819)	(15,938)
Reserves	(1,395)	(1,471)
Other operating charges	(164,212)	(173,971)
External services	(112,938)	(120,131)
Dues	(3,413)	(4,013)
Loss, impairment and variation in reserves for commercial transactions	(3,314)	(1,667)
Loss for credit impairment for commercial transactions	(4,903)	(1,667)
Reversal of credit impairment for commercial transactions	1,589	-
Travelling expenses	(10,155)	(10,281)
Players' acquisition costs	(1,558)	(1,864)
Other current management costs	(32,834)	(36,014)
Fixed asset depreciation	(139,136)	(106,732)
Allocation of grants for non-financial fixed assets and others	78	70
Impairment and result for fixed asset disposals	314,117	41,972
Impairment and loss	20,381	(4,000)
Loss for impairment of sports intangible fixed assets	(36,082)	(32,031)
Loss for impairment of tangible fixed assets	-	-
Reversal for impairment of sports intangible fixed assets	29,895	28,031
Reversal for impairment of real estate investments	26,569	-
Results for disposals and others	293,736	45,972
Loss from tangible fixed assets	(66)	-
Profit from tangible fixed assets	-	-
Loss from intangible fixed assets	(32)	-
Profit from intangible fixed assets	266,112	-
Loss from sports intangible fixed assets	(15,175)	(1,076)
Profit from sports intangible fixed assets	42,898	47,048
Others	(7,261)	(4,193)
Allocation of reserves and other expenditure	(9,700)	(4,611)
Application of reserves and other income	2,439	418
OPERATING RESULT	157,498	(18,676)
Financial income	1,439	50,412
From negotiable instruments and other financial instruments	1,439	50,412
From third parties	1,439	50,412
Financing charges	(38,368)	(27,630)
Debts with third parties	(38,365)	(27,630)
Reserves update	(4)	-
Exchange differences	651	(110)
Positive exchange differences	872	440
Negative exchange differences	(221)	(550)
Impairment and result for financial instruments alienation	3,269	-
Profit from stake in financial assets	3,356	-
Loss from stake in financial assets	(87)	-
FINANCIAL RESULT	(33,009)	22,672
PRE-TAX PROFIT	124,489	3,997
Profit tax	(26,912)	1,083
YEAR'S RESULTS	97,577	5,080

This Annex forms part of Note 23 of the annual report of the consolidated annual accounts.

ANNEX II
CONSOLIDATED BUDGET AND BUDGET LIQUIDATION FOR THE YEAR ENDED JUNE 30th, 2022

(in thousands of Euros)

	REAL 2020/21	BUDGET 2020/21
CONTINUING OPERATIONS		
Net turnover	575,447	739,263
Income from competitions	8,131	14,917
Income from season-ticket holders and members	15,532	23,724
Income from television transmissions and rights	281,431	299,441
Income from marketing and advertising	270,299	401,181
Income from rendering services	54	-
Work carried out by company for its assets	1,312	1,542
Supplies	(19,666)	(25,203)
Consumption of sports material	(18,050)	(22,600)
Other consumption and external expenses	(2,299)	(2,603)
Impairment of goods, raw materials and other supplies	683	-
Other operating income	14,730	26,179
Operating income and other current management income	13,862	25,526
Operating grants included in year's results	868	653
Personnel expenses	(489,590)	(362,439)
Sports personnel wages and salaries	(433,986)	(303,693)
Non-sports personnel wages and salaries	(39,925)	(42,190)
Social Security contributions	(15,679)	(15,027)
Other operating charges	(172,135)	(175,982)
External services	(106,044)	(127,169)
Dues	(3,483)	(4,163)
Loss, impairment and variation in reserves for commercial transactions	(26,255)	(3,351)
Loss for credit impairment for commercial transactions	(26,255)	(3,351)
Reversal for credit impairment for commercial transactions	-	-
Travelling expenses	(8,627)	(10,465)
Players' acquisition costs	(638)	(592)
Other current management costs	(27,088)	(30,242)
Fixed asset depreciation	(174,844)	(191,886)
Allocation of grants for non-financial fixed assets and others	336	-
Impairment and result for fixed asset disposals	(156,519)	24,758
Impairment and loss	(160,266)	-
Loss for impairment of sports intangible fixed assets	(164,931)	-
Reversal of impairment of sports intangible fixed assets	4,375	-
Loss for impairment of real estate investments	(363)	-
Reversal of impairment of real estate investments	653	-
Results for disposals and others	3,747	24,758
Loss from tangible fixed assets	(2)	-
Profit from tangible fixed assets	-	-
Loss from sports intangible fixed assets	(30,463)	-
Profit from sports intangible fixed assets	34,212	(34,340)
Allocation and Application of reserves and others	(84,070)	(1,377)
Allocation of reserves and other expenditure	(84,105)	(1,382)
Application of reserves and other income	35	5
OPERATING RESULT	(504,999)	34,855
Financial income	4,055	301
From negotiable instruments and other financial instruments	4,055	301
From companies in the Group	134	-
From third parties	3,921	301
Financing charges	(41,863)	(34,170)
With third parties	(41,863)	(34,170)
Exchange differences	(397)	(200)
Positive exchange differences	182	350
Negative exchange differences	(579)	(550)
Impairment and result for financial instruments disposal	(12,157)	-
Loss from impairment of stakes in companies in the Group	(3,670)	-
Loss from impairment of credits to companies in the Group	(3,401)	-
Loss from impairment of credits to other companies	(5,086)	-
FINANCIAL RESULT	(50,362)	(34,069)
PRE-TAX PROFIT	(555,361)	785
Profit tax	74,043	(448)
CONSOLIDATED YEAR'S RESULT	(481,318)	1,233

This Annex forms part of Note 23 of the annual report of the consolidated annual accounts.

Futbol Club Barcelona and dependent companies

Consolidated Management Report
for the year ended June 30th, 2022

General context

The 2021-22 season is notable for having been the season for returning to normal. The reopening of the installations, partially during the first months, has allowed the Club to recover a significant part of the income that it had prior to the eruption of the pandemic. However, and due to the Club's financial situation when the Board of Directors took office (shown in the results of the Due Diligence presented on October 6th, 2021), during the month of August, a refinancing transaction was signed, consisting of the issue of €525 million of senior secured notes, and the renegotiation of the terms and conditions of 70 million previously-issued senior notes. Thus, it could cover short-term undertakings, simultaneous to reducing very significantly the average cost of the Club's financial expenses.

In addition, the Board of Directors has obtained permission to renegotiate the terms and conditions and time limits of the current bridge loan related to Espai Barça and has begun to apply its plan to reduce the payroll of the first football team, ensuring a significant reduction compared to the undertakings previously acquired.

Finally, and in order to improve the necessary financial resources and its competitive position, it has executed, with the prior consent of the General Meeting of Delegate Members, the sale of 10% of the audiovisual rights from the Professional Football League to an investor, generating a capital gain of €267 million. This, together with the impact of other measures adopted by the Board of Directors in its first year of office, has allowed the Club to close with profits for the first time in the last three years

Operating income

With regard to the consolidated annual accounts filed, the operating income for this season has increased to €1,010 thousand, representing an increase compared to the financial year 2020/21 of €403,845 thousand. It is worth mentioning that this is the highest income obtained by the Club, exceeding that for the season 2018/19.

The lines associated to the Stadium have improved as a result of the reopening of the installations when the COVID-19 pandemic situation improved.

The income from competitions, season-ticket holders and members has increased to €110,413 thousand thanks to the public returning to the Stadium.

With regard to the income for television transmissions and rights, such income has reduced by €31,238 thousand, on the one hand, corresponding to the effect of the comparison with the income posted during the last season for games played to July and August 2020, which corresponded to the 2019/20 season. There has also been a negative impact due to the elimination of the team at the groups stage of the last Champions League, which has had the repercussion of less income in the exploitation of the rights related to European competitions.

With regard to marketing and advertising income, the heading has remained stable at €267,175 thousand, despite the compensations derived from the loss of income provoked by the pandemic.

Non-sports investments

This season the Club has invested €27,780 thousand in non-sports investments, €16,026 thousand of which correspond to the Espai Barça project. The Club has invested in maintenance and repair works in the Stadium, as well as in different areas of Ciutat Esportiva. With regard to Information Technologies, the Club has invested in improvements to internal processes (security, data management, etc.), as well as in the improvement of work equipment and other systems.

The investment in Espai Barça has mainly been concentrated in licences and permits, as well as in investment in preparations prior to the general works. With regard to this project, much progress has been made in the negotiations regarding the financing thereof, and a plan has been determined with BSM and Barcelona City Council to be able to dispute the matches in the Estadio Olímpico installations over the period in which it is not possible to play in Spotify Camp Nou due to the works.

The Club has obtained a works' permit to be able to commence the works in Spotify Camp Nou over the next few months.

Registration rights and Transfers

During this 2021/22 season, registration rights for players such as Ferran Torres and the first team trainer, Xavi Hernández, have mainly been acquired. In addition, variables of the first team derived from previous contracts have still been recognised, for an aggregate value of €12,461 thousand. In total, and also taking into account other investments in the rest of the professional teams and sections of the Club, the sports investment amount has ascended to €81,764 thousand. Furthermore, the Club has made sales in the value of €42,898 thousand, as a result of the deregistration of the players Coutinho, Ilaix and Jutglà, amongst others of a lesser amount and variables derived from previous contracts.

Sports personnel expenses over operating income

Sports personnel expenses are also affected by the changes over recent years in the sector, specifically, inflation in the football market both in salaries and in acquisition cost, which has had an impact on high depreciations very difficult to absorb at present from an economic point of view.

Thus, the ratio defined by the Professional Football League (PFL), which considers football salary costs without amortizations, with regard to the relevant operating income, is still below the maximum ratio to be met, i.e. 70%.

EBITDA and Net Debt

The consolidated operating income before amortizations, depreciation and reserves (EBITDA) for this 2021/22 season has been €19,677 thousand, significantly up (by €79,930 thousand) on the result for the previous season.

The consolidated net debt used by the Professional Football League, as well as for the different financing contracts currently existing in the Club, is €608,089 thousand at June 30th, 2022. Deducting the financing of non-recurring investment projects in tangible fixed assets (Espacio Barça), as established in Article 67 of the Club's By-laws, the net debt is €476,448 thousand.

Year's results

The consolidated profits obtained are €124,489 thousand before tax, and €97,577 thousand, after tax.

These results, clearly positive, are mainly due to the implementation of the current Board of Directors' new strategic plan, which forecasts an increase in income in all lines and restraint in management expenses in general and sports payroll expenses in particular. Under this heading, it is worth pointing out that the arrival of new players has been subject to them accepting certain conditions tailored to the Club's new salary scheme, based on reasonable and economic efficiency criteria.

The gains obtained during this financial year only represent the beginning of the current Board of Directors' plan to rebalance the Club's net worth and ensure that the activity is sustainable once again.

Research and development

During the financial year, the Club has carried out research and development activities in the area of information technology and sport science.

Information on the average period for paying suppliers

The Club and Barça Licensing & Merchandising, S.L.U.'s average period for paying suppliers for the year ended June 30th, 2022 is 94 days. The balances with sports organizations and with suppliers of fixed assets are liquidated in accordance with the agreements between the parties, and the legally-established time limit for commercial transactions may be exceeded.

Subsequent facts

On July 21th, 2022, the Club signed the additional sale of 15% of the audiovisual rights from the Professional Football League, which has led to it posting in the consolidated profit and loss account a capital gain of €400.4 million. As in the sale transaction executed on June 30th, 2022, in which it transferred 10% of these rights, the acquiring company was Locksley Invest, S.L., in which the Club holds 49% of the capital, the remaining 51% being held by the North American company, Sixth Street Partners. The structure of the transaction was the same as in the transaction dated June 30th, 2022, and therefore the accounting treatment is the same, the only difference being the quota of the rights transferred and the corresponding sale amount thereof. Thus, the Club has completed the authorisation received by the General Meeting of Delegate Members in order to proceed with the sale of up to a total of 25% of the said rights.

In addition, with some of the funds obtained from this sale, the Club has reduced its debt, redeeming early €125 million of the senior secured notes issued in favour of several international investors.

In order to improve its financial situation, Futbol Club Barcelona continues to work on the possible disinvestments authorised by the General Meeting of Delegate Members, to be specific, the sale of a block of shares in the companies Barça Produccions, S.L.U. and/or Barça Licensing & Merchandising, S.L.U.

During the month of July, the registration rights of the players Raphael Dias Belloli "Raphinha" and Robert Lewandowsky were acquired, to thus be able to reinforce the first football team staff.

Drawing up the consolidated annual accounts and the consolidated Management Report

On July 26th, 2022, the Board of Directors draws up these consolidated annual accounts at June 30th, 2022, comprising the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of changes in net worth, the consolidated cash flow statement, the consolidated annual report, Annexes I and II of the consolidated annual report, as well as the consolidated Management Report.

Representing the Board of Directors, the following persons sign these consolidated annual accounts and the consolidated Management Report: Chairman, Joan Laporta i Estruch; Vice-Chairman-Economic Division, Eduard Romeu Barceló; Treasurer, Ferran Olivé Cànovas and, Secretary, Josep Cubells Ribé.

