

CONSOLIDATED ANNUAL
ACCOUNTS AND
ECONOMIC REPORT FOR
THE FINANCIAL YEAR

(ended June 30th, 2023),

INCLUDING INDEPENDENT
AUDITOR'S REPORT ON
THE CONSOLIDATED
ANNUAL ACCOUNTS



Grant Thornton
 Av. Diagonal, 615, 10ª
 08028 BARCELONA
 T +34 93 206 39 00
 F +34 93 206 39 10
 barcelona@es.gt.com
 www.GrantThornton.es

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

(Translation of a report and consolidated annual accounts originally issued in Catalan and prepared in accordance with Spanish generally accepted accounting principles. In the event of a discrepancy, the Catalan-language version prevails.)

To the General Assembly of Futbol Club Barcelona

Opinion

We have audited the consolidated annual accounts of Futbol Club Barcelona (the Club) and its subsidiaries (the Group), which comprise the consolidated balance sheet as of 30 June 2023, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes to the consolidated annual accounts for the year then ended.

In our opinion, the accompanying consolidated annual accounts present, in all material respects, a true and fair view of the consolidated equity and the consolidated financial position of the Group as of 30 June 2023, and of the consolidated results of its operations and consolidated cash flows for the year then ended, in accordance with the applicable framework of financial reporting standards (which is identified in note 2 to the consolidated annual accounts) and, in particular, in compliance with the accounting principles and criteria contained in that framework.

Basis for opinion

We conducted our audit in accordance with the current Spanish standards for auditing accounts. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are applicable to our audit of the consolidated annual accounts in Spain, as required by the regulations governing the auditing of accounts. In this regard, we have not provided any services different to the audit of accounts and no situations or circumstances have arisen that, based on said regulations, might have affected the required independence in such a way that it could have been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant audit aspects

The most relevant audit aspects of the audit are those that, in our professional judgement, were considered as the most significant material misstatement risks in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.



Recognition of income from non-sports intangible assets

As stated in notes 2.5 and 10.1 to the attached consolidated annual accounts, on July 21, 2022, the Club sold 15% of its audiovisual rights in the professional competition "La Liga" to Locksley Invest, S.L., a company which the Club owns a 49% stake, with the remaining 51% belonging to Sixth Street Partners. This operation, which has generated a profit in the consolidated income statement for the year ended June 30, 2023, in the amount of 400,412 thousand euros, has the same characteristics as the one carried out on June 30, 2022, through which, as mentioned in said notes, the Club sold 10% of its audiovisual rights for an amount of 267,089 thousand euros.

The recognition of this income and the analysis of the contractual terms of the operation that have served as the basis for determining its accounting record have been considered, due to the significance, complexity, and impact of the amount on the attached consolidated annual accounts, as one of the aspects most relevant to the audit.

As part of our audit work, we have performed, among others, the following procedures:

- We have obtained an understanding of the accounting criteria applied by the Club for accounting for the sale of audiovisual rights as income for the year. For these purposes, we have obtained and reviewed the report issued by a management expert on the accounting record of the operation. Likewise, we have assessed their competence, ability, and objectivity, and whether such report is appropriate as further evidence of our audit procedures.
- We have reviewed the supporting documentation of the operation to determine the consistency of the accounting criteria used, including the reading, and understanding of the contractual terms and other relevant documents, having verified that the accounting record of the operation conforms to them.
- In our audit for the previous year, we involved our specialists in the review of the aspects related to the methodology used to value 10% of the audiovisual rights sold, the mathematical review of the model and the analysis of the reasonableness of the most relevant hypotheses and data used. The sale of 15% of the audiovisual rights has the same characteristics.
- We have assessed whether the information disclosed in the accompanying consolidated annual accounts is adequate with the requirements of the applicable financial reporting regulatory framework.

Financing of assets in progress corresponding to "Espai Barça"

As stated in notes 7 and 1.2 to the attached consolidated annual accounts, on April 5, 2014, the "Espai Barça" proposal was approved in a referendum, which entailed the assignment to the Club's Board of Directors to execute, among others, the improvement and refurbishment works at Camp Nou, as well as the construction of a new multidisciplinary stadium (the "Palau"). In this sense, on April 24, 2023, the "Espai Barça, Fons de Titulització" securitization fund was established, a vehicle through which, mainly through the issuance of bonds, these investments will be financed.

In accordance with the provisions of article 2 of the Standards for the Preparation of Consolidated Annual Accounts, and as explained in detail in note 1.2, the Club has integrated said special purpose entity into the consolidated annual accounts of the Club corresponding to the year ending June 30, 2023.



We have focused our analysis on the financing of the “Espai Barça”, because the assessment of the circumstances regarding the presumption of control over the vehicle established for financing requires judgments in the analysis of the risks and benefits of the same, the capacity of the Club to participate in the operating and financial decisions of the entity, its characteristics and complexity as it is a financial entity, as well as the magnitude of the planned financing that will be available to the Club during the construction of said assets, estimated at a maximum amount of 1,500 million euros. As of June 30, 2023, the “Espai Barça, Fons de Titulització” has issued obligations and subscribed loans for a total amount of 987,053 and 108,333 thousand euros, respectively.

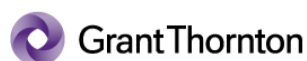
In response to this aspect, we have carried out, among others, the following audit procedures:

- Review of the supporting documentation corresponding to the financing of “Espai Barça”, to determine its proper registration in the attached consolidated annual accounts, including the reading and understanding of the contractual terms and other relevant documents.
- Evaluation of the circumstances regarding the presumption of the Club's control over the securitization fund by the Board of Directors.
- Understanding of the accounting policies applied by the Club described in note 2.1 to the attached consolidated annual accounts regarding the criteria for integration and homogenization of balance sheets for this type of entities.
- Verification that the consolidated annual accounts prepared by the Club's Board of Directors include within the consolidation scope the balances and transactions of said entity as of June 30, 2023.
- Assessment of the information revealed in the attached consolidated annual accounts.

Recognition of income from the loss of control of consolidated stakes and from disposals of financial instruments and assessment of stakes accounted for by the equity method

As indicated in note 10.3 to the attached consolidated annual accounts, on July 29 and August 11, 2022, the subsidiary Barça Produccions, S.L.U. transferred 49% of its stake in the company Bridgeburg Invest, S.L., maintaining the remaining 51%.

As a result of these transactions, this subsidiary has become classified as an associated company for the purposes of presentation in the attached consolidated annual accounts. Thus, the consolidated balance sheet as of June 30, 2023 includes the stake in Bridgeburg Invest, S.L. by the equity method for an amount of 208,237 thousand euros, which is made up, as shown in note 10.3 to the consolidated annual accounts, by the difference between the fair value of the retained stake and the cost of the investment in the individual accounts of Barça Produccions, S.L.U. and the participation in the results of the year of said subsidiary that corresponds to the Club. Practically all this amount, which has led to the recording of an income under the heading “Results from the loss of control of consolidated stakes” of the consolidated income statement, has been determined in accordance with recent transactions, as well as with a business plan reviewed by a management expert. In this regard, as stated in note 24 of the attached consolidated annual accounts, on August 11, 2023, the shareholders Orpheus Media, S.L. and Socios Deportes Services, S.L. (later, Blaugrana Invest, S.L.), reached an agreement to sell, to two new shareholders, the 29.47% of the stake they held in Bridgeburg Invest, S.L. for an amount of 120,000 thousand euros.



The significant amount for which the income has been recognized from the disposal of said stakes and the complexity of the contractual terms of the operations that have served as the basis for determining their accounting record, as well as the high level of judgment and associated uncertainty in the estimation of the fair value of the equity-accounted stake at the end of the year, which entails the use of cash flow projections, and expectations based on estimates and the application of certain assumptions and value judgments in conditions of uncertainty, as well as the existence of recent transactions, has led us to consider this matter as one of the most relevant aspects of the audit.

As part of our work, we have carried out, among others, the following audit procedures:

- We have obtained an understanding of the accounting criteria applied by the Group to account for the sale of the 49% stake in Bridgeburg Invest, S.L. and the subsequent resulting income. For these purposes, we have obtained and reviewed the reports issued by two management experts on the accounting record of the operation. Furthermore, we have evaluated their competence, capacity, and objectivity, and whether such reports are appropriate as additional evidence of our audit procedures.
- We have reviewed and understood the policies and procedures applied by the Club for the assessment of equity-accounted shares and the registration, where appropriate, of value corrections.
- We have obtained and reviewed the valuation model used by management's expert, which includes an assessment of recent transactions, to determine the fair value of the stake in Bridgeburg Invest, S.L. at the end of the year and the corresponding income recorded. We have involved our in-house assessment specialists in the analysis of the most relevant projected cash flows, assumptions and data used to assess whether they are appropriate and reasonable.
- We have evaluated whether the information disclosed in the attached consolidated annual accounts is adequate in accordance with the regulatory financial reporting framework applicable to the Group.

Valuation of sports intangible assets

As shown in note 5 to the attached consolidated annual accounts, as of June 30, 2023, the Club has recorded under the heading "Sports intangible assets" of the attached balance sheet an amount of 250,479 thousand euros corresponding to the net book value of the costs necessary to obtain the federative rights of players from other entities, as well as others of a similar nature, which are subject to depreciation depending on the duration of the contracts signed.

The assessment of sports intangible assets, as well as the identification of signs of impairment and, where applicable, the estimation of their recoverable value, have been considered as one of the most relevant aspects of the audit as they are subject to significant judgments by the Club's Board of Directors and due to the relevance of the amount mentioned above.

As part of our work, we have carried out, among others, the following audit procedures:

- We have obtained knowledge of the procedures established by the Club for the assessment of the federative rights of players as sports intangible assets, verifying the activation, valuation, and depreciation criteria, as well as the identification of possible signs of impairment.
- We have reviewed the movements during the year, analyzing the main additions and disposals with supporting documentation and the reasonableness of the depreciation allowance for the year.



- We have evaluated whether the information revealed in the attached consolidated annual accounts is adequate in accordance with the regulatory financial reporting framework applicable to the Club.

Recognition of contingent liabilities

As stated in notes 13 and 15.7 to the attached annual accounts, as of June 30, 2023, the Club is involved in several legal and judicial proceedings, as well as in a verification and inspection process by the Tax Agency. The Club's Board of Directors, based on the best information available at the date of preparation of the attached consolidated annual accounts, has evaluated and quantified the risks and economic impacts that could arise for the Club, recording a provision in those cases in which the risk has been estimated probable or reporting in the annual accounts on contingent liabilities to the extent that they are not considered remote. In this sense, as mentioned in note 13.3 to the attached consolidated annual accounts, in relation to the complaint presented by the Prosecuting Attorney of Barcelona against the Club, admitted for processing, and at the beginning of actions to investigate the facts, it has not been possible to assess the risks or the economic impact because these actions are in an initial stage.

We have considered this recognition as one of the most relevant aspects in our audit, given that said assessment and quantification include estimates under conditions of uncertainty that require a high degree of judgment by the Club's Board of Directors.

As part of our work, we have carried out, among others, the following procedures:

- We have obtained knowledge of the processes established by the Club for the assessment, estimation, and recognition of contingent liabilities.
- We have obtained written confirmations from the Club's legal department and its external tax and legal advisors regarding the assessment, classification and quantification of the risks that may arise from said procedures.
- We have involved our specialists in tax, commercial and legal matters, to contrast the conclusions reached by the Club's legal department and its external advisors.
- We have evaluated subsequent events that could involve a revision or amendment of the estimates made and the information to be disclosed in the consolidated annual accounts.
- We have evaluated whether the information revealed in the attached consolidated annual accounts is adequate in accordance with the regulatory financial reporting framework applicable to the Club.

Emphasis of matter

We draw attention to note 2.5 to the attached annual accounts, which states that, because of the accumulated losses from previous years, the equity as of June 30, 2023, is negative in the amount of 516 thousand euros. In this sense, it must be considered that the Club has generated a result of 303.711 thousand euros this year, which includes benefits, without considering the tax effect, from non-recurring operations amounting to 800 million euros, approximately. The Club's Board of Directors has prepared the attached consolidated annual accounts applying the going concern principle when considering the mitigating factors mentioned in said note. Our opinion has not been modified in relation to this matter.



On the other hand, we draw attention to note 24 to the attached consolidated annual accounts which indicates that, on August 11, 2023, the partners Orpheus Media, S.L. and Socios Deportes Services, S.L. (later, Blaugrana Invest, S.L.), reached an agreement to sell, to two new shareholders, the 29.47% of the stake they held in Bridgeburg Invest, S.L. for an amount of 120,000 thousand euros, and which mentions that a new payment due date schedule has been agreed. At the date of preparation of the consolidated annual accounts, this new shareholder is negotiating different options with several investors and carrying out other actions to obtain the necessary financing to allow it to assume the obligations contracted. Likewise, the same note also reports the start of proceedings for a business combination that would involve said company and Barça Produccions, S.L. to accelerate the generation of income for the Club with the entry of strategic shareholders. As of the date of issuance of this report, compliance with this calendar and its completion, as well as other actions planned to extend the Club's business, are pending completion. Our opinion has not been modified in relation to this matter.

Other information: Consolidated Directors' report

Other information comprises exclusively the consolidated Directors' report for financial year ended 30 June 2023. The Club's Board of Directors are responsible for preparing this report, which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated Directors' report. In accordance with the regulations governing the auditing of accounts, our responsibility regarding the consolidated Directors' report consists of evaluating and reporting on the consistency of the rest of the information included in the consolidated Director's report with the consolidated annual accounts, based on the knowledge of the Group obtained during audit of those accounts, as well as evaluating and reporting on whether the content and presentation of this part of the consolidated Director's report meet the requirements of the applicable regulations. If, because of our work, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we have verified that the information contained in the consolidated Directors' report is consistent with that disclosed in the consolidated annual accounts for the year ended 30 June 2023 and its content and presentation meet the requirements of the applicable regulations.

Responsibility of the Club's Board of Directors for the consolidated annual accounts

The Club's Board of Directors are responsible for the preparation of the accompanying consolidated annual accounts, so that they show a true and fair view of the consolidated equity, the consolidated financial position and the consolidated results of the Group, in accordance with the framework of financial reporting standards applicable to the Group in Spain and for such internal control that they consider necessary to enable the preparation of consolidated annual accounts that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated annual accounts, the Club's Board of Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Club's Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated annual accounts

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

As part of an audit in accordance with current Spanish regulations for auditing accounts, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures to respond to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Club's Board of Directors.
- Conclude on the appropriateness of the Club's Board of Directors's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to this in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated annual accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Club's Board of Directors regarding, among other matters, the planned scope and timing of the audit and the significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated to the Club's Board of Directors, we determine those risks that were of most significance in the audit of the consolidated annual accounts of the current period and are, therefore, the risks considered most significant.



We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

Grant Thornton, S.L.P. Sociedad Unipersonal
ROAC nº S0231

(Original audit report issued in Catalan and signed by Carlos Capellá Bruguera, registered in the Official Register of Accounts Auditors under No. 2242)

September 25, 2023

CONSOLIDATED BALANCE SHEET AT JUNE 30th, 2023

(Thousands of euros)

ASSETS - SIDE	Notes in the Annual Report	06/30/23	06/30/22	NET WORTH AND LIABILITY - SIDE	Notes in the Annual Report	06/30/23	06/30/22
NON-CURRENT ASSETS:				EQUITY:	Note 12		
Intangible fixed assets		270,414	264,789	SHAREHOLDERS' FUNDS		(51,538)	(355,245)
Sports intangible fixed assets				Social fund		(346,909)	(444,199)
Player acquisition rights	Note 5.1	250,479	246,207	Social fund		(346,909)	(444,199)
Non-sports intangible fixed assets	Note 6	19,935	18,582	Reserves		(8,340)	(8,623)
Audiovisual property rights		1,707	2,008	Other reserves		(8,340)	(8,623)
Transfer rights		26	-	Result for the year		303,711	97,577
Software		14,301	15,068	VALUE CHANGE ADJUSTMENTS	Note 1.2	49,046	-
Other intangible assets		69	-	GRANTS, DONATIONS, AND LEGACIES RECEIVED	Note 12.2	1,976	2,032
Intangible assets in progress and advances		3,832	1,506	Total equity		(516)	(353,213)
Tangible fixed assets	Note 7	337,084	236,631				
Stadiums and arenas		59,380	75,370				
Other land and buildings		34,111	35,986				
Technical facilities and other tangible fixed assets		8,013	8,310				
Fixed assets in progress and advances		235,580	116,965	NON-CURRENT LIABILITIES:			
Real estate investment	Note 8	41,010	40,668	Non-current provisions	Note 13.1	101,730	83,752
Non-current investments in group and associated companies	Note 10.2	208,245	47,500	Non-current debts	Note 14.1	1,801,836	803,918
Equity instruments		2	-	Bonds and other marketable securities	Note 1.2	1,458,499	596,778
Loans to group companies		6	-	Debts with finance companies	Note 1.2	170,283	68,574
Shares in equity accounted companies	Note 10.3	208,237	47,500	Debts with sports entities	Note 14.3	117,711	84,424
Non-current financial investments	Note 10.1	606,379	89,817	Other financial liabilities	Note 1.2	1,629	-
Equity instruments		159,500	63,000	Sports personnel	Note 14.3	53,714	54,142
Other loans	Note 10.2	64,035	-	Deferred tax liabilities	Note 15.6	125,533	19,750
Loans to sports entities		9,483	17,734	Non-current accruals	Note 16	5,527	6,734
Derivatives	Note 1.2	49,046	-	Total non-current liabilities		2,034,626	914,154
Other financial assets	Note 1.2	324,315	9,083				
Deferred tax assets	Note 15.6	110,945	120,716				
Non-current trade receivables	Note 14.3	32,882	39,915				
Total non-current assets		1,606,959	840,036				
CURRENT ASSETS:				CURRENT LIABILITIES:			
Non-current assets held for sale	Note 5.2	-	3,000	Current provisions	Note 13.2	31,150	7,221
Stock	Note 11	21,114	10,686	Current debts	Note 14.2	37,103	175,315
Trade debtors and other receivables	Note 10.4	430,930	161,286	Bonds and other marketable securities		2,489	3,109
Debtor sports entities		49,165	40,034	Debts with finance companies		33,675	172,197
Customers, group and associated companies	Note 20.2	119,545	29,682	Other financial liabilities		939	9
Other debtors		190,498	70,464	Trade creditors and other payables	Note 14.3	534,835	519,415
Sports personnel	Note 14.3	16,740	19,809	Suppliers		140,318	102,126
Non-sports personnel		188	232	Suppliers, group and associated companies	Note 18.2	40	381
Current tax assets	Note 15.1	46,100	90	Other creditors		27,044	8,880
Other credits with Public Administrations	Note 15.1	8,341	616	Other creditors, group companies	Note 18.2	9,093	7,060
Advances to suppliers / creditors		353	359	Debts with sports entities	Note 14.3	89,424	108,434
Current financial investments		396,082	1,139	Sports personnel	Note 14.3	174,001	163,611
Other credits	Note 1.2	1,962	139	Non-sports personnel		2,925	756
Loans to companies		200	1,000	Current tax liabilities	Note 15.1	3,877	-
Other financial assets	Note 1.2	393,920	-	Other debts with Public Administrations	Note 15.1	87,884	127,907
Current accruals	Note 16	10,961	7,233	Customer advances		229	260
Cash and other equivalent liquid assets		310,828	378,227	Current accruals	Note 16	139,676	138,714
Liquid assets	Note 1.2	310,828	378,227	Total current liabilities		742,764	840,665
Total current assets		1,169,915	561,571	TOTAL EQUITY AND LIABILITIES		2,776,874	1,401,607
TOTAL ASSETS		2,776,874	1,401,607				

Notes 1 to 24 to the consolidated annual accounts are an integral part of the consolidated balance sheet at June 30th, 2023.

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED JUNE 30th, 2023

(Thousands of euros)

	Notes in Annual Report	Financial Year 2022/23	Financial Year 2021/22
CONTINUING OPERATIONS:			
Net turnover	Note 18.1	795,927	627,986
Income from competitions		123,974	61,450
Income from members and season-ticket holders		65,541	48,963
Income from broadcasting and TV rights		215,882	250,193
Marketing and advertising income		390,135	267,175
Income from provision of services		395	205
Change in stock of finished and in progress products		10,220	-
Work carried out by the company and capitalized		2,059	1,489
Supplies		(58,672)	(29,168)
Consumption of sports equipment		(54,734)	(27,995)
Other supplies		(2,745)	(2,322)
Impairment of merchandise, raw materials and other supplies		(1,193)	1,149
Other operating income	Note 18.2	9,729	10,852
Ancillary income and other current management income	Note 1.2	8,985	9,701
Operating grants recorded in income		744	1,151
Personnel expenses	Note 18.3	(625,723)	(457,246)
Wages and salaries of sports personnel		(555,605)	(393,554)
Wages and salaries of non-sports personnel		(51,344)	(48,478)
Social Security costs		(17,392)	(15,214)
Provisions		(1,382)	-
Other operating expenses		(281,293)	(164,212)
External services	Note 18.4	(161,949)	(112,938)
Taxes		(3,045)	(3,413)
Losses, impairment, and change in provisions for trade operations	Note 10.4	(4,165)	(3,314)
<i>Impairment losses on trade receivables</i>		(6,686)	(4,903)
<i>Impairment reversal on trade receivables</i>		2,521	1,589
Journeys		(11,437)	(10,155)
Player acquisition expenses		(1,008)	(1,558)
Other current management costs	Note 1.2	(99,689)	(32,834)
Depreciation of fixed assets		(124,095)	(139,136)
Depreciation of player acquisition rights	Note 5	(88,875)	(113,303)
Other depreciation	Notes 6 and 7	(35,220)	(25,833)
Allocation of grants for non-financial fixed assets and others	Note 12.2	76	77
Excess provisions		11,846	-
Impairment and result from disposal of intangible assets		351,726	314,119
Impairment and losses	Notes 5, 6, 8 and 13.3	(4,345)	20,382
Losses due to impairment of sports intangible fixed assets		(26,384)	(36,082)
Impairment reversal of sports intangible fixed assets		21,696	29,895
Impairment reversal of real estate investments	Note 8	343	26,569
Results from disposals and others	Notes 5, 6 and 7	356,071	293,737
Losses from tangible fixed assets		(161)	(66)
Losses from non-sports intangible fixed assets		(685)	(32)
Profit from non-sports intangible fixed assets	Note 5.1	398,947	266,112
Losses from sports intangible fixed assets		(56,596)	(15,175)
Profit from sports intangible fixed assets		14,566	42,898
Endowment and allocation of provisions and others	Note 18.5	(35,817)	(7,261)
Endowment for provisions and other expenses		(35,942)	(9,700)
Allocation of provisions and other income		125	2,439
Result from loss of control of consolidated stakes		208,163	-
Result due to loss of control of a subsidiary	Note 10.3	208,163	-
OPERATING RESULT		264,146	157,500
Financial income		6,739	1,439
Of marketable securities and other financial instruments		6,739	1,439
From third parties	Note 1.2	6,739	1,439
Financial expenses and similar items		(32,122)	(38,368)
From debts with third parties	Note 1.2	(32,122)	(38,365)
From update of provisions		-	(4)
Exchange differences		(1,618)	651
Exchange profit		1,416	872
Exchange loss		(3,034)	(221)
Impairment and results from disposals of financial instruments		185,730	3,268
Profits from participations in financial assets		192,939	-
Losses from participations in financial assets	Note 1.2	(7,209)	-
Losses due to impairment of loans to group companies	Note 10.2	-	(87)
Losses due to impairment of credits to other companies	Note 10.1	-	3,355
FINANCIAL RESULTS		158,729	(33,010)
Participation in profits (losses) of companies accounted for by the equity method	Note 19	74	-
RESULT BEFORE TAXES		422,949	124,489
Corporate tax	Note 15.4	(119,238)	(26,912)
RESULT FOR THE YEAR		303,711	97,577

Notes 1 to 24 to the consolidated annual accounts are an integral part of the consolidated income statement at June 30th, 2023.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30th, 2023

A) CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

(Thousands of euros)

	Notes in Annual Report	Financial Year 2022/23	Financial Year 2021/22
PROFIT (LOSS) FOR THE PERIOD (I)		303,711	97,577
Cash flow hedges		49,046	-
Total income and expenses recognized in consolidated equity (II)	Note 1.2	49,046	-
Grants, donations, and legacies received	Note 11.2	(76)	(77)
Tax effect	Note 14.3	20	19
Total transfers to the income statement (III)		(56)	(58)
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENDITURE (I+II+III)		352,701	97,519

Notes 1 to 24 to the consolidated annual accounts are an integral part of the consolidated statement of recognized income and expenses at June 30th, 2023.

B) CONSOLIDATED TOTAL STATEMENT OF CHANGES IN NET WORTH

(Thousands of euros)

	Joint stock	Reserves	Year's Results	Adjustments for changes in value	Grants, donations and legacies	Total
Balance at the end of 2020/21	28,828	(332)	(481,318)	-	2,090	(450,732)
Application of result for 2021/22	(473,027)	(8,291)	481,318	-	-	-
Total 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)
Application of result for 2022/23	97,290	283	(97,577)	-	-	(4)
Total recognised income and expenditure	-	-	303,711	49,046	(56)	352,701
Balance at the end of 2022/23	(346,909)	(8,340)	303,711	49,046	1,976	(516)

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, 2023.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30th, 2023

(Thousands of euros)

	Notes in Annual Report	Financial Year 2022/23	Financial Year 2021/22
CASH FLOWS FROM OPERATING ACTIVITIES (I)			
Profit/(loss) for the year before taxes		422,949	124,489
Adjustments to results		(578,620)	108,546
Depreciation of fixed assets	Notes 5, 6 and 7	124,095	139,136
Impairment value corrections		(7,260)	(18,573)
Change in provisions	Note 13	41,907	(12,480)
Allocation of grants		(56)	(78)
Results from disposal of fixed assets		(356,071)	(27,625)
Results from disposal of financial instruments		(200,000)	(3,269)
Finance income		(6,739)	(1,439)
Financial expenses		32,123	38,369
Exchange differences		1,618	(651)
Change in fair value in financial instruments	Note 10.3	(208,237)	-
Other income and expenses		-	(4,844)
Changes in working capital		3,410	(54,823)
Stocks		(9,235)	(3,703)
Debtors and other receivables		12,246	(48,655)
Asset accruals		-	(2,915)
Other current assets		(3,728)	-
Creditors and other payables		11,747	118,947
Liability accruals		-	(82,284)
Other current liabilities		(245)	-
Other non-current assets and liabilities		(7,375)	(36,213)
Other cash flows from operating activities		(50,632)	(28,603)
Interest paid		(8,207)	(29,970)
Interest received		3,167	1,439
Corporate tax collections (payments)		(45,836)	(72)
Other collections (payments)		244	-
		(202,893)	149,610
CASH FLOWS FROM INVESTING ACTIVITIES (II)			
Investment payments		(963,875)	(225,138)
Sports intangible fixed assets		(163,913)	(128,654)
Non-sports intangible fixed assets		(9,429)	(4,846)
Tangible fixed assets		(86,362)	(26,600)
Investments in group companies		-	(2,038)
Other financial assets		(704,171)	(63,000)
Collections for disinvestments		264,617	333,072
Sports intangible fixed assets		259,923	86,983
Non-sports intangible fixed assets		913	-
Tangible assets		234	-
Other financial assets		540	246,089
Non-current assets held for sale	Note 5.2	3,000	-
Group and associated companies		7	-
		(699,258)	107,934
CASH FLOWS FROM FINANCING ACTIVITIES (III)			
Collections and payments for financial liability instruments		834,752	60,273
Issue		1,130,194	237,311
Bonds and other marketable securities		987,053	208,911
Debts with finance companies		108,333	28,400
Other debts		34,808	-
Repayment and redemption		(295,442)	(177,038)
Bonds and other marketable securities		(141,970)	(60,000)
Debts with finance companies		(152,424)	(117,038)
Other debts		(1,048)	-
		834,752	60,273
NET INCREASE/DECREASE IN CASH OR EQUIVALENT LIQUID ASSETS (I+II+III)		(67,399)	317,816
Cash or equivalent liquid assets at the beginning of the year		378,227	60,411
Cash or equivalent liquid assets at the end of the year		310,828	378,227

Notes 1 to 24 to the consolidated annual accounts are an integral part of the consolidated cash flow statement at June 30th, 2023.

FUTBOL CLUB BARCELONA AND SUBSIDIARIES

EXPLANATORY NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDED JUNE 30th, 2023

1. CLUB'S BUSINESS

Futbol Club Barcelona (hereinafter, the Club) is a private, non-profit association of natural persons, with its own legal personality and capacity to act, established on November 29th, 1899. Its registered office and tax address are located at Avenida Aristides Maillol, s/n, Barcelona.

The Club's corporate purposes are, among others, to promote football, mainly, and sport in general, to participate in competitions and to promote physical-sports events aimed at its members and, where appropriate, the general public.

On October 5th, 2013, the General Shareholders' Meeting approved the new Club's bylaws, which includes an article that provides that the Board of Directors must ensure the maintenance of the Club's equity.

The Club is the parent company of a corporate group (hereinafter, the Group). In accordance with article 7 of Royal Decree 1159/2010, of September 17th, which approves the Standards for the Preparation of Consolidated Annual Accounts, the Club prepared consolidated annual accounts for the first time in the financial year ended on June 30th, 2019, due to the relevance of the subsidiary Barça Licensing and Merchandising, S.L.U., a company that began its activity on July 1st, 2018, once the exclusive operating contract that Fútbol Club Barcelona Merchandising, S.L.U. (belonging to the Nike group) held had concluded. To that date, the Club did not prepare consolidated annual accounts, as it held a stake in subsidiaries that did not have a significant interest, individually or jointly, in the true and fair view of the assets, financial situation and results of the corporate group headed by the Club.

There are other subsidiaries not consolidated in these consolidated annual accounts, given that they do not have a significant interest, either individually or jointly, for the true image of the assets, financial situation, and results of the Group (Note 10.2).

Likewise, as indicated in Note 10.3, the company Bridgeburg Invest, S.L., because of the sale of the shares held by the company Barça Produccions, S.L.U. (49%), has been integrated into the consolidated annual accounts using the equity method.

On the other hand, as indicated in Note 1.2 to the attached consolidated annual accounts, during April 2023, for the purposes of financing the "Espai Barça" project, the "Espai Barça, Securitization Fund" has been established, which has been integrated into the consolidated annual accounts using the global integration method.

Finally, considering the characteristics and rights granted by the shares of Locksley Invest, S.L., the investment has been registered as a financial instrument.

Given the activity in which the Group is engaged, it does not have responsibilities, expenses, assets, or provisions and contingent liabilities of an environmental nature that could be significant in relation to the equity, financial situation, and results of the Group. For this reason, specific breakdowns are not included in the explanatory notes regarding information on environmental matters.

1.2. Structure of the Group and changes in the consolidation scope

The Parent Company has its registered office at Avenida Aristides Maillol, s/n, Barcelona. The breakdown of investee companies at June 30th, 2023, is shown in the following tables, classified into the following categories:

- Subsidiaries: those that the Club controls, directly or indirectly, so that it can direct the financial and operating policies, to obtain profit from the investment.

- Associated companies: those in which the Club has significant influence, maintaining a lasting relationship that favors and influences their activity, but with limited representation in the management and control mechanisms.

The information on the subsidiaries over which the Club has control given their status as sole shareholders, having the majority of voting rights, consolidated by the global integration method, is as follows:

Company	Registered office	Country	Stake
Barça Licensing and Merchandising, SLU.	Avinguda Aristides Maillol, s/n, 08028, Barcelona	Spain	100%
Barça Produccions, SLU.	Avinguda Aristides Maillol, s/n, 08028, Barcelona	Spain	100%
Sudburylane, SLU.	Travessera de Gràcia, 11, 08021, Barcelona	Spain	100%
Barça Innovation Hub, SLU.	Avinguda Aristides Maillol, s/n, 08028, Barcelona	Spain	100%

The value of previous stakes in the Club is as follows:

Company	% Stake		Book value	
	Direct	Indirect	2023	2022
Barça Licensing and Merchandising, SLU.	100%	-	7,348	7,348
Barça Produccions, SLU.	100%	-	6,003	6,003
Sudburylane, SLU.	100%	-	3	3
Barça Innovation Hub, SLU.	100%	-	200	-

The information of the associated company, consolidated by the equity method, is as follows:

Company	Registered office	Country	Stake
Bridgeburg Invest, SL.	Avinguda Aristides Maillol, s/n, 08028, Barcelona	Spain	51%

Bridgeburg Invest, S.L. is indirectly owned by the Club through Barça Produccions, S.L.U., a company that holds 51% of the stake for an amount of two thousand euros.

There are other unconsolidated subsidiaries in these consolidated annual accounts, since they do not have a significant interest, either individually or jointly, for the true and fair view of the Group's equity, financial situation, and results (Note 10.2).

Barça Licensing and Merchandising, S.L.U. was incorporated on March 23th, 2018, and its corporate purpose is retail trade, including the promotion, sale, marketing, and distribution in any form allowed by commercial regulations, of toys, sporting goods, and sport and non-sports clothing, within the scope of the operation of the brands owned by FC Barcelona. This subsidiary is not listed on the stock market.

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

Sudburylane, S.L. was incorporated on June 10th, 2022, and its corporate purpose is the constitution, participation by itself or indirectly in the management and control of other companies, as well as the acquisition, alignment, ownership, and operation of real estate, the intermediation in commercial, business, and real estate operations, negotiations and operation of patents, trademarks, licenses, know-how and property rights. This subsidiary is not listed on the stock market.

Losksley Invest, S.L. was incorporated on January 11th, 2022, and its corporate purpose is the constitution, participation by itself or indirectly in the management and control of other companies, the acquisition, alignment, ownership, and operation of real estate as well as intermediation in commercial, business, and real estate operations, negotiations and operation of patents, trademarks, licenses, know-how and property rights. This subsidiary is not listed on the stock market.

Bridgeburg Invest, S.L. was incorporated on June 7th, 2022, and its corporate purpose was the constitution, participation by itself or indirectly in the management and control of other companies, the acquisition, alienation, ownership, and operation of real estate, among others. On July 27th, 2022, the corporate purpose of the Company was changed to the ownership, development, management and operation of digital content and any form of content related to the operation of the metaverse and the business of fungible, utility, and non-fungible tokens of Futbol Club Barcelona. Said activities may be carried out by the Company, totally or partially, indirectly, through stockholding in other companies with an identical, similar, or complementary purpose, or through any type of association or agreement with third parties, with or without legal personality. At June 30th, 2023, it has been included in the consolidation scope by the equity method.

Barça Innovation Hub, S.L.U., was incorporated on February 22th, 2023 and its corporate purpose is the study, research, assessment and selection of emerging companies ("startups") whose purpose is the knowledge, development, improvement and/or marketing of products and/or services related to the field of health and/or well-being, sports, entertainment and/or sustainability, as well as participation in their share capital through the timely acquisition of shares; study, research, assessment, selection, execution, publication and/or operation of scientific research, development and innovation projects of the Club, as well as obtaining public and/or private funds for the financing of these projects; development, design and marketing of training programs, in face-to-face and/or online format, whether they have official recognition or not, either individually or in collaboration with different university and non-university partners; organization of events and conferences related to the field of health and/or well-being, sports, entertainment, sustainability and/or any other matter related to the world of sports and performance; offer of advisory and/or consulting services to the entities related to the first point above.

Securitization

On April 24th, 2023, for the purposes of financing the "Espai Barça" project, the Club, together with the management company Intermoney Titulización S.G.F.T., S.A. and Mount Street Mortgage Servicing Limited, established the "Espai Barça, Fons de Titulització" Securitization Fund, an entity without legal personality regulated by the Spanish Stock Market Commission (CNMV) according to Act 5/2015, EHA Order 3536/05 and the Consolidated Text of the Stock Market Act.

In accordance with article 2 of Chapter I of the regulations for the preparation of consolidated annual accounts, the Club has consolidated this Securitization Fund in these consolidated annual accounts. The treatment of the Securitization Fund as an entity of the consolidation group has led to a negative accounting impact on the income statement of these consolidated annual accounts of 47,855 thousand euros. Regarding the balance sheet, the consolidation of the Fund has meant an increase in the assets of the consolidation group for an amount of 1,097,507 thousand euros (mainly financial investments and liquid assets) and in debt, in liabilities, for an amount of 1,096,316 thousand euros.

The main figures contributed (without considering the eliminations between it and the Club) by the Securitization Fund in the balance sheet and the consolidated income statement are follows:

ASSETS	Thousands of euros	Equity and Liabilities	Thousands of euros
Derivates	49,046	Value change adjustments	49,046
Other financial assets	516,526	Equity	49,046
Non-current financial investments	565,572	Bonds and other marketable securities	987,053
Other credits	1,563	Debts with finance companies	108,333
Other financial assets	393,920	Non-current debts	1,095,386
Current financial investments	395,483	Other financial liabilities	930
Cash and liquid assets	136,452	Current debts	930
		Other operating income	(28,044)
		Other operating expenses	(8,746)
		Financial income	2,128
		Financial expenses	(6,453)
		Losses from shares in financial assets	(6,740)
		Result for the year	(47,855)
Impact on total assets	1,097,507	Impact on total equity and liabilities	1,097,507

In accordance with the nature of the operation and according to the agreements of constitution of the Fund, all the results obtained from it must be allocated to the financing of “Espai Barça”. Consequently, the Club’s availability of the Fund’s assets at June 30th, 2023, is restricted to this purpose.

Regarding financial assets, financial investments made by the Fund in the form of investments in fixed income instruments and bonds are included.

In both assets and liabilities, the Fund maintains derivatives for 49 million euros in equity that allow it to cover the exchange rate risk.

Debts with finance companies correspond to a credit policy that will be progressively released until January 2025, with a maturity in June 2028. As for bonds and other marketable securities, they are made up of different bond issues, some in USD, with a maturity ranging from June 2028 to June 2047, with interest rates between 5.94% and 7.22%.

The main documents formalized by the Club with the Securitization Fund, within the framework of the “Espai Barça” financing operation, are the deed of incorporation and the contract for the assignment of future credits from the Club to the Fund. The financing documents include a series of commitments (covenants) relating, among others, to the development of the project, the generation of transferred income and the debt service coverage ratio.

It should be noted that at June 30th, 2023, the Fund has issued obligations for an amount of 987 million euros and has subscribed loans for an amount of 491 million euros (although, of the latter, the Fund has only drawn down 108 million), to execute the financing of said project. Of the previous amounts of obligations and loans, the Club has derecognized, at the closing date of these consolidated annual accounts, an amount of 208 million euros, a figure that, given its nature, has been eliminated during the consolidation process.

At June 30th, 2022, the companies included within the consolidation scope were Barça Licensing and Merchandising, S.L.U., Barça Produccions, S.L.U. and Sudburylane, S.L.U.

2. BASIS FOR PREPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

2.1. Framework on Financial Information applicable to the Group

These consolidated annual accounts have been prepared by the Group’s Board of Directors in accordance with the regulatory framework on financial information applicable to the Group, which is established in:

- a. Commercial Code and other commercial legislation.
- b. General Accounting Plan approved by Royal Decree 1514/2007, of November 16th, which since its publication has been subject to several amendments, the last of them by Royal Decree 1/2021, of January 12th, and its sectorial adaptations, as well as any provisions that do not contravene the New General Accounting Plan and are established in the General Accounting Plan adapted to Sports Public Limited Companies.
- c. Royal Decree 1159/2010, of September 17th, which approves the rules for the preparation of consolidated annual accounts.
- d. The mandatory regulations approved by the Institute of Accounting and Audit of Accounts in development of the General Accounting Plan and its complementary regulations.
- e. All other applicable Spanish accounting regulations

These consolidated annual accounts also include information required under the Regulations for Economic Control of Sports Clubs and Public Limited Companies affiliated with the Spanish Professional Football League (Liga Nacional de Fútbol Profesional, LNFP), as well as all the information required by the Higher Sports Council through a statement dated February 18th, 2015.

The assets, liabilities, as well as the income statement of the Club Securitization Fund, indicated in Note 1.2 of the attached consolidated annual accounts, have been prepared from the accounting records that the Fund maintains through its management company in accordance with the regulatory framework of financial information established by Notice 2/2009, of March 25th, of the National Securities Market Commission (CNMV). The accounting and assessment standards corresponding to this entity, “Espai Barça, Fondo de Titulización”, are shown in Note 4.23 to the attached consolidated annual accounts.

2.2. True and fair view

The consolidated annual accounts have been prepared from the auxiliary accounting records of the Club and its subsidiary and include the relevant consolidation adjustments and eliminations, having applied the current legal provisions on accounting matters to show a true and fair view of the equity, financial situation, and results of the Group. The consolidated cash flow statement has been prepared to truthfully report on the origin and use of the monetary assets representing cash and other equivalent liquid assets of the Group.

As stated in Note 1, certain subsidiaries have not been consolidated, since they do not have a significant interest, either individually or jointly, for the true and fair view of equity, financial situation, and results of the Group (Note 10.2).

The consolidated annual accounts, which have been prepared by the Group's Board of Directors, will be submitted for approval by the General Shareholders' Meeting and it is estimated that they will be approved without any amendment. For its part, the consolidated annual accounts for the 2021/22 financial year were approved by the General Shareholders' Meeting on October 9th, 2022.

2.3. Non-mandatory accounting policies

No s'han aplicat principis comptables no obligatoris. Addicionalment, la Junta Directiva del Club ha formulat aquests comptes anuals consolidats tot considerant la totalitat dels principis i normes comptables d'aplicació obligatòria que tenen un efecte significatiu en aquests comptes anuals consolidats. No hi ha cap principi comptable que, sent obligatori, hagi deixat d'aplicar-se.

2.4. Critical aspects of assessment and estimation of uncertainty

In the preparation of the attached consolidated annual accounts, estimates made by the Group's Board of Directors have been used to value some of the assets, liabilities, income, expenses, and commitments that are recorded therein. These estimates refer to:

- The application of the going concern principle (see Note 2.5).
- The assessment of possible impairment loss on certain assets (see Notes 4.1, 4.2, 4.3, 4.6, 4.7 and 4.8), including the impact on the assets affected by the Espai Barça project (see Note 7).
- The useful life of intangible and tangible assets and real estate investments (see Notes 4.1, 4.2 and 4.3).
- The calculation of provisions (see Note 4.12).
- The analysis of the recoverability of the tax assets recorded in the attached consolidated balance sheet based on the future business plan prepared by the Group's Board of Directors (see Note 4.10).
- The recognition of income from sponsorship contracts and audiovisual rights in the corresponding period (see Note 4.11).
- Fair value of financial investments and, particularly, equity-accounted companies (Note 10.3).

Although these estimates have been made based on the best information available at the end of the 2022/23 financial year, given the uncertainty inherent in them, it is possible that events that may take place in the future force them to be amended (upwards or downwards) in the coming years, which would be done, where appropriate, prospectively.

2.5. Going concern

During the current year, the Group has generated a profit of 303,711 thousand euros, which includes profit from non-recurring operations without considering the tax effect, for an amount of 800 million euros.

With the generation of this profit, the consolidated equity at June 30th, 2023, is negative in the amount of 516 thousand euros. Likewise, the consolidated balance sheet at June 30th, 2023, shows a positive working capital amounting to 427,151 thousand euros (a negative working capital of 104,784 thousand euros at June 30th, 2023, without considering the contribution of the Fund's assets and 279,094 thousand euros at June 30th, 2022). These facts could cast significant doubt on the application of the going concern principle.

In this regard, the Group's Board of Directors has considered the following mitigating factors:

- The Group includes current liability, the amount of which on June 30th, 2023, amounts to 139,676 thousand euros (Note 16). These accruals do not imply future financial obligations for the Group, since they are integrated into the consolidated balance sheet as they are invoiced in line with the collection periods established in the contracts and are recognized as income based on their accrual.
- The Group presents a liquid asset projection for the next 12 months that reflects its ability to meet its payment commitments.
- On June 30th, 2022, 10% of the Club's audiovisual rights to the Spanish Professional Football League ("La Liga") were sold to Locksley Invest S.L, in which the Club held a stake of 49%. This operation generated a profit of 267,089 thousand euros in the income statement. On July 21th, 2022, the Club sold the remaining 15% of the Club's audiovisual rights of the professional competition "La Liga" to the same company, generating a profit of 400,412 thousand euros (Note 10.1).
- On July 29th, 2022, 24.5% of Bridgeburg Invest, S.L., a company owned by Barça Produccions, S.L., was sold to Socios Deportes Services, S.L. This operation generated a profit of 100 million euros in the income statement. Likewise, on August 11th, 2022, another 24.5% stake of Bridgeburg Invest, S.L. was sold to Orpheus Media, S.L., which generated a profit of 100 million euros (Note 10.3). Because said subsidiary has come to be classified as an associated company, in application of the accounting framework in force, an adjustment to fair value has been recorded in the consolidation for the purposes of its initial assessment at fair value, for an amount of 208 million euros, which has been recorded under the heading "Shares in profit in companies accounted for by the equity method".
- As stated in Note 7 to the attached consolidated annual accounts, on April 5th, 2014, the "Espai Barça" proposal was approved in a referendum, through which the Club's Board of Directors was entrusted with the execution, among others, of the new Camp Nou project. In this sense, during the third quarter of 2023 and after the financing agreements are satisfactorily completed, the construction works of the new stadium are expected to start, which will force the Club to play the entire next 2023/24 season away from Camp Nou. Although the works will not end until 2026, it is estimated that before November 2024 sports activity can be partly resumed in the new stadium. After its remodeling, according to the estimate made by some external consultants of the Club, it is expected that "Espai Barça" will generate an additional amount of 250 million euros per year in terms of sponsorships, naming rights, ticketing, hospitality, and VIP boxes. Said income, together with a favorable evolution of the Club's sporting results, will have an impact on the increase in its turnover and results for the coming years.
- On May 31th, 2023, the Club signed the definitive financing agreements of the "Espai Barça" project, which demonstrates the confidence of international investors in the Club and the project. The financing has been implemented through the creation of a Securitization Fund called "Espai Barça, Securitization Fund", established on April 24th, 2023, approved by the National Securities Market Commission (Note 14.2).
- On April 21th, 2023, the Club presented a liquid asset plan for the years 2022/23, 2023/24 and 2024/25, which was approved by "La Liga" on June 6th, 2023. This plan is based, among others, in a viability plan that contemplates certain actions to be carried out to improve operating results, based on the generation of new income opportunities and the review of all areas at the Club to identify improvement and decrease of sports and non-sports costs.

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

2.6. Comparison of information

In accordance with commercial legislation, they are presented, for comparative purposes, with each of the consolidated balance sheet items, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement, in addition to the figures of the year ending June 30th, 2023, those corresponding to the previous year. Quantitative information from the previous year is also included, except when an accounting standard specifically establishes that it is not necessary.

The following amounts corresponding to the year ended June 30th, 2022, for the purposes of reflecting the Group's financial investments according to their characteristics and nature, after considering that the Group does not have significant influence and that the shares it holds are of the nature ordinary, have been restated in these consolidated annual accounts in order to make them comparable with the previous year, assuming no impact on the income statement or cash flow statement.

	Thousands of euros	
	Credit	Debit
Equity-accounted shares	-	(63,000)
Equity instruments	63,000	-

2.7. Grouping of items

Certain items in the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement are grouped together to facilitate their understanding, although, to the extent that significant, the disaggregated information has been included in the corresponding explanatory notes.

2.8. Consolidation standards

The main accounting and assessment standards used to prepare the consolidated annual accounts are the following:

Homogenization for assessment

The items of assets and liabilities, income and expenses, and other items in the annual accounts of Group companies are valued using uniform methods and in accordance with assessment policies and standards.

If any item of assets or liabilities, income or expenses, or other item of the consolidated annual accounts have been valued according to non-uniform criteria with respect to those applied in the consolidation, said item is valued again and only for the purposes of the consolidation. In accordance with such criteria, the necessary adjustments will be made, unless the result of the new assessment offers little relevant interest to achieve a true and fair view of the Group.

However, if the Group carries out several activities, so that some are subject to the General Accounting Plan and others to the regulations applicable in Spain to certain companies, or by reason of being an accounting subject, the specific regulations must be respected, explaining in detail the criteria used, notwithstanding that for those criteria that present options, the necessary homogenization of the same must be carried out considering the true and fair view, a circumstance that will motivate homogenizing the operations considering the criterion applied in the annual accounts of the company whose relevance within the Group is greater for said operation.

When the specific regulations do not present options, the criteria applied by said company in its individual accounts must be maintained.

Reserves in companies consolidated by global integration and by the equity method

consolidation purposes, between the date of first consolidation and the beginning of the financial year presented.

Transactions between companies included in the consolidation scope

Eliminations of reciprocal credits and debits and expenses, income and results from internal operations have been made based on what is established in this regard in Royal Decree 1159/2010, of September 17th.

Change in stakes without loss of control

Once control over a subsidiary is obtained, subsequent operations that give rise to a change of the parent company's share in the subsidiary, without loss of control over it, are considered, in the consolidated annual accounts, as an operation with own equity securities, applying the following rules:

1. The amount of goodwill or negative difference recognized is not changed, nor is the amount of other recognized assets and liabilities;
2. The profit or loss that would have been recognized in the individual accounts is eliminated in the consolidation, with the corresponding adjustment to the reserves of the company whose shareholding is reduced;
3. The amounts of "adjustments for changes in value" and "subsidiaries, donations and legacies" are adjusted to reflect the stake in the share capital of the subsidiary held by the Group companies;

4. The participation of external shareholders in the net assets of the subsidiary will be shown based on the percentage of participation that third parties outside the Group have in the subsidiary, once the operation has been carried out, which includes the percentage of participation in the goodwill recorded in the consolidated annual accounts associated with the change that has occurred;
5. The necessary adjustment resulting from points 1), 2) and 3) above will be recorded in reserves.

Loss of control

When control of a dependent company is lost, the following rules are observed:

1. For the purposes of consolidation, the profit or loss recognized in the individual annual accounts is adjusted;
2. If the subsidiary is classified as a multi-group or associated company, the equity method is consolidated and initially applied, considering for the purposes of its initial assessment, the fair value of the share, retained on that date;
3. The participation in the equity of the subsidiary that is retained after the loss of control and that does not belong to the consolidation scope will be valued in accordance with the criteria applicable to financial assets, considering as the initial assessment the fair value in the date on which it ceases to belong to said scope;
4. An adjustment is recognized in the consolidated income statement to show the participation of the external shareholders in the income and expenses generated by the subsidiary in the year up to the date of loss of control, and in the transfer to the income statement recorded in equity.

3. ALLOCATION OF RESULT

The proposal for the allocation of the results of the 2022/23 financial year that will be presented for approval by the General Shareholders' Meeting foresees allocating all of the profit in the amount of 52.3 million euros to increase the Social Fund. Likewise, the profit of the 2021/22 financial year was entirely used to increase the Social Fund.

4. ACCOUNTING AND ASSESSMENT STANDARDS

The main accounting and assessment standards used in the preparation of the consolidated annual accounts, in accordance with those established by the General Accounting Plan, have been the following:

4.1. Intangible assets

Sports intangible assets:

The necessary costs for the acquisition of the federative rights of players to other clubs and the amounts paid of a similar nature are activated in intangible assets and are depreciated on a straight-line basis throughout the duration of the first contract with the player, without considering any residual value. The federative rights of players are recognized as intangible assets when all the significant conditions have been met for the transfer of the player to take place, that is, it is effectively unconditional, which means that there must be a legally binding agreement between the two clubs and between the acquiring club and the player. Likewise, in the event of renewal, depreciation is re-estimated to the new term of the contract prospectively.

The contracts for the acquisition of the federative rights of the players usually include variable remuneration that depends on the sporting performance of the Club and the player himself. These variable payments are recorded when the conditions to which they are subject are met and are depreciated from the registration date until the termination of the current employment contract with the player.

In the case of new contracts or their renewal, the amounts that represent a higher remuneration for the player, such as transfer bonuses or signing bonuses, are considered personnel expenses, notwithstanding the fact that, to the extent that they are pending accrual, they are recorded according to their nature for amounts pending accrual in more than one year under the heading "Non-current trade receivables" and for amounts to be accrued in less than one year under the heading "Trade debtors and other receivables - Sports personnel" of the balance sheet. This same criterion is applied

to the acquisition of the player's or coach's image rights, which will be recorded in the income statement according to their nature as the economic profit derived from the contract is received. Additionally, in the event of early termination or assignment of players, the provisions of the subsequent sections will be applied, allocating the expense or income in the income statement depending on its nature.

In the case of acquiring preferential options for the acquisition of player federative rights or other similar rights, initially the costs are recorded as assets to the extent that there are no reasonable doubts about the exercise of the preferential right or about its possibility of transmission and this right has an economic value. The costs will be depreciated at the time of the definitive acquisition on a straight-line basis depending on the duration of the contract with the Club. Otherwise, the entire amount would be transferred to results.

In the event of early termination of contracts, the outstanding cost is fully depreciated and, together with the corresponding income, is reflected in the income statement. The sale of a player's federative rights is recognized 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 players being loaned, the Group records the cost of the loan, understood as the proportional part of the depreciation of the loan period, in the income statement.

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

Non-sports intangible assets

As a rule, non-sports intangible assets are initially valued at their acquisition price or production cost. Subsequently, they are valued at its cost less the corresponding accumulated depreciation and, where appropriate, any impairment loss they may have experienced. These assets are depreciated based on their useful life.

In relation to software, the Group records in this account the costs incurred in the acquisition and development of computer programs, including the costs of developing websites. Software maintenance costs are recorded in the income statement for the year in which they are incurred. Software is depreciated using the straight-line method over a period of 5 years.

Regarding audiovisual property rights, the Group records in this account the costs incurred in the acquisition and development of series, documentaries, and exclusive content for digital platforms. Audiovisual property rights are depreciated using the straight-line method during the period of temporary assignment of these rights to third parties.

Cryptocurrencies

The Group defines cryptocurrencies as a digital representation of value not issued by a central bank or public authority, but accepted by natural or legal persons as a medium of exchange and that can be transferred, stored, or traded by electronic means and that does not have the legal consideration of currency or money. In this sense, cryptocurrencies have the following characteristics, which determine their accounting treatment according to the purpose for which they are going to be acquired or for which they are controlled:

- a. Do not meet the definition of a financial asset, because they do not grant the right to receive cash or equivalent asset.
- b. They are not a universally accepted means of payment.
- c. They can be a means used to cancel obligations.
- d. They have or may have a speculative use.

For virtual currencies intended for sale in the ordinary course of its operations, the Group applies Accounting and Assessment Standard (NRV) no. 10 "Stocks" of the General Accounting Plan and, and, otherwise, it records them in accordance with the Accounting and Assessment Standard (NRV) no. 6 "Intangible assets".

Impairment of tangible and intangible assets and real estate investments

Whenever there are indications of loss of value, the Group estimates through the so-called "impairment test" the possible existence of value loss that decrease the recoverable value of said assets to an amount lower than their book value. (Notes 5 and 8). The effect of interest rate changes as an indication of impairment has not been considered relevant.

The recoverable amount is determined as the higher of the estimated fair value of realization less costs to sell and the value in use.

The value in use of the players is determined considering the entire first team squad as a single cash-generating unit, since each player does not generate independent cash flows, except in the event of sale.

Because of this, at the end of each year, the Group's Directors commissions appraisals of most of its assets registered under the heading "Real estate investments" to an independent appraiser to verify that the recoverable amount of these assets is greater than or equal to their book value. These appraisals are made considering the current uses of the assets included in this heading.

If an impairment loss of an asset must be recognized, the book value is decreased up to the limit of the highest value among the following: its fair value less costs to sell, its value in use and zero.

When an impairment loss is reversed subsequently, the carrying amount of the asset is increased by the revised estimate of its recoverable amount, but in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized in previous years. This impairment loss reversal is recognized as income.

4.2. Tangible assets

Tangible assets are initially valued at their acquisition price or production cost, which were updated up to 1996 in accordance with what is allowed by current legislation and are subsequently decreased by the corresponding accumulated depreciation and impairment loss, if any, according to the criteria mentioned in Note 4.1.

Additionally, financial expenses accrued during the construction period that are directly attributable to the acquisition or manufacturing of the asset are included, provided that a period greater than one year is required until they are in conditions of use. Indirect taxes levied on tangible assets are only included at the acquisition price or production cost when they are not recoverable directly from the Tax Agency.

The initial estimate of the current value of the obligations assumed arising from the dismantling or removal and others associated with said asset, such as the costs of refurbishment of the place on which it is located, is included as the highest value of the tangible assets, provided that these obligations give rise to the provision register. The costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency, or an extension of the useful life of the assets, are recorded as a major cost. Conservation and maintenance expenses are recorded in the income statement for the year in which they are incurred.

The work conducted by the Group for its own assets is reflected based on the cost price of raw materials and other consumables, the costs directly attributable to these assets, as well as a reasonable proportion of indirect costs.

The heading of tangible assets in progress and advances includes all payments on account incurred before their actual delivery or putting them in conditions of use.

The Group depreciates tangible assets following the straight-line method, applying annual depreciation percentages calculated based on the years of estimated useful life of the respective assets, according to the following breakdown:

	Years of estimated useful life
Stadiums, arenas, and other buildings	25 to 50
Machinery, facilities, and tools	3.3 to 10
Transport equipment	5
Furniture and fixtures	10 to 12.5
Equips per al processament d'informació	4 to 5

4.3. Real estate investments

The real estate investment heading of the balance sheet includes the values of land, buildings and other constructions that are held either to be operated on a rental basis, or to obtain a capital gain on their sale because of increases that may occur in the future in their respective market prices.

These assets are valued in accordance with the criteria stated in Note 4.2, relating to tangible assets.

4.4. Exchange of assets

For the items acquired by exchange, the Group analyzes each operation to define whether the exchange is of a commercial nature or not.

When the exchange is of a commercial nature, the asset received is valued at the fair value of the asset delivered plus, if applicable, the monetary considerations delivered in exchange, unless there is clearer evidence of the fair value of the asset received, in which case it is valued by this last value. The assessment differences that arise when derecognizing the item delivered are recorded in the income statement.

When the exchange is not of a commercial nature, or when it has not been possible to obtain a reliable estimate of the fair value of the items involved in the operation, the asset received is valued at the book value of the asset delivered plus, where appropriate, the monetary compensations delivered.

4.5. Leases

Leases are classified as financial leases whenever it can be deduced from the terms of the leases that substantially all the risks and benefits inherent in ownership of the asset subject to the contract are transferred to the lessee. All other leases are classified as operating leases.

Operating leases

In operating lease agreements in which the Group acts as lessor, income is recorded in the income statement in the year in which it is accrued.

On the other hand, in operating lease agreements in which the Group acts as lessee, the expenses derived from these agreements are recorded in the income statement in the year in which they accrue.

Any collection or payment that could be made when contracting an operating lease will be treated as an advance collection or payment that will be recorded in results throughout the lease period, as the benefits of the leased asset are transferred or received.

4.6. Non-current assets held for sale

The Group classifies under the heading "Non-current assets held for sale" those assets whose book value will be recovered mainly through sale, instead of through continued use, when the following requirements are met:

- Are available in their current condition for immediate sale, subject to the usual and customary terms of sale.
- Its sale is highly probable.

Non-current assets held for sale are valued at the lower of their book value and fair value less costs to sell. These assets are not depreciated and, if necessary, the appropriate value adjustments are made so that the book value does not exceed fair value less costs to sell.

When an asset no longer meets the requirements to be classified as held for sale, it is reclassified in the balance sheet item that corresponds to its nature and is valued at the lower amount, on the date on which the reclassification is appropriate, between its book value prior to its classification as a non-current asset held for sale, adjusted, if applicable, for depreciation and value adjustments that would have been recognized had it not been classified as held for sale, and its recoverable amount, recording any difference in the item of the income statement that corresponds to its nature.

4.7. Instruments financiers

At the time of initial recognition, the Group classifies financial instruments as a financial asset, a financial liability, or an equity instrument, depending on the economic substance of the transaction, and considering the definitions of financial asset, financial liability, and equity instrument according to the financial information framework applicable to it, which has been described in Note 2.1.

The recognition of a financial instrument occurs when the Group becomes an obligated party, either as acquirer, holder, or issuer of the instrument.

Financial assets

The Group classifies its financial assets based on the business model applicable to them and the characteristics of the instrument's cash flows.

The business model is determined by the Group's Management and reflects the way in which they jointly manage each group of financial assets to achieve a specific business objective. The business model that the Group applies to each group of financial assets is the way in which it manages them with the objective of obtaining cash flows.

When categorizing assets, the Group also considers the characteristics of the cash flows into which they are converted. Specifically, it distinguishes between those financial assets whose contractual conditions give rise, on specified dates, to cash flows that are receipts of principal and interest on the amount of the outstanding principal (hereinafter, assets that meet the UPPI criteria), from rest of financial assets (hereinafter, assets that do not meet the UPPI criteria).

Specifically, the Group's financial assets are classified into the following categories:

Financial assets at fair value with changes in the income statement

As a general criterion, the Group classifies its financial assets as financial assets at fair value with changes in the income statement, unless they must be classified in any other heading than those indicated later for them by the applicable financial reporting regulatory framework.

Financial assets held for trading are classified within this heading. The Group considers that a financial asset is held for trading when:

- The are originated or acquired with the purpose of being sold in the short term.
- They are part, at the time of their initial recognition, of a portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain current profit, or
- It is a derivative financial instrument, if it is not a financial guarantee contract, nor has it been designated as a hedging instrument.

In any case, the Group, at the time of initial recognition, classifies within this heading any financial asset that it has designated as a financial asset at fair value with changes in the income statement, since thereby eliminating or significantly reducing an assessment inconsistency or accounting asymmetry that would arise if it was classified in another of the categories.

They are initially recorded at their fair value, which, unless there is evidence to the contrary, will be the transaction price, which is equivalent to the fair value of the consideration delivered. Transaction costs that are directly attributable to them are recognized as an expense in the income statement.

After initial recognition, the Group records the assets included in this heading at fair value, recording the changes in the income statement.

Financial assets at depreciated cost

They correspond to financial assets to which the Group applies a business model whose objective is to receive the cash flows derived from the execution of the contract. The contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely collections of principal and interest, on the amount of the outstanding principal, even though the asset is admitted to trading on an organized market, so they are assets that meet the UPPI criteria (financial assets whose contractual conditions give rise, on specified dates, to cash flows that are receipts of principal and interest on the outstanding principal amount).

The Group considers that the contractual cash flows of a financial asset are only collections of principal and interest on the amount of the outstanding principal, when these are those of an ordinary or common loan, without prejudice to the fact that the operation is agreed to a zero or below market interest rate. The Group considers that they do not meet this criterion, and, therefore, does not classify within this heading, financial assets convertible into equity instruments of the issuer, loans with inverse variable interest rates (that is, a rate that has an inverse relationship with market interest rates); or those in which the issuer can defer the payment of interest if this payment would affect solvency, without the deferred interest accruing additional interest.

When evaluating whether the business model of collecting contractual cash flows is applicable to a group of financial assets, or, on the contrary, another business model is applicable, the Group considers the timing, frequency and the value of sales that are occurring and that have occurred in the past in this group of financial assets.

Sales in themselves do not determine the business model and, therefore, cannot be considered in isolation. Therefore, the existence of specific sales within the same group of financial assets does not determine the change in the business model for the rest of the financial assets included within this group. To evaluate whether sales determine a change in the business model, the Group considers existing information on past sales and expected future sales for the same group of financial assets. The Group also considers the conditions that existed at the time of past sales and current conditions when evaluating the business model applicable to a group of financial assets.

In general, credits for commercial operations and credits for non-commercial operations are included within this heading:

- Credits for commercial operations: those financial assets that originate with the sale of goods and the provision of services for transit operations of the Group for deferred collection.
- Credits for non-commercial operations: those financial assets that, not being equity instruments or derivatives, do not have commercial origin and the collections of which are of a determined or determinable amount, coming from loan and credit operations granted by the Group.

They are initially recorded at the fair value of the consideration given plus the transaction costs that are directly attributable. However, credits for commercial operations with a maturity of no more than one year and that do not have a contractual interest rate are initially valued at their nominal value, provided that the effect of not updating the cash flows is not significant, in which case they will continue to be valued subsequently at this amount, unless they have been impaired. After initial recognition, they are valued at depreciated cost. Accrued interest is recorded in the income statement.

At the end of the financial year, the Group makes the appropriate impairment value corrections, whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar collectively valued risk characteristics, has been impaired as a result of one or more events that occur after initial recognition, which cause a decrease or delay in the collection of estimated future cash flows, which may be caused by the insolvency of the debtor.

Impairment value corrections are recorded based on the difference between their book value and the current value at the end of the year of the future cash flows that are estimated to be generated (including those from the execution of real and/or personal guarantees) discounted at the effective interest rate calculated at the time of initial recognition. For financial assets with variable interest rates, the Group uses the effective interest rate that, in accordance with the contractual conditions of the instrument, should be applied at the year-end date. These corrections are recognized in the income statement.

Financial assets at fair value with changes in equity

This heading includes financial assets that, in accordance with the contractual clauses, on specified dates, generate cash flows that correspond only to receipts of principal and interest on the outstanding principal amount, and are not held for trading, nor are they appropriate to classify them in the heading of “financial assets at depreciated cost”.

Also included within this heading are equity instruments that are not held for trading, and that cannot be classified as financial assets at cost, for which the Group has exercised the irrevocable option at the time of initial recognition to present the subsequent changes in fair value directly into equity.

They are initially recorded at the fair value of the consideration given plus the transaction costs that are directly attributable (including preferential subscription rights and similar rights, which the Group has had to pay or has agreed to pay to acquire control, if applicable, of the asset).

After initial recognition, these assets are valued at their fair value, without considering the transaction costs that the Group could incur in the event of their disposal. Changes in fair value that occur in the financial asset are recorded as an income or expense directly allocated to equity, until it is derecognized or impaired, at which time the amount recognized in equity is allocated to the income statement.

The financial income (calculated using the effective interest rate method) from the interest accrued by the financial instrument is recorded in income statement. Likewise, the dividends generated by the financial asset are recorded as income in income statements, if it is undoubtedly allocating results that it has generated since the Group took control. Otherwise, they are recorded as a lower value of the cost of the asset.

At least at the end of the financial year, the Group makes the necessary value adjustments for impairment, whenever there is objective evidence that the value of a financial asset, or group of financial assets classified in this heading, with similar collectively valued risk characteristics, has been impaired because of one or more events that have occurred since its initial recognition, and that have caused:

- In the case of acquired debt instruments, a decrease or delay in the estimated future cash flows, which are motivated by the insolvency of the debtor; either,
- In the case of investments in equity instruments, the non-recoverability of the asset's book value, evidenced by a prolonged or significant decrease in the fair value. In any case, the Group assumes that the asset has suffered impairment when:
 - There has been a continuous drop in value for a year and a half; either,
 - Forty percent of its listed value, without the recovery of its value having occurred, without prejudice to recognizing an impairment loss in value before either of these two circumstances occurs.

However, the value corrections and the results arising from exchange differences in financial assets denominated in a functional currency other than that of the Group, are recorded in the income statement.

Impairment value corrections are recognized by the difference between their cost or depreciated cost less, where applicable, any value correction for impairment recognized prior to the income statement, and the fair value, at the time the assessment is made.

Accumulated impairment loss recognized in equity due to the decrease in fair value is recognized in the income statement, provided there is objective evidence of impairment.

If the fair value increases in subsequent years, the value correction recognized in previous years will be reverted with a credit to the income statement for the year, unless the increase in fair value corresponds to an equity instrument, and in this case, the value correction recognized in previous years will not be reversed with a credit to the income statement and the increase in fair value will be recorded directly in equity.

In those exceptional cases, in which the fair value of an equity instrument cannot be measured reliably, the expenses and income that have previously been recognized in equity are maintained in equity, until disposal or derecognition of the asset, at which time they are allocated to the income statement, or until one of the following circumstances occurs:

- In the case of prior value adjustments due to revaluations of the asset, the impairment value corrections are recorded in equity up to the amount of the revaluations previously recognized, and the excess, if applicable, is recorded in the income statement. The impairment value correction recorded in equity will not be subject to reversal.
- In the case of prior value adjustments due to value decreases, when the recoverable amount is subsequently higher than the book value of the investments, this is increased, up to the limit of the indicated value decrease, in the heading of equity where the previous value adjustments have been recorded, and from that moment on, the new amount that arises is considered the cost of the investment. However, when there is objective evidence of impairment in the value of the investment, the accumulated loss is recognized in equity in the income statement.

At June 30th, 2023, and 2022, these types of equity instruments do not exist.

Financial assets at cost

The following financial assets are included in this heading:

- Investments in the assets of group, multi-group, and associated companies.
- Remaining investments in equity instruments whose fair value cannot be determined with reference to an active market, or cannot be estimated reliably, and derivatives that have this type of investments as underlying.
- Hybrid financial assets whose fair value cannot be estimated reliably unless they meet the criteria to be classified as a financial asset at depreciated cost.
- Contributions made to joint accounts and similar accounts.
- Participation loans whose interests are contingent, either because a fixed or variable interest rate is agreed conditional on the borrower's achievement of a milestone (due to obtaining profit), or because they are calculated in reference to the evolution of their activity. At June 30th, 2023, and 2022, the Group does not have participation loans.
- Any financial asset, which could initially be classified as a financial asset at fair value with changes in the income statement, when it is not possible to obtain a reliable estimate of the fair value.

They are initially recorded at the fair value of the consideration given plus the transaction costs that are directly attributable. Fees paid to legal advisors or other professionals involved in the acquisition of the asset are recorded as an expense in the income statement.

The expenses generated internally in the acquisition of the asset are also not recorded as a higher value of the asset and are recorded in the income statement. In the case of investments made before they are considered investments in the assets of a group, multi-group, or associated company, the book value immediately before the asset can be in this classification will be considered the cost of such investment.

Equity instruments classified in this heading will be valued at their cost, less, where applicable, the accumulated amount of value adjustments for impairment.

Contributions made because of a joint account contract and similar are valued at cost, increased, or decreased by the profit or loss, respectively, that correspond to the Group as a non-managing shareholder, and less, if applicable, the accumulated impairment value corrections.

This same criterion is applied to participation loans whose interests are contingent, either because a fixed or variable interest rate is agreed upon conditional on the achievement of a milestone in the borrowing company, or because they are calculated exclusively based on the evolution of the activity of said company. If, in addition to contingent interest, it includes irrevocable fixed interest, the latter is accounted for as financial income based on accrual. Transaction costs are recorded in the income statement on a straight-line basis over the life of the participation loan.

At least at the end of the financial year, the Group makes the necessary value corrections whenever there is objective evidence that the book value of an investment is not recoverable.

The amount of the value adjustment is calculated as the difference between the book value and the recoverable amount, understood as the greater amount between the fair value less selling costs and the present value of the future cash flows derived from the investment, which in the case of equity instruments is calculated either by estimating what is expected to be received as a consequence of the allocation of dividends made by the subsidiary and the sale or derecognition instead of the investment, or by estimating the participation in the cash flows that are expected to be generated by the subsidiary, coming from both ordinary activities and from the disposal or derecognition in balances.

The recognition of impairment value corrections and, where applicable, their reversal, will be recorded as an expense or income, respectively, in the income statement. The impairment reversal is limited to the book value of the investment that would be recognized on the date of reversal if the impairment had not been recorded.

However, in cases in which an investment has been made in the Group, prior to its classification as a group, multi-group, or associated company, and prior to this classification, and value adjustments have been recorded in equity derived from this investment, these adjustments are maintained after qualification until the disposal or derecognition of the investment, at which time they are recorded in the income statement, or until the following circumstances occur:

- In the case of prior value adjustments due to revaluations of the asset, the impairment value corrections are recorded in equity up to the amount of the revaluations previously recognized, and the excess, if applicable, is recorded in the income statement. The impairment value correction recorded in equity will not be subject to reversal.
- In the case of prior value adjustments due to value decreases, when the recoverable amount is subsequently higher than the book value of the investments, this is increased, up to the limit of said value decrease, in equity where the previous value adjustments have been recorded, and from that moment on, the new amount that arises is considered the cost of the investment. However, when there is objective evidence of impairment in the value of the investment, the accumulated loss recorded directly in equity is recognized in the income statement.

The assessment criteria for investments in the equity of group, multi-group, and associated companies are detailed in the following section:

Investments in the equity of group, multi-group, and associated companies

Group companies are considered those linked to the Club by a control relationship and associated companies are those over which the Group exercises significant influence. Additionally, the category of multi-group companies includes those companies over which, by virtue of an agreement, joint control is exercised with one or more shareholders. These investments are initially valued at cost, which is equivalent to the fair value of the consideration given plus the transaction costs that are directly attributable to them.

In those cases, in which the Club has acquired shares in group companies, through a merger, spin-off or through a non-monetary contribution, if these give it control of a business, it values the stake following the criteria established by the regulations for transactions with related parties, established by section 2 of NRV no. 21 'Operations between group companies', by virtue of which, these must be valued by the values contributed to the given annual accounts, prepared under the criteria established by the Commercial Code, of the larger group or subgroup in which the acquired Club is integrated, whose parent company is Spanish.

In the event of not having specific annual accounts, prepared under the principles established by the Commercial Code, in which the parent company is Spanish, they will be integrated by the value contributed by the shares mentioned in the individual annual accounts of the contributing company.

Its subsequent assessment will be carried out at cost, decreased, if applicable, by the accumulated amount of impairment value corrections. These corrections are calculated as the difference between its book value and the recoverable amount, understood as the greater amount between the fair value, less selling costs, and the present value of the expected future cash flows of the investment. Unless there is better evidence of the recoverable amount, and for possible purposes of indications of impairment, the equity of the investee company will be considered, corrected by the tacit capital gains existing at the date of the assessment.

If the investee company participates at the same time in another, the equity that emerges from the given annual accounts is considered.

Changes in value due to impairment value corrections and, where applicable, their reversal, are recorded as an expense or income, respectively, in the income statement.

Derecognition of financial assets

Framework, of the General Accounting Plan, approved by Royal Decree 1514/2007, of November 16th, considering the economic reality of the transactions and not only to the legal form of the contracts that regulate it. Specifically, the derecognition of a financial asset is recorded, in whole or in part, when the contractual rights to the cash flows of the financial asset have expired or when they are transferred, provided that this transfer substantially transfers the risks and benefits inherent to the ownership of the financial asset.

The Group understands that the risks and benefits inherent to the ownership of the financial asset have been substantially transferred when its exposure to the change in cash flows is no longer significant in relation to the total change in the present value of the net future cash flows associated with the financial asset.

If the Group has not transferred or retained substantially the risks and benefits of the financial asset, it is derecognized when its control is not retained. If the Group holds control of the asset, it continues to recognize it for the amount to which it is exposed due to changes in the value of the transferred asset, that is, for its continued involvement, recognizing the associated liability.

The difference between the consideration received net of attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying amount of the financial asset transferred, plus any accumulated amount that has been recognized directly in equity, determines the profit or loss arising from derecognizing the financial asset and forms part of the result of the year in which it occurs.

The Group does not derecognize financial assets in transfers in which it retains substantially the risks and benefits inherent to its ownership, such as the discounting of bills, recourse factoring operations, sales of financial assets with a repurchase agreement to a fixed price or the sales price plus interest and totalizations of financial assets in which companies retain subordinated financing or other types of guarantees that absorb substantially all expected loss. In these cases, the Group recognizes a financial liability for an amount equal to the consideration received.

Reclassification of financial assets

Club reclassifies a financial asset when the business model applied changes. The Group considers that there is no reclassification and, therefore, does not apply the following policies in the following cases:

- A hedging instrument designated and effective in a cash flow hedge or in a hedge of the net investment in a foreign business that no longer meets the requirements established by the applicable financial reporting regulatory framework for its consideration as such.
- When a financial asset becomes a designated and effective hedging instrument in a cash flow hedge or hedge of the net investment in a foreign business.

The Group records reclassifications prospectively from the reclassification date, in accordance with the following criteria:

Reclassification of financial assets at depreciated cost to the heading of financial assets at fair value with changes in the income statement and, vice versa

When the Group reclassifies a financial asset from the heading of assets at depreciated cost to that of fair value with changes in the income statement, it records it at fair value on the date of reclassification.

Any loss or profit arising from the difference between the previous depreciated cost of the financial asset and the fair value is recognized in the income statement.

On the contrary, when the Group reclassifies a financial asset from the heading of assets at fair value through income statement to that of assets at depreciated cost, the fair value on the date of reclassification becomes the new book value.

Reclassification of financial assets at depreciated cost to the heading of financial assets at fair value with changes in equity and, vice versa

When the Group reclassifies a financial asset from the heading of assets at depreciated cost to that of fair value with changes in equity, it records it at fair value on the date of reclassification. Any loss or profit that arises due to the difference between the previous depreciated cost of the financial asset and the fair value is recognized directly in equity. The effective interest rate is not adjusted because of the reclassification.

On the contrary, when the Group reclassifies a financial asset from the heading at fair value with changes in equity to that of depreciated cost, it is recorded at its fair value on this date. Accumulated profit and loss in equity are adjusted in the fair value of the financial asset at the reclassification date. As a result, the financial asset is valued on the reclassification date as if it had been measured at depreciated cost since initial recognition.

Reclassification of financial assets at fair value with changes in the income statement in the heading of financial assets at fair value with changes in equity and, vice versa

When the Group reclassifies a financial asset from fair value through income statement to fair value through equity, the financial asset continues to be recorded at fair value.

On the contrary, when the Group reclassifies a financial asset from the heading of fair value with changes in equity to that of fair value with changes in the income statement, the financial asset continues to be recorded at fair value, but the profit or loss accumulated directly in equity is recorded in the income statement on that date.

Reclassification of investments in equity instruments valued at cost in the heading of financial assets at fair value through the income statement and, vice versa

When an investment in the equity of a group, multi-group, or associated company must no longer be classified as such, the financial investment held in this company is reclassified in the heading of financial assets at fair value with changes in the income statement provided that the fair value of the shares can be estimated reliably, unless the Group chooses at that time to include the investment in the heading of financial assets at fair value through changes in equity.

In this case, its fair value is measured on the date of reclassification, recognizing any profit or loss that arises, due to the difference between the book value of the asset prior to reclassification and the fair value, to the income statement, unless such Company exercises said option, in which case the difference recorded directly in equity. This same criterion is applied to investments in other equity instruments that can be valued reliably.

On the contrary, if the fair value of an equity instrument is no longer reliable, the fair value on the reclassification date becomes the new book value.

Financial liabilities:

A financial liability is recognized on the balance sheet when the Group becomes an obligated party to the contract or legal transaction in accordance with its provisions. Specifically, the financial instruments issued are classified, in whole or in part, as a financial liability, provided that, in accordance with their economic reality, they entail for the Group a contractual obligation, direct or indirect, to deliver cash or another financial asset or of exchanging financial assets or liabilities with third parties under unfavorable conditions.

Any contract that may be settled with the Group's own equity instruments is also classified as a financial liability, provided that:

- It is not a derivative nor does it require or may require the delivery of a variable amount of its own equity instruments.
- If it is a derivative with an unfavorable position for the Group, which can be settled through a form other than the exchange of a fixed amount of cash or another financial asset for a fixed amount of the Group's equity instruments; For these purposes, those that are, in themselves, contracts for the future receipt or delivery of the Group's own equity instruments are not included among the equity instruments.

Additionally, the rights, options or warrants that allow obtaining a fixed number of the Group's own equity instruments are registered as equity instruments, provided that the Group offers these rights, options, or warrants proportionally to all the members of the Group and the same class of equity instruments. However, if the instruments grant the holder the right to settle them in cash or by delivering equity instruments based on their fair value or at a fixed price, these are classified as financial liabilities.

Contributions made because of a joint account contract and similar are valued at cost, increased, or decreased by the profit or loss, respectively, that correspond to the Group as a non-managing shareholder, and less, if applicable, the accumulated impairment value corrections. In this case, when the entire cost of the joint account has been impaired, the additional loss that it generates will be classified as a liability.

Participation loans that accrue contingent interest are recorded in the same way, either because a fixed or variable interest rate is agreed upon conditional on the fulfillment of a milestone for the borrowing company (for example, obtaining profit), or because are calculated exclusively by reference to the evolution of the activity of said company. The financial expenses accrued by the participation loan are recognized in the income statement in accordance with the accrual principle, and the transaction costs will be allocated to the income account in accordance with a financial criterion or, if not applicable, linearly throughout the life of the participation loan.

In those cases, in which the Group does not transfer the risks and benefits inherent to a financial asset, it recognizes a financial liability for an amount equivalent to the consideration received.

The categories of financial liabilities, among which the Group classifies them, are the following:

- Financial liabilities at depreciated cost
- Financial liabilities at fair value with changes in the income statement

Financial liabilities at depreciated cost

In general, the Group classifies the following financial liabilities within this heading:

- Debts from commercial operations: these are financial liabilities that originate from the purchase of goods and services through traffic operations with deferred payment, and
- Debts from non-commercial operations: these are financial liabilities that, despite not being derivative financial instruments, do not have commercial origin, but come from loan or credit operations received by the Group.

Participation loans that have ordinary or common loan characteristics are also classified within this heading.

Additionally, all financial liabilities that do not meet the criteria to be classified as financial liabilities at fair value with changes in the income statement are classified within this heading.

Financial liabilities at depreciated cost are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs.

However, debts for commercial operations with a maturity of no more than one year and that do not have a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, are initially valued at their nominal, provided that the effect of not discounting cash flows is not significant.

They are subsequently valued at their depreciated cost, using the effective interest rate. Those that, in accordance with what was mentioned in the previous paragraph, are initially valued at their nominal value, continue to be valued at this amount.

Financial liabilities at fair value with changes in the income statement

The Group classifies in this heading financial liabilities that meet the following conditions:

- They are financial liabilities held for trading. A financial liability is held for trading when:
 - It is issued or assumed for the purpose of repurchasing it in the short term.
 - It is part, at the time of initial recognition, of a portfolio of financial instruments identified and managed jointly for which there is evidence of recent actions to obtain profit in the short term, or
 - It is a derivative financial instrument, if it is not a financial guarantee contract, nor has it been designated by the Group as a hedging instrument.
- Financial liabilities that the Group has irrevocably designated, upon initial recognition, as financial liabilities at fair value with changes in the income statement, since:
 - The accounting asymmetry with other instruments at fair value with changes in the income statement is eliminated or significantly decreased; either

- The Group manages and evaluates performance based on the fair value of a group of financial liabilities and financial assets and liabilities in accordance with a documented risk management or investment strategy.
- Hybrid financial liabilities that the Group irrevocably designates, since:
 - The embedded derivative does not significantly affect the cash flows that the instrument would otherwise have generated; either
 - When first considering the hybrid instrument, be clear that separation of the embedded derivative(s) is not permitted (e.g., a prepayment option embedded in a loan that allows the holder to repay the loan early at approximately depreciated cost).

The Group initially values these financial liabilities at fair value. Transaction costs that are directly attributable to the instrument are recorded in the income statement of the year in which they accrue.

After initial recognition, these financial liabilities are recorded at fair value, recording value changes in the income statement.

Derecognition of financial liabilities

The Group derecognizes a financial liability when the obligation has been extinguished. The Group also derecognizes its own financial liabilities that it acquires (even if it is with the intention of selling them in the future).

When an exchange of debt instruments occurs with a lender, provided they have substantially different conditions, the original financial liability is recorded and the new financial liability that arises is recognized. Similarly, a substantial change of the current conditions of a financial liability is recorded.

The difference between the book value of the financial liability, or the part thereof that has been derecognized, and the consideration paid, including attributable transaction costs, and which also includes any transferred asset other than cash or liability assumed, is recognized in the income statement of the year in which it occurs.

When an exchange of debt instruments that do not have substantially different conditions occurs, the original financial liability is not derecognized from the balance sheet and the amount of commissions paid is recorded as an adjustment to the book value. The new depreciated cost of the financial liability is determined by applying the effective interest rate, which is the one that equates the book value of the financial liability at the date of amendment with the cash flows that must be paid under the new conditions.

For these purposes, the conditions of the contracts are considered to be substantially different when the lender is the same as the one that granted the initial loan and the present value of the cash flows of the new financial liability, including net commissions, differs by at least one 10% of the current value of the cash flows pending payment of the original financial liability, both discounted to the effective interest rate of the original liability.

Additionally, the Group, in those cases in which this difference is less than 10%, also considers that the conditions of the new financial instrument are substantially different, when there are other types of substantial changes of a qualitative nature, such as: change from a fixed interest rate to a variable interest or vice versa, the re-expression of the liability in a different currency, an ordinary loan that becomes a participation loan, etc.

The Group accounts for the effects of the approval of a creditors' agreement in the year that is judicially approved if its compliance is rationally foreseen. To this end, the Group registers this approval in two stages:

- First, it analyzes whether there has been a substantial change in the conditions of the debt, therefore it discounts the cash flows of the former and the new using the initial interest rate, and later, if this is the case (if the change is substantial),
- It records the derecognition of the original debt and recognizes the new liability at its fair value (which implies that the interest expense on the new debt is recorded from that moment on applying the market interest rate on that date).

Bonds delivered and received

The difference between the fair value of the bonds delivered and received and the amount disbursed or collected is considered an advance payment or collection for the operating lease or the provision of the service, which is recorded in the income statement during the period of the lease or during the period in which the service is provided.

When it comes to current bonds, cash flow discounting is not carried out since its effect is not significant.

4.8. Stocks

Stocks are valued at acquisition price. The acquisition price includes the amount invoiced by the seller, after deducting any discount, price reduction or other similar items, and all additional expenses incurred until the goods are located for sale, such as transportation, insurance and others directly attributable to the acquisition of stocks.

Given that the Group's stocks do not require a period greater than one year to be ready to be sold, no financial expenses are included in the acquisition price.

The Group uses the weighted average cost to assign the value of stocks.

When the net realizable value of the inventories is lower than their acquisition price, the appropriate value corrections are made, recognizing them as an expense in the consolidated income statement.

4.9. Transactions in foreign currencies

The functional currency used by the Group is the euro. Consequently, operations in currencies other than the euro are considered denominated in foreign currency and are recorded according to the exchange rates in force on the dates of the operations.

At year-end, monetary assets and liabilities denominated in foreign currency are exchanged by applying the exchange rate at the balance sheet date. The profit or loss revealed are recorded in the income statement of the year in which they occur.

4.10. Corporate tax

At the financial year that begins on July 1st, 2018, the Club, and the subsidiary Barça Licensing and Merchandising, S.L.U. have paid corporate tax under the tax dation regime, with the Club being the head of the tax group with identification number 568/18. On June 26th, 2018, the Club notified the Tax Agency of the constitution of said tax group. At the 2020/21 financial year, the group no longer pays taxes in accordance with the special corporate tax regime.

The corporate tax expense or income includes the part related to the current tax expense or income and the part corresponding to the deferred tax expense or income.

The current tax is the amount that the Club pays because of the tax settlements of the corporate tax relating to a financial year. Reductions and other tax advantages in the tax payment, excluding withholdings and payments on account, as well as compensable tax loss from previous years and effectively applied in this one, give rise to a lower amount of current tax.

Deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include temporary differences that are identified as those amounts that are expected to be payable or recoverable derived from the differences between the book amounts of assets and liabilities and their tax value, as well as negative tax bases pending compensation and credits for tax reductions not applied. These amounts are recorded by applying to the temporary difference or credit that corresponds the type of lien to which they are expected to be recovered or settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except those derived from the initial recognition of goodwill or other assets and liabilities in a transaction that does not affect either the tax result or the accounting result and is not a business combination.

For their part, deferred tax assets are only recognized to the extent that it is considered probable that the Group will generate future tax profit to make them effective.

Deferred tax assets and liabilities, arising from operations with direct debits or credits recorded in equity items, are also recorded in equity.

At each accounting closing, the recorded deferred tax assets are reconsidered, and the appropriate corrections are made to the extent that there are doubts about their future recovery. Likewise, at each closing, deferred tax assets not recorded in the balance sheet are evaluated and these are recognized to the extent that their recovery with future tax benefits becomes probable.

4.11. Income and expenses

Income comes mainly from audiovisual rights and sponsorship contracts, membership fees, season-ticket holders, as well as the sale of tickets and other related services.

To determine whether income needs to be recognized, the Company follows a five-step process:

1. Identification of the contract with a customer.
2. Identification of performance obligations.
3. Determination of the transaction price.
4. Allocation of transaction price to performance obligations.
5. Income recognition when performance obligations are met.

In all cases, the total transaction price of a contract is allocated among the several performance obligations based on their relative independent sales prices. The transaction price of a contract excludes any amounts collected on behalf of third parties. Income is recognized at a point in time or over time, when (or as) the Club satisfies performance obligations by transferring promised goods or services to its customers. The obligations of the Club correspond to those inherent to the nature of the income to which they correspond.

Income from TV broadcasting rights and other compensation for participation in a competition that are fixed compensations are recorded on a straight-line basis as the corresponding matches are held during the season. These correspond to the obligation of the corresponding Company to assign, according to the clauses of the contracts, the corresponding audiovisual rights. Likewise, in the case of income from TV broadcasting rights and/or any consideration for participation in a competition that are variable considerations and that depend on certain conditions to be completed by the Club, they are recorded at the time the fulfillment of these occur.

Income from sponsorship contracts that are fixed consideration is recorded proportionately over the period covered by the sponsorship rights contract. In the case of variable consideration that depends on certain conditions to be completed by the Club, they are recorded at the time the conditions are fulfilled.

Given that these are related to sports results, it is at this moment when it is considered that they can be estimated reliably and not before.

The collection of previous income is carried out according to the conditions of the contracts, normally, before its accrual, recording the unearned amount under the heading "Non-current and current accruals" of the attached balance sheet.

Income from members and season-ticket holders is recorded on a straight-line basis during the season. Payment for these is normally made before the start of the season. The Club's obligations in this regard are detailed within the Club's bylaws, with one of the Club's main obligations being to allow attendance at sporting events organized by the Club as well as other related services.

Income from tickets or similar is recorded at the time of the corresponding match or event. The Club's obligations are included in the general conditions, and there is no refund, for example, once the title or ticket has been acquired. Payment is made in cash.

The Club's Board of Directors considers that the criterion of linearizing the income that accrues over time, considering the duration of the season, allows the fair view of the Club to be adequately displayed.

Additionally, the Club is the owner of the rights to the intellectual property of the Club's brand image. The Company recognizes the income from the license rights granted on the intellectual property, as a right of use, since the right granted on the intellectual property to the customer allows its use in the conditions in which the intellectual property is found in the at the time of the sale, and the customer does not expect the Club to make substantial changes to it, which are necessary and precise so that it can benefit from the same. Therefore, the Club recognizes the income at a specific moment in time and not before the beginning of the period in which the customer has the capacity to make use of the intellectual property right.

Expenses are allocated based on the accrual criterion, that is, when the actual flow of goods and services that they represent occurs, regardless of the moment in which the monetary or financial flow derived from them occurs.

Expenses are valued at the fair value of the consideration received, deducting discounts and taxes.

4.12. Provisions and contingent liabilities

The Club's Board of Directors, in the preparation of the consolidated annual accounts, differentiates between:

1. Provisions: credit balances that cover current obligations derived from past events, the cancellation of which is likely to give rise to an outflow of resources, but which are indeterminate as to their amount and/or timing of cancellation.
2. Contingent liabilities: possible obligations arising because of past events, whose future materialization is conditional on the occurrence or non-occurrence of one or more future events independent of the Club's will.

The consolidated annual accounts include all provisions with respect to which it is estimated that the probability that the obligation will have to be met is greater than otherwise. Contingent liabilities are not recognized in the consolidated annual accounts but are reported on in the notes to the same, to the extent that they are not considered remote.

The provisions are valued at the current value of the best possible estimate of the amount necessary to cancel or transfer the obligation, considering the information available about the event and its consequences, and recording the adjustments that arise from updating said provisions as an expense as it accrues. When the financial effect is not significant, no discount is carried out.

The Club's Board of Directors is responsible for estimating and quantifying the risks related to possible provisions to be recorded or contingent liabilities to be reported. To estimate and quantify these risks, the Club relies, among others, on the assessment made by its lawyers and other advisors.

4.13. Compensation for dismissal, end of contract and others

In accordance with current legislation, the Group is obliged to pay compensation to those employees with whom, under certain conditions, it terminates its labor relations. Therefore, severance payments that can be reasonably quantified are recorded as an expense in the year in which the decision is made and a valid expectation is created for third parties about the dismissal.

The Club has signed contracts with players that provide for the payment of premiums for the termination of the contract if a series of conditions are met. These premiums are recorded on a straight-line basis as an expense throughout the term of the contract.

Likewise, there are commitments with certain players that are linked to their development and other external factors, which are recorded at the time they are achieved.

4.14. Environmental assets

Assets of an environmental nature are those are used on a non-current basis in the Group's activity, the main purpose of which is to minimize environmental impact and protect and improve the environment, including the reduction or elimination of future pollution. The Group's activity by its nature does not have a significant environmental impact.

4.15. Pension commitments

The Group recognizes the cost of bonds for pensions or retirement awards based on their accrual.

The cost of the commitments for retired personnel, which consists of a supplement to Social Security pensions as well as the cost corresponding to accrued retirement premiums, is externalized in a defined benefit group.

Pension commitments for active personnel are part of a pension plan with defined contributions to BS Pentapensión Empresa, F.P. Pension Fund. and Fonsolbank F.P. The contributions made to the Pension Fund during the 2022/23 financial year have been 1,370 thousand euros (1,384 thousand euros in the 2021/22 financial year). These contributions are recorded in the consolidated income statement within the heading "Personnel expenses".

4.16. Criteria for the registration and assessment of personnel expenses

In accordance with the rules for preparing budgets of the Clubs and Sports Public Limited Companies of the Spanish Professional Football League, personnel expenses will be presented following these assessment criteria:

Non-sports (or structure) personnel expenses

The following categories are distinguished:

- Technical non-sports personnel: sports manager, technical secretary, representative, physiotherapists, and equipment managers.
- Other non-sports personnel: other personnel related to the Group through an employment contract, including management personnel, administration personnel, security and access, marketing, communication, maintenance, and others.

Sports personnel expenses

Als efectes de presentació en aquesta memòria consolidada, la despesa en concepte de plantilla esportiva inclou tota mena de contraprestacions (sous, salaris, indemnitzacions, retribucions en espècie, etc.), així com la Seguretat Social a càrrec de l'empresa, primes col·lectives i altres. En cas de jugadors rebuts o entregats en cessió, s'inclouen totes les despeses i ingressos derivats de la citada cessió.

A distinction will be made between:

- Expenses of the squad to be registered in the Spanish Professional Football League:

The squad to be registered in the Spanish Professional Football League is made up of the players linked to the Club through a labor contract attached to the first team, that is, numbers from 1 to 25, both inclusive, and those not attached to the squad; as well as the coach, assistant coach, and trainer of the first team.

- Expenses of the squad not to be registered in the Spanish Professional Football League:

The squad not to be registered in the Spanish Professional Football League is made up of players linked to the Club through an employment contract of any other nature, assigned to the rest of the teams and dependent of any category, coaches, assistant coaches and trainers of the respective teams.

4.17. Grants, donations, and legacies

The Group records the grants received according to the following criteria:

Non-refundable grants

They are initially recorded as income directly allocated to equity, being recognized in the income statement as income on a systematic and rational basis in a correlation with the expenses derived from the grant in accordance with the criteria described below:

- They are allocated as income for the year if they are granted to ensure minimum profitability or compensate for operating deficits.
- If they are used to finance operating deficits in future years, they are allocated as income for these years.
- If they are granted to finance specific expenses, the allocation is made as the subsidized expenses are reported.
- Monetary amounts received without assignment to a specific purpose are allocated as income in the year.
- If they are granted to cancel debts, they are allocated as income for the year in which said cancellation occurs, unless it is granted in relation to specific financing, in which case the allocation is made based on the subsidized item.
- If they are granted for the acquisition of assets or stocks, they are recorded in results in proportion to the depreciation or, where applicable, when their disposal occurs, impairment value correction or derecognition from the balance sheet.

Reimbursable grants

They are recorded as liabilities of the Club until they become non-refundable. Non-refundable grants, donations and legacies received from shareholders or owners are recorded directly in equity, regardless of the type of grant, donation, or legacy in question.

4.18. Non-current and current accruals

Amounts received pending recognition as income in the income statement, mainly in relation to TV and sponsorship contracts and membership fees, are recorded in the headings "Non-current accruals" or "Current accruals", depending on the term of registration in results. These amounts, which do not have future financial bonds, are recognized as income in the corresponding years (accrual principle).

4.19. Current / non-current classification

Current assets are those linked to the normal operating cycle, which is generally considered to be one year, as well as other assets whose expiration, sale or realization is expected to occur in the short term from the closing date of the period, assets held for trading, except for financial derivatives whose settlement period is greater than one year and cash and other equivalent liquid assets. Assets that do not meet these requirements are classified as non-current.

In the same way, current liabilities are those linked to the normal operating cycle, financial liabilities held for trading, except for financial derivatives whose settlement period is greater than one year and, in general, all bonds whose maturity or extinction will occur in the short term. Otherwise, they are classified as non-current.

4.20. Transactions with related parties

The Group carries out all its operations with related parties at market values. Additionally, the transfer prices are adequately supported, so the Club's Board of Directors considers that there are no significant risks in this regard from which significant liabilities may arise in the future.

4.21. Assessment of segmented information

At June 30th, 2023, and 2022, the Group segments its activity into the 8 sports sections it has, and into non-sports activity as stated in Appendix I of the attached consolidated annual accounts.

4.22. Cash flow statement

In the cash flow statement, prepared according to the indirect method, the following expressions are used in the following senses:

1. Cash flow: inflows and outflows of cash and its equivalents; these are understood to be current investments with great liquidity and low risk of changes in their value.
2. Operating activities: normal activities of the Club, as well as other activities that cannot be classified as investment or financing.
3. Investment activities: the acquisition, sale, or disposal by other means of non-current assets and other investments not included in cash and equivalent liquid assets.
4. Financing activities: activities that produce changes in the size and breakdown of equity and liabilities that are not part of operating activities.

4.23. Registration and assessment of "Espai Barça, Fons de Titulització"

The main registration and assessment standards used by the aforementioned Securitization Fund (Note 1.2) in the preparation of the consolidated annual accounts for this year in accordance with the regulatory framework of financial information indicated in Note 2.1 to the attached consolidated annual accounts, have been the following:

Recognition of income and expenses

Income and expenses are recorded based on their accrual period regardless of when they are collected or paid.

Establishment expenses

These are all those costs incurred by the Fund, whether due to its establishment, the acquisition of its financial assets or the issuance of its financial liabilities.

In accordance with Notice 2/2016, these expenses will be recorded in the income statement for the year in which they occur.

Financial assets

Financial assets are classified on the balance sheet according to the following criteria:

Loans and receivables, which include financial assets that, not being equity instruments or derivatives, whose collections are of a determined or determinable amount and are not traded in an active market. Those financial assets for which the holder may not recover substantially all of the initial investment, due to circumstances other than credit impairment, will not be included. The securitized assets available to the Fund at any given time will be included in this heading. Financial assets will be initially valued, in general, at their fair value.

Loans and receivables will subsequently be valued at their depreciated cost. The accrued interest will be recorded in the income statement applying the effective interest rate method.

Depreciated cost means the acquisition cost of a financial asset corrected by principal repayments and the part recorded in the income statement, using the effective interest rate method, of the difference between the initial cost and the corresponding redemption value at maturity and less any reduction in value due to impairment recognized directly as a decrease in the amount of the asset or through an adjustment for its value. If they are covered in fair value hedging operations, those changes that occur in their fair value related to the risk or risks covered in said hedging operations are recorded.

The effective interest rate is the discount rate that exactly equates the value of a financial instrument with the estimated cash flows over the expected life of the instrument, based on its contractual conditions, such as early depreciation options, but without considering future credit risk losses. For financial instruments with a fixed interest rate, the effective interest rate coincides with the contractual interest rate established at the time of their acquisition plus, where applicable, commissions that, due to their nature, are comparable to an interest rate. In financial instruments with variable interest rates, the effective interest rate coincides with the current rate of return for all items until the first review of the reference interest rate that is to take place.

Changes in the book value of financial assets are generally recorded in the income statement, differentiating between those that have their origin in the accrual of interest and similar items, which are recorded in the heading "Interest and similar income", and those corresponding to other causes, which are recorded, for their net amount, in the heading "Results from financial operations" of the income statement.

In operations with periodic depreciation installments, the first due date, for the purposes of classifying operations in this heading, will be the one corresponding to the oldest installment for which, on the balance sheet date, any amount remains unpaid, principal or interests.

The extension or re-instrumentation of the operations does not interrupt their delinquency, nor will it produce reclassification, unless there is reasonable certainty that the debtor can meet its payment on the planned schedule or new effective guarantees are provided that fully cover the risk they guarantee. In both cases, ordinary interest pending collection is collected, without considering late payment interest.

Financial liabilities

Financial liabilities are classified on the balance sheet according to the following criteria:

Debts and payables that correspond mainly to those financial liabilities issued by the Fund, in order to finance the acquisition of financial assets, that is, obligations, bonds and securitization notes issued by the Fund. Additionally, debts with finance companies that have been contracted for the purpose of financing the Fund's activity will be recorded in this heading, such as subordinated loans granted to the Fund by the Assignor of the assets, as well as any disposition made on credit lines granted to the Fund.

Financial liabilities are initially recorded at fair value, as defined for financial assets.

Financial liabilities included in the heading “Debts and payables” will subsequently be valued at their depreciated cost. The accrued interest will be recorded in the income statement, applying the effective interest rate method.

Notwithstanding the foregoing, debts with a maturity of no more than three months that, in accordance with the provisions of the previous section, are initially valued at their nominal value, will continue to be valued at said amount.

Changes in the book value of financial liabilities are generally recorded in the income statement, differentiating between those that have their origin in the accrual of interest and similar items, which are recorded in the heading “Interest and similar charges”, and those corresponding to other causes, which are recorded, for their net amount, in the heading “Results from financial operations” of the income statement.

Financial derivatives and hedge accounting

Financial derivatives are instruments that, in addition to providing a loss or profit, can allow, under certain conditions, to offset all or part of the credit and/or market risks associated with balances and transactions, using interest rates as underlying elements, certain indices, the prices of some securities, the cross exchange rates of different currencies or other similar references.

Financial Derivatives are used to manage the risks of the Fund’s own positions, hedging derivatives, or to benefit from changes in their prices. Financial derivatives that cannot be considered hedging are considered trading derivatives.

Instruments that can be designated as hedging instruments are derivatives whose fair value or future cash flows offset changes in the fair value or future cash flows of items that meet the requirements to be classified as hedging instruments. Hedging operations will be classified into the following categories:

- Fair value hedge: covers the exposure to changes in the fair value of recognized assets or liabilities or firm commitments not yet recognized, or of a specific part thereof, attributable to a particular risk that may affect the income statement. Changes in value of the hedging instrument and the hedged item attributable to the hedged risk will be recognized in the income statement.
- Cash flow hedge: covers exposure to changes in cash flows that are attributed to a specific risk associated with recognized assets or liabilities or a highly probable forecast transaction, provided that it may affect the income statement. The exchange rate risk hedge of a firm commitment can be accounted for as a cash flow hedge. The part of the profit or loss on the hedging instrument that has been determined to be an effective hedge will be recognized in the income statement and expenses with a positive sign, fair value in favor of the Fund, or negative, fair value against the Fund, being transferred to the income statement in the year or years in which the planned hedged transaction affects the result.

At June 30th, 2023, the Fund has only entered into cash flow hedging operations.

The effectiveness of the hedging of derivatives defined as hedging is duly documented, verifying that the differences produced by market price changes between the hedged item and its hedging remain within reasonable parameters throughout the life of the operations, thus complying with the forecasts established at the time of contracting.

A hedge is considered highly effective if, at inception and during its life, the Fund can expect, prospectively, that changes in the fair value or cash flows of the hedged item that are attributable to the hedged risk will be almost completely offset by changes in the fair value or cash flows of the hedging instrument, and that, retrospectively, the results of the hedge have fluctuated within a range of change of eighty to one hundred and twenty-five percent with respect to the result of the hedged item. When at some point this relationship is no longer met, hedging operations would no longer be treated as such and would be reclassified as trading derivatives.

The adjustments derived from the change in fair value of the instruments designated as accounting hedges of cash flows will be included in the heading “Adjustments to recognized income and expenses” with the corresponding sign.

Impairment of the value of financial assets

The book value of financial assets is generally corrected with a charge in the income statement when there is objective evidence that an impairment loss has occurred.

In the case of debt instruments, understood as securitized assets and debt securities, impairment exists when an event occurs after their initial recognition, or the combined effect of several events occurs that has a negative impact on their future cash flows.

As a general rule, the impairment correction of the book value of financial instruments is carried out in the income statement for the period in which such impairment occurs and the recovery of the impairment losses previously recorded, if applicable, it is recognized in the income statement of the period in which the impairment is eliminated or reduced. If the recovery of any amount due to recorded impairment is considered remote, it is eliminated from the balance sheet, although the necessary actions can be conducted to try to obtain its collection until its rights have been definitively extinguished by prescription, condonation, or other causes.

In the case of debt instruments valued at depreciated cost, the amount of impairment losses incurred is equal to the negative difference between their book value and the present value of their estimated future cash flows.

The estimated future cash flows of a debt instrument are all amounts, principal, and interest, that the Fund estimates it will earn over the life of the instrument. This estimate considers all the relevant information that is available on the date of preparation of the financial statements, which provides data on the possibility of future collection of contractual cash flows. Likewise, in the estimation of the future cash flows of instruments that have real guarantees, the flows that would be obtained from their realization are considered, less the amount of the costs necessary to obtain them and subsequent sale, regardless of the probability of the execution of the guarantee.

In the calculation of the present value of the estimated future cash flows, the original effective interest rate of the instrument will be used as the update rate, if its contractual rate is fixed, or the effective interest rate on the date referred to in the financial statements, determined in accordance with the conditions of the contract, when variable.

When the conditions of debt instruments are renegotiated or amended, the effective interest rate before the amendment of the contract will be used, unless it can be proven that said renegotiation or amendment occurs for reasons other than the financial difficulties of the borrower or issuer.

In calculating losses due to impairment of a group of financial assets, models based on statistical methods may be used.

Corporate tax

The tax regime of the Fund is regulated by Act 27/2014, of November 27th, on Corporate Tax, amended by Royal Decree Act 3/2016, of December 2nd, which adopts measures in the tax field aimed at the consolidation of public finances and other urgent measures in social matters. This amendment did not affect the financial statements of the Fund.

Likewise, in accordance with the provisions of the thirty-first Transitional Provision of Act 2/2010, of March 1st, which transposes certain regulations in the field of indirect taxation and amends the Corporate Tax Act of Non-Residents to adapt it to European regulations, it is established that as long as the rules relating to the deductibility of impairment value corrections in value of debt instruments valued at their depreciated cost held by mortgage securitization funds and asset securitization funds, the criteria established for finance companies on the deductibility of the specific coverage of the client's insolvency risk will be applied.

Corporate tax or equivalent is considered an expense and is generally recorded in the heading "Corporate tax" of the income statement.

The expense, if applicable, for the Corporate Tax for each year is calculated on the net result of the year presented in the income statement, corrected for permanent differences in accordance with tax criteria, and considering temporary differences in case of existence.

The deferred tax expense or income, if it exists, corresponds to the recognition and cancellation of deferred tax assets and liabilities, which arise from temporary differences caused by the different accounting and tax valuation of the assets and liabilities of the Fund. Taxable temporary differences give rise to deferred tax liabilities, while deductible temporary differences and credits for tax deductions and advantages that remain pending tax application give rise to deferred tax assets. Deferred tax assets and liabilities, arising from operations with direct debts or credits in the heading "Adjustments to recognized income and expenses" of the balance sheet liabilities, are also recorded, where appropriate, in said heading.

Based on the above and given that depending on the conditions provided for in the Fund's forecast regarding its operations, it is established that the income and expenses of the Fund are balanced annually throughout its life. The Directors of the Parent Company estimate that the settlement of any difference of a temporary nature, both from assets and liabilities, is remote, which is why, based on the provisions of current accounting regulations, no deferred tax assets or liabilities are recorded.

Provisions and contingent liabilities

Provisions are considered to be the current obligations of the Fund, arising as a consequence of past events, which are clearly specified in terms of their nature at the date of the financial statements, but are indeterminate in terms of their amount or time of cancellation, at the expiration of which and to cancel them, the Fund expects that it will have to part with resources that incorporate economic benefits. These obligations may arise from the following aspects:

- A legal or contractual provision.
- An implicit or tacit obligation, the origin of which is based on a valid expectation created by the Fund towards third parties regarding the assumption of certain types of responsibilities. Such expectations are created when the Fund publicly accepts responsibilities, whether they arise from past behavior or from publicly available company policies.
- The practically certain evolution of regulation in certain aspects, in particular, regulatory projects from which the Fund will not be able to avoid.

Contingent liabilities are possible obligations of the Fund, arising as a consequence of past events, whose existence is conditional on the occurrence or not of one or more future events independent of the will of the Fund. Contingent liabilities include current obligations of the Fund whose settlement is not likely to result in a decrease in resources embodying economic benefits or whose amount, in extremely rare cases, cannot be quantified with sufficient reliability.

Provisions and contingent liabilities are classified as probable when there is a greater likelihood that they will occur than otherwise, possible when there is a lower likelihood that they will occur than otherwise, and remote when their occurrence is extremely rare.

The Parent Company includes all significant provisions with respect to which it is estimated that the probability that the obligation will have to be met is greater than otherwise. Contingent liabilities are not recognized but rather reported unless the possibility of an outflow of resources that incorporate economic benefits is considered remote.

Provisions are quantified considering the best information available on the consequences of the event that gives rise to them and are estimated at each accounting close. They are used to meet the specific obligations for which they were recognized, proceeding to their total or partial reversal when said obligations cease to exist or decrease.

Adjustments to recognized income and expenses

This heading will include the net balance, with the corresponding sign, which results from the following concepts:

- Financial assets available for sale.
- Cash flow hedges: this item includes adjustments, net of the corresponding tax effect, derived from the fair value assessment of instruments designated as cash flow accounting hedges.
- Other income/profit and expenses/losses recognized.

5. SPORTS INTANGIBLE ASSETS AND NON-CURRENT ASSETS HELD FOR SALE

5.1. Sports intangible assets

The heading "Sports intangible assets" includes player acquisition rights, as well as other items of a similar nature. The breakdown of this heading in the consolidated balance sheet 2022/23 and 2021/22 financial year has been as follows:

June 30th, 2023	Thousands of euros			
	Balance at 06/30/2022	Additions and endowments	Derecognitions, disposals and decreases	Balance at 06/30/2023
Cost:				
Football	620,693	162,863	(211,140)	572,416
Basketball	1,295	725	(920)	1,100
Handball	1,025	325	-	1,350
Roller hockey and others	501	-	-	501
Advances and others	10,550	-	(10,000)	550
Total cost	634,064	163,913	(222,060)	575,917
Accumulated depreciation:				
Football	(372,089)	(88,078)	139,832	(320,335)
Basketball	(1,006)	(463)	920	(549)
Handball	(559)	(309)	-	(868)
Roller hockey and others	(465)	(25)	-	(490)
Total accumulated depreciation	(374,119)	(88,875)	140,752	(322,242)
Impairment:				
Football	(3,188)	(24,161)	24,883	(2,466)
Advances and others	(10,550)	(180)	10,000	(730)
Total impairment	(13,738)	(24,341)	34,883	(3,196)
Net total	246,207	50,697	(46,425)	250,479

June 30th, 2022	Thousands of euros				
	Balance at 06/30/2021	Additions and endowments	Derecognitions, disposals and decreases	Transfers (Note 5.2)	Balance 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
Roller hockey and others	501	-	-	-	501
Advances and others	10,550	-	-	-	10,550
Total cost	604,277	81,648	(51,861)	-	634,064
Accumulated depreciation:					
Football	(277,782)	(112,651)	18,344	-	(372,089)
Basketball	(1,957)	(395)	1,346	-	(1,006)
Handball	(383)	(218)	42	-	(559)
Roller hockey and others	(426)	(39)	-	-	(465)
Total accumulated depreciation	(280,548)	(113,303)	19,732	-	(374,119)
Impairment:					
Football	-	(3,188)	-	-	(3,188)
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

Player acquisition rights will be considered as an expense in the coming years, without considering the effect of impairment provisions, according to the following estimate:

	Thousands of euros	
	06/30/2023	06/30/2022
Year:		
2022/23	-	93,144
2023/24	77,114	76,835
2024/25	74,795	46,445
2025/26*	68,026	43,521
2026/27 and following	33,740	-
Total	253,675	259,945

*At June 30th, 2022, it corresponds to the expense of the 2025-2026 and subsequent years.

The additions for the year correspond to the acquisition of the federative rights of players for an amount of 163,913 thousand euros (81,648 thousand euros at June 30th, 2022).

At June 30th, 2023, and 2022, there are contingent liabilities derived from the agreements reached with clubs for the acquisition of the federative rights of players who belong to the first team, which are subject to compliance with a series of conditions. The probability of occurrence depends on uncertain events in the future, with the maximum amount payable based on the contractual agreements applicable at the end of the year ended June 30th, 2023, being 69 million euros (70 million euros in the year ended on June 30th, 2022). Likewise, there are agreements with clubs over which the Club has contingent collection rights in relation to players sold or loaned for a maximum amount of 47 million euros (47 million euros in the year ending June 30th, 2022).

Additionally, preferential rights are maintained over certain players and others of a similar nature in the amount of 550 thousand euros (10,550 thousand euros at June 30th, 2022).

The derecognitions for this year correspond mainly to the sale of players that have generated a net profit of 12,137 thousand euros recorded in the heading "Results from disposals and others" of the attached income statement (net profit of 28,232 thousand euros in the year ended June 30th, 2022). Additionally, during the current year, the contracts of several players have been terminated, resulting in a loss of 56,596 thousand euros (15,175 thousand euros in the year ending June 30th, 2022).

Likewise, the heading "Results from disposals and others" of the attached income statement includes other profit amounting to 2,429 thousand euros (14,665 thousand euros in the year ended June 30th, 2022), basically generated by way of collections from variables for the sporting performance agreed in different contracts for the sale of federative rights and for the transfers to other clubs of players who were part of the Club in previous years.

The Club's Board of Directors is not aware of situations that require the recording of impairments of a significant amount at June 30th, 2023, in addition to those recorded in the attached consolidated annual accounts.

The average duration of the employment contracts of the squad to be registered in the Spanish Professional Football League is 5 years from their signature.

At June 30th, 2023, and 2022, there are fully depreciated items amounting to 141,349 and 140,859 thousand euros, respectively.

The players are hired through an employment contract covered by Royal Decree 1006/1985, of June 26th, which regulates the special employment relationship of professional athletes, in a general regime.

The income derived from the transfer and training of players recorded in the heading "Other operating income" of the income statement during the 2022/23 financial year amounts to 5,265 thousand euros (2,418 thousand euros during the 2021/22 financial year) (Note 18.2).

At June 30th, 2023, and 2022, there are no sports intangible assets pledged or with ownership restrictions.

5.2. Non-current assets held for sale

At June 30th, 2023, there are no “Non-current assets held for sale”. In the 2021/22 financial year, the breakdown was as follows:

June 30th, 2022	Thousands of euros				
	Balance at 06/30/2021	Additions and endowments	Derecognitions, disposals and decreases	Transfers (Note 5.1)	Balance at 06/30/2022
Football:					
Net depreciation cost	163,041	-	(91,492)	-	71,549
Impairment correction	(125,041)	(5,000)	61,492	-	(68,549)
Net total	38,000	(5,000)	(30,000)	-	3,000

In accordance with the provisions of Note 4.6, the Group classifies under the heading of “Non-current assets held for sale” those assets whose book value will be recovered mainly through sale, instead of through continued use, when meet the following requirements: they are available for immediate sale, the necessary actions have been taken to find a purchaser, and their sale is highly probable within one year. Non-current assets held for sale are valued at the lower of their book value and fair value less costs to sell.

6. NON-SPORTS INTANGIBLE ASSETS

The breakdown of this heading of the balance sheet for 2022/23 and 2021/22 financial years has been as follows:

June 30th, 2023	Thousands of euros					
	Balance at 06/30/2022	Additions and endowments	Derecognitions, disposals and decreases	Transfers	Other movements	Balance at 06/30/2023
Cost:						
Software	52,560	6,238	(208)	-	(194)	58,396
Development	508	-	-	-	-	508
Transfer rights	932	-	-	-	-	932
Audiovisual property rights	4,226	-	1,320	1,320	(2,103)	3,443
Intangible assets in progress and advances	445	2,113	(445)	-	-	2,113
Other intangible assets	1,762	1,077	(428)	1,421	-	3,832
Total cost	60,433	9,428	(1,081)	2,741	(2,297)	69,224
Accumulated depreciation:						
Software	(37,746)	(6,711)	168	-	194	(44,095)
Development	(145)	-	-	-	-	(145)
Transfer rights	(902)	(4)	-	-	-	(906)
Audiovisual property rights	(2,248)	(1,591)	-	-	2,103	(1,736)
Total accumulated depreciation	(41,041)	(8,306)	168	-	2,297	(46,882)
Impairment:						
Development	(363)	-	-	-	-	(363)
Other intangible assets	(445)	(2,044)	445	-	-	(2,044)
Total impairment	(808)	(2,044)	445	-	-	(2,407)
Net total	18,582	(922)	(468)	2,741	-	19,935

June 30th, 2022	Thousands of euros				
	Balance at 06/30/2021	Additions and endowments	Derecognitions, disposals and decreases	Transfers	Balance at 06/30/2022
Cost:					
Software	49,312	3,357	(673)	564	52,560
Development	508	-	-	-	508
Transfer rights	928	4	-	-	932
Audiovisual property rights	4,201	25	-	-	4,226
Intangible assets in progress and advances	2,330	588	(592)	(564)	1,762
Total cost	57,279	3,974	(1,265)	-	59,988
Accumulated depreciation:					
Software	(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 depreciation	(34,538)	(7,177)	673	-	(41,041)
Impairment:					
Development	(363)	-	-	-	(363)
Total impairment	(363)	-	-	-	(363)
Net total	22,378	(3,203)	(592)	-	18,582

The additions for the 2022/23 financial year correspond mainly to the development and implementation of the new ERP, the security plan, and the continuous improvement of the website. The additions for the 2021/22 financial year corresponded mainly to the continuous improvement of the website, the creation of the Masía and the Museum website, several licenses, and the development of CRM.

The additions for the 2022/23 financial year of other intangible assets correspond to Greencoins (cryptocurrencies) received through a sponsorship contract.

The impairment provision for the 2022/23 financial year corresponds to the loss in value of cryptocurrencies in the amount of 2,044 thousand euros, in accordance with their fair value.

At June 30th, 2023, and 2022, there are fully depreciated items amounting to 45,725 and 22,107 thousand euros, respectively.

7. TANGIBLE ASSETS

The breakdown of this heading in the 2022/23 and 2021/22 years has been as follows:

June 30th, 2023	Thousands of euros					
	Balance at 06/30/2022	Additions and endowments	Derecognitions, disposals and decreases	Transfers	Other movements	Balance at 06/30/2023
Cost:						
Stadiums and arenas	199,254	4,582	(89,777)	-	(12)	114,047
Other land and buildings	54,341	1,116	(8,527)	-	(1)	46,929
Technical facilities and other tangible assets	52,490	2,956	(14,326)	-	(1,049)	40,071
Tangible assets in progress and advances	116,965	121,713	(357)	(2,741)		235,580
Total cost	423,050	130,367	(112,987)	(2,741)	(1,062)	436,627
Accumulated depreciation:						
Stadiums and arenas	(123,884)	(20,572)	89,777	-	12	(54,667)
Other land and buildings	(18,314)	(3,002)	8,538	-	1	(12,777)
Technical facilities and other tangible assets	(44,180)	(3,204)	14,277	-	1,049	(32,058)
Total accumulated depreciation	(186,378)	(26,778)	112,592	-	1,062	(99,502)
Impairment:						
Other land and buildings	(41)	-	-	-	-	(41)
Total impairment	(41)	-	-	-	-	(41)
Net total	236,631	103,589	(395)	(2,741)	-	337,084

June 30th, 2022	Thousands of euros				
	Balance at 06/30/2021	Additions and endowments	Derecognitions, disposals and decreases	Transfers	Balance at 06/30/2022
Cost:					
Stadiums and arenas	198,590	5,937	(6,173)	900	199,254
Other land and buildings	54,639	139	(414)	18	54,392
Technical facilities and other tangible assets	55,534	812	(3,919)	63	52,490
Tangible assets in progress and advances	101,032	16,918	(4)	(981)	116,965
Total cost	409,795	23,806	(10,510)	-	423,101
Accumulated depreciation					
Stadiums and arenas	(117,010)	(12,951)	6,077	-	(123,884)
Other land and buildings	(17,480)	(1,291)	416	-	(18,355)
Technical facilities and other tangible assets	(44,186)	(3,893)	3,899	-	(44,180)
Impairment:	(178,676)	(18,135)	10,392	-	(186,419)
Other land and buildings					
Total impairment	(41)	-	-	-	(41)
Net total	(41)	-	-	-	(41)
Accumulated depreciation:	231,078	5,671	(118)	-	236,631

The additions for the 2022/23 financial year correspond mainly to the works on "Espai Barça" and the refurbishment of the field Tito Vilanova no. 7 in Ciutat Esportiva and the Johan Cruyff Stadium. In the 2022/23 financial year, financial expenses amounting to 6,596 thousand euros have been capitalized.

The additions for the 2021/22 financial year corresponded mainly to the refurbishment of the Spotify Camp Nou stadium and Palau Blaugrana, the works on Espai Barça and the refurbishment of fields no. 4, 5 and 6 in Ciutat Esportiva Joan Gamper. In the 2021/22 financial year, financial expenses amounting to 4,304 thousand euros were capitalized.

The derecognitions for the 2022/23 financial year correspond, mainly, to deregistering the assets that belong to the Spotify Camp Nou stadium.

On April 5th, 2014, the Espai Barça proposal was approved in a referendum, which entailed the assignment to the Club's Board of Directors to execute the project of the new Camp Nou, the new Palau Blaugrana and the new Espai Barça. In this sense, on October 23th, 2021, the General Shareholders' Meeting approved the engagement to the Club's Board of Directors to begin the necessary tasks to obtain financing. Likewise, on December 19th, 2021, authorization was approved in a referendum for the Board of Directors to carry out the actions considered necessary to obtain financing for Espai Barça for a maximum amount of 1,500 million euros.

At June 30th, 2023, the accumulated costs incurred at Espai Barça amount to 237,804 thousand euros, which have been financed mainly by the loan formalized with a North American finance company for an amount of 90 million euros. On January 28th, 2022, a novation contract for this loan was signed, increasing the limit to 180 million euros, and extending the maturity by 1 year, until February 14th, 2023 (Note 13.2). On February 14th, 2023, this expiration date was extended by three months. At May 31th, 2023, this loan has been canceled and the financing of the project has been signed through the "Espai Barça, Fons de Titulización" Asset Securitization Fund, established on April 24th, 2023. After approval in referendum on the refurbishment project of the Stadium and adjacent facilities, the Club applied in the 2021/22 financial year the review of the useful life of the existing assets that had an amount pending depreciation and that would be affected by the work. This individualized analysis per asset determined a new useful life for each of them, based on the works schedule defined by the project's technical team.

The Group owns real estate, the value of which, at June 30th, 2023, and 2022, is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Land	22,289	22,289
Buildings	138,687	231,308
Total	160,976	253,597

Within the project to adapt the sports venues and facilities to the security measures established in the Violence Prevention Regulations, the Club, in previous years, obtained from the Spanish Professional Football League the free release of tangible assets, for an amount of 11,081 thousand euros. These items that are included in the heading "Stadiums and arenas" are shown for accounting purposes at the value resulting from the works certifications issued by the Spanish Professional Football League, registered in the heading of capital grants (Note 12.2).

The Club's policy is to formalize insurance policies to cover the possible risks to which the different items of its tangible assets are subject. The Club's Board of Directors considers that significant risks are adequately covered.

At June 30th, 2023, and 2022, there are fully depreciated items amounting to 43,310 and 76,499 thousand euros, respectively.

8. REAL ESTATE INVESTMENTS

The breakdown of this heading in the 2022/23 and 2021/22 years has been as follows:

June 30th, 2023	Thousands of euros		
	Balance at 06/30/2022	Additions and endowments / impairment reversal	Balance at 06/30/2023
Cost:			
Land in Hospitalet de Llobregat (Can Rigalt)	37,236	-	37,236
Land in Viladecans	18,744	-	18,744
Other land	682	-	682
Total cost	56,662	-	56,662
Impairment:			
Land in Hospitalet de Llobregat (Can Rigalt)	(3,914)	141	(3,773)
Land in Viladecans	(12,080)	201	(11,879)
Total impairment	(15,994)	343	(15,652)
Cost:	40,668	343	41,010

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

The Group's real estate investments correspond to land with which it is expected to obtain future income of any kind or capital gains through its sale, without the income statement for the current year recording any income derived from these lands (nor in the previous year).

Can Rigalt

The Club owns four plots of land in Hospitalet de Llobregat (Barcelona), with an approximate area of 30,783, 23,676, 3,578 and 2,533 square meters, respectively. The first two plots are attached to the "Modification of the General Metropolitan Plan of Can Rigalt Municipal Area, north of Avenida Collblanc in the Pubilla Cases neighborhood".

Viladecans

In the 2007/08 financial year, the Club acquired some land in Viladecans, with an approximate area 278,544 square meters, for an amount of 18,744 thousand euros.

At the end of the 2022/23 financial year, the Club's Board of Directors has commissioned an update of the appraisal of the previous land to an independent expert, who, in accordance with the current urban plan, at June 30th, 2023, has revealed the need to record an impairment reversal for a total amount of 343 thousand euros.

9. LEASES

9.1 Operating leases as lessor

In its position as lessor, income is recorded from specific rentals of the different facilities available to the Group for the celebration of events organized by third parties, such as concerts or others. The charges received for these events vary depending on the negotiation carried out with the organizers of each of them. At the end of the year, the Group does not have significant non-cancellable minimum lease payments contracted with the lessees.

9.2 Operating leases as lessee

The Group rents premises, facilities, and equipment with the aim of carrying out activities related to its normal activity. The Group does not have significant non-cancellable minimum rental fees contracted with lessors. Additionally, the amount of expenses for operating leases for the year is not significant.

10. FINANCIAL ASSETS

10.1. Non-current financial investments

The balance of the heading "Non-current financial investments" at June 30th, 2023 and 2022 is as follows:

Item	Thousands of euros					
	06/30/2023			06/30/2022		
	Credits to third parties	Other financial assets	Total	Credits to third parties	Other financial assets	Total
Equity instruments (Locksley Invest, S.L.)	-	157,500	157,500	-	63,000	63,000
Equity instruments (others)	-	2,000	2,000	-	-	-
Total financial assets at cost		159,500	159,500	-	63,000	63,000
Credits to sports entities	9,483	-	9,483	-	-	-
Other credits	61,435	2,600	64,035	17,734	-	17,734
Derivatives (Note 1.2)	-	49,046	49,046	-	-	-
Other financial assets	-	324,315	324,315	-	9,083	9,083
Total financial assets at depreciated cost	70,918	375,961	446,879	-	9,083	26,817
Total financial assets	70,918	535,461	606,379	17,734	72,083	89,817

The heading of other credits includes the receivable of 60 million euros in relation to the sale of shares in Bridgeburg Invest, S.L.

As regards financial assets, the receivables related to the financial investments held by the Securitization Fund are included (Note 1.2).

The contribution to the income statement of financial assets is as follows:

- Financial income: 6,739 thousand euros (1,439 thousand euros in the previous year).
- Losses, impairment, and change in provisions for commercial operations: 2,876 thousand euros of loss (3,314 thousand euros of loss in the previous year).
- Impairment and result from the disposal of financial instruments: 185,730 thousand euros of profit (3,268 thousand euros of profit in the previous year).

Credits to sports entities

The heading "Credits to sports entities" at June 30th, 2023, and 2022 mainly includes receivables from sports entities for the transfer or assignment of players according to the following breakdown:

	Thousands of euros	
	06/30/2023	06/30/2022
Aston Villa F.C. (Philippe Coutinho Correia)	-	9,897
Club Brugge K.V. (Ferran Jutglà)	-	1,924
Granada C.F. (Ramón Rodríguez)	123	374
Aston Villa F.C. (Lucas Digne)	22	44
F.C. Shakhtar Donetsk (Marlon da Silva)	19	38
S.C. Braga (Abel Ruiz)	1,589	3,200
U.D. Almería (Sergio Akieme)	-	1,243
Olympique de Marseille (Konrad de la Fuente)	-	993
Torino F.C. (Antonio Sanabria)	-	16
Borussia Dortmund (Francisco Alcácer)	-	5
Atlético de Madrid (Antoine Griezmann)	2,977	-
Sporting Clube de Portugal (Francisco Trincao)	4,035	-
Chelsea F.C. (Marc Cucurella)	626	-
Manchester City F.C. (Sergio Gómez)	92	-
Total	9,483	17,734

The breakdown by maturity of the heading "Non-current loans to sports entities" at June 30th, 2023 and 2022 is as follows:

June 30th, 2023	Thousands of euros		
	2024/25	2025/26 and following	Total
Non-current loans to sports entities	9,483	-	9,483
Total	9,483	-	9,483

June 30th, 2022	Thousands of euros		
	2023/24	2024/25 and following	Total
Non-current loans to sports entities	10,969	6,765	17,734
Total	10,969	6,765	17,734

The amount recorded under other credits corresponds mainly to receivables from third parties for the sale of licenses.

Other financial assets

At June 30th, 2023, and June 30th, 2022, this heading also includes a loan for 4,485 thousand euros to the company Audio-visual New Aged AIE, the corporate purpose of this being the management and execution of the agreements reached in the agreement regarding the adjustments to be made in the allocation of income derived from the audiovisual rights of Sports Clubs and Public Limited Companies dated November 16th, 2010. At June 30th, 2022, the Board of Directors and the management of the Club re-evaluated this estimate based on the most recent information available, and 2,755 thousand euros of the impairment provision established in the previous year were reversed.

Equity instruments

This heading includes the Club's stake in the company Locksley Invest S.L. for an amount of 157.5 and 63 million euros respectively, which considering the characteristics and rights granted by the shares held by the Club, among other circumstances related to the transfer of risks, benefits, and control, is recorded as a financial instrument. In this sense, given that during the first 25 years the Club will not have rights, if any, to the benefits that this company will generate, it is considered that the Club does not have significant influence and that the shares it holds are ordinary in nature.

On June 30th, 2022, and July 21th, 2022, the Club sold 10% and 15%, respectively, of its audiovisual rights to "La Liga" professional competition, to the company Locksley Invest, S.L., established on June 11th, 2022, of which the Club holds 49% of the stake. The remaining 51% belongs to the American investment company Sixth Street Partners. The income from these sales amounted to 267,089 and 400,412 thousand euros, respectively.

The most significant information related to equity instruments is the following:

June 30th, 2023	% Stake		Thousands of euros						
Company / Registered office	Direct	Indirect	Share capital	Result		Rest of equity	Total equity	Book value	
				Operating	Net			Cost	Impairment
Locksley Invest S.L (Spain) (**)	49%	-	15,441	13,861	(5,443)	261,098	271,096	157,500	-

(**) Unaudited amounts

June 30th, 2022	% Stake		Thousands of euros						
Company / Registered office	Direct	Indirect	Share capital	Result		Rest of equity	Total equity	Book value	
				Operating	Net			Cost	Impairment
Locksley Invest S.L (Spain) (**)	49%	-	6,000	-	(505)	120,000	125,496	63,000	-

(**) Unaudited amounts.

Additionally, the Club holds a shareholding with a nominal value of 2 million euros in the company European Super League Company, S.L., the corporate purpose of which is, among others, to create and manage a new football competition at the European level. Likewise, until now, it has paid the amount of 2.6 million euros in maintenance, legal and general expenses, through a participation loan. This amount is classified under the heading "Other financial assets".

10.2. Group, multi-group, and associated companies

The breakdown of this heading at June 30th, 2023, and 2022 is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Equity instruments	2	-
Cost	3,672	3,670
Impairment	(3,670)	(3,670)
Shares in equity-accounted companies (Note 10.3)	208,237	47,500
Cost	208,237	47,500
Loans to companies (Note 20.2)	6	-
Nominal value	10,311	9,836
Impairment	(10,305)	(9,836)
Total	208,245	47,500

The heading "Equity instruments" includes, at June 30th, 2023 and 2022, the Group's holdings in the companies FCBarcelona HK Limited and FCB North America LLC. These subsidiaries are not included in the consolidation scope, given that they do not have a significant interest, either individually or as a whole, in the true image of the assets, financial situation and results of the Group.

The most significant information related to the equity instruments corresponding to group, multi-group, and associated companies is the following:

June 30th, 2023		% Stake		Thousands of euros					
Company / Registered office	Direct	Indirect	Share capital	Result		Rest of equity	Total equity	Direct	
				Operating	Net			Cost	Impairment
FCBarcelona HK Limited (Hong Kong) (*)	100%		3,670	(367)	(212)	(702)	(2,601)	3,670	(3,670)
FCB North America LLC (United States of America) (*)	100%		0,09	756	754	(6,926)	(6,172)	0,09	(0,09)
Haikou Barça Mission Hills (People's Republic of China) (*)	-	50%	7,320	-	-	(2,799)	3,699	-	-
Total								3,670	(3,670)

(*) Amounts not audited and exchanged at the historical exchange rate.

June 30th, 2022		% Stake		Thousands of euros					
Company / Registered office	Direct	Indirect	Share capital	Result		Rest of equity	Total equity	Direct	
				Operating	Net			Cost	Impairment
FCBarcelona HK Limited (Hong Kong) (*)	100%	-	3,670	177	(128)	(6,021)	(2,479)	3,670	(3,670)
FCB North America LLC (United States of America) (*)	100%	-	0	270	259	(7,051)	(6,792)	0,09	(0,09)
Haikou Barça Mission Hills (People's Republic of China) (*)	-	50%	7,320	(1,165)	(1,165)	(2,456)	2,699	-	-
Total								3,670	(3,670)

(*) Amounts not audited and exchanged at the historical exchange rate.

The results of the companies indicated in the previous table correspond entirely to continuing operations.

The stake in the equity of FCBarcelona HK Limited and FCB North America LLC are impaired, given that, according to the most updated business plan for the coming years, these companies are not expected to generate positive cash flows.

At June 30th, 2023, the heading "Loans to companies" includes contributions made to the group companies FCBarcelona HK Limited and FCB North America LLC to meet liquid assets needs in the amount of 3,053 and 7,252 thousand euros, respectively (2,992 and 6,844 thousand euros, respectively, at June 30th, 2022). At June 30th, 2022, and 2023, the loans to FCB North America LLC and FCBarcelona HK Limited are fully impaired. The incorporation of Bridgeburg Invest, S.L., has involved a loan of 6 thousand euros.

The company Haikou Barça Mission Hills (People's Republic of China) was dissolved on February 16th, 2023.

In compliance with the provisions of additional provision 18a of Act 58/2003, of December 17th, general tax, in relation to the obligation to report on assets and rights located abroad, it is reported that employees of the Club, tax residents in Spain, are authorized to operate with bank accounts located abroad, owned by foreign subsidiaries.

The following table shows the breakdown of these accounts:

June 30th, 2023

Number of accounts	Account type	Opening year	Bank	Country	Account holder subsidiary
1	Checking account	2013	HSBC	Hong Kong	FCBarcelona HK Limited
3	Checking account	2016	CitiBank	United States	FCB North America LLC
3	Checking account	2023	HSBC	United States	FCB North America LLC

June 30th, 2022

Number of accounts	Account type	Opening year	Bank	Country	Account holder subsidiary
1	Checking account	2013	HSBC	Hong Kong	FCBarcelona HK Limited
2	Savings account	2013	HSBC	Hong Kong	FCBarcelona HK Limited
1	Fixed-term deposit	2013	HSBC	Hong Kong	FCBarcelona HK Limited
3	Checking account	2016	CitiBank	United States	FCB North America LLC
3	Checking account	2021	Santander	United States	FCB North America LLC

10.3. Shares in companies accounted for by the equity method

The Group has a stake in the following Spanish, unlisted company:

June 30th, 2023		Thousands of euros				
Company	%	Nominal value per share	Equity	Result from equity accounting	Adjustment in equity due to equity accounted investments	Book value
Bridgeburg Invest, S.L.	51%	-	3	-	-	208,163
Total		-	3	-	-	208,163

On July 29th, 2022, the subsidiary company, Barça Produccions, S.L.U, proceeded to transfer 24.5% of the share capital of its subsidiary Bridgeburg Invest, S.L., of which it had the status of sole shareholder, to the company Socios Deportes Services, S.L., for 100 million euros and on August 11th, 2022, an additional 24.5% was sold to Orpheus Media, S.L., for the same amount.

Because of the previous transactions, this subsidiary company has become classified, for the purposes of these consolidated annual accounts, as an associated company, being consolidated through the equity method and, in application of the accounting framework that is applicable, considering for the purposes its fair value from its initial valuation. The adjustment corresponding to this value in the amount of 208 million euros, determined in accordance with the business plan reviewed by an independent expert and based on recent transactions, has been recorded under the heading "Result from the loss of control of a subsidiary", within the consolidated income statement for the year ended June 30th, 2023 (Note 24).

The movement of investments in equity accounting during the 2022/23 financial year is as follows:

Company	Thousands of euros					
	06/30/2022	Additions	Goodwill depreciation	Result	Dividends	06/30/2023
Bridgeburg Invest, S.L.	-	208,163	-	74	-	208,237
Total	-	208,163	-	74	-	208,237

At June 30th, 2023, no signs of impairment of this stake have been considered.

10.4. Trade debtors and other receivables

The breakdown of this heading at June 30th, 2023, and 2022, is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Non-current trade debtors (Note 14.3)	32,882	39,915
Customers, group, and associated companies (Note 20.2)	119,545	29,682
Debtor sports entities	49,165	40,034
Other debtors	190,498	70,464
Sports personnel (Note 14.3)	16,740	19,809
Non-sports personnel	188	232
Advances to suppliers/creditors	353	359
Current tax assets (Note 15.1)	46,100	90
Other credits with Public Administration (Note 15.1)	8,341	616
Current trade debtors	430,930	161,286
Total	463,812	201,201

The heading of other debtors heading includes the account receivable of 120 million euros in relation to the sale of shares in Bridgeburg Invest, S.L.

Debtor sports entities

At June 30th, 2023, and 2022, there are receivables with sports entities for the transfer or assignment of players and others, according to the following breakdown:

	Thousands of euros	
	06/30/2023	06/30/2022
Receivables from the Spanish Professional Football League	3,624	10,254
Receivables from sports entities for the transfer or assignment of players and others:		
Football:		
Trabzonspor (Marc Bartra)	31	-
Unione Sportiva Lecce (Samuel Umtiti)	475	-
Olympique Gymnaste Club de Nice (Jean-Clair Todibo)	-	(82)
Sevilla, F.C. (Ivan Rakitic)	2,360	2,359
U.D. Almería (Sergio Akieme)	492	1,128
Olympique de Marseille (Konrad de la Fuente)	992	920
Liverpool F.C. (Thiago Alcántara)	-	446
F.C. Famalicão (Daniel Morer)	107	200
Paris Saint-Germain F.C. (Mauro Icardi)	-	126
Torino, F.C. (Antonio Sanabria)	34	34
Borussia Dortmund (Francisco Alcácer)	5	12
S.C. Braga (Abel Ruiz)	1,556	829
F.C. Shakhtar Donetsk (Marlon da Silva)	19	19
Real Betis Balompié (Emerson Royal)	-	78
Udinese Calcio (Gerard Deulofeu)	371	371
Granada C.F. (Ramón Rodríguez)	247	375
F.C. Zenit (Malcom Filipe Silva de Oliveira)	-	980
Getafe C.F. (Carles Aleñá)	-	1,000
Club Brugge K.V. (Ferran Jutglà)	1,921	2,846
Wolverhampton Wanderers F.C. (Francisco Trincão)	3,402	6,481
Sporting Clube de Portugal (Francisco Trincão)	2,690	-
Club Atlético de Madrid (Antoine Griezmann)	8,839	-
Club Atlético de Madrid (Memphis Depay)	2,000	-
Chelsea F.C. (Pierre-Emerick Aubameyang)	5,878	-
Chelsea F.C. (Marc Cucurella)	673	-
Villarreal C.F. (Jorge Cuenca)	242	-
Villarreal C.F. (Francisco Alcácer)	8	-
Villarreal C.F. (Fabio Blanco)	181	-
Manchester City F.C. (Sergio Gómez)	92	-
Leeds United F.C. (Junior Firpo)	4,822	-
Aston Villa F.C. (Philippe Coutinho Correia)	-	9,796
	37,437	27,918
Other sections	-	120
Total receivables from sports entities	41,061	38,292
Other federations and associations	8,104	1,742
Total	49,165	40,034

Other debtors

At June 30th, 2023, and 2022, the breakdown of the heading "Other debtors" is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Exclusive contracts and sponsors	54,161	53,498
Receivables for TV broadcasts and sports programs	4,321	10,184
Receivables from the sale of shares (Note 24)	120,000	-
Other debtors	12,016	6,782
Total	190,498	70,464

The heading "Other debtors" includes 4,017 thousand euros of balances of the subsidiary Barça Licensing and Merchandising, S.L.U. (5,573 thousand euros at June 30th, 2022 from Barça Licensing and Merchandising, S.L.U.).

The impairment value corrections recorded at June 30th, 2023, and 2022 under the heading "Other debtors" of the attached consolidated balance sheet amount to 36,136 and 39,012 thousand euros, respectively. In the attached consolidated income statement for this year, an impairment expense has been recorded in the amount of 5,397 thousand euros (4,903 thousand euros of expenses in the 2021/22 financial year) and an income from the impairment reversal of 2,521 thousand euros (1,589 thousand euros of income in the 2021/22 financial year).

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

The management of the Group's financial risks is centralized in the Financial Department and the Club's Board of Directors, which have established the necessary mechanisms to control exposure to changes in interest rates and exchange rates, as well as the risks of credit and liquidity. The main financial risks that impact the Group are the following:

1. Credit risk

In general, the Group maintains its cash and equivalent liquid assets in finance companies with a high credit score. The Group carries out an individualized analysis of its debtors, reducing credit risk.

2. Liquidity risk

To ensure liquidity and be able to meet all payment commitments arising from its activity, the Group has the cash and equivalent liquid assets shown in its consolidated balance sheet, as well as the credit and financing lines that are detailed in Note 13. As indicated in Note 2.6, on August 19th, 2021, the Club issued "Senior Secured Notes" for an amount of 595 million euros that have allowed it to restructure the financial debt and obtain liquidity (Note 13.1), although at July 21th, 2023, an amount of 125 million euros was depreciated. Likewise, if necessary, the Club could resort to the sale of assets.

On June 30th, 2022, the Club proceeded to sell 10% of the Club's audiovisual rights of the "La Liga" professional competition to the company Locksley Invest, S.L. This operation generated a profit of 267,089 thousand euros in the income statement. Likewise, on July 21th, 2023, the Club sold an additional 15% of the Club's audiovisual rights. This operation has generated a profit of 398,947 thousand euros in the Club's income statement, recorded under the heading "Profit from non-sports intangible assets".

3. Market risk (includes interest rate and exchange rate)

Both the Club's liquid assets and financial debt are exposed to interest rate risk, which could have an adverse effect on financial results and cash flows. The Club's Board of Directors estimates that the risk should not have a significant impact on these annual accounts. Interest rate risk is concentrated in debts with finance companies (Note 14).

Transactions in foreign currencies are exposed to exchange rate risk and the value of monetary liabilities has been adjusted by applying the exchange rate in effect on June 30th, 2023, allocating to the heading "Exchange differences" in the income statement the result derived from this valuation. The Club is not exposed to significant exchange rate risk.

Additionally, the Fund (Note 1.2) has contracted different derivative instruments to hedge the exchange rate risk corresponding to the bond series issued in USD. In this sense, the risks corresponding to exchange rate changes are mitigated by these.

11. STOCKS

Stocks correspond to the products sold by the subsidiary Barça Licensing and Merchandising, S.L.U.

At June 30th, 2023, there are firm commitments to purchase products for 22,600 thousand euros (15,750 thousand euros at June 30th, 2022).

The movement of impairment value corrections are as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Initial balance	3,589	4,738
Value corrections	1,193	(1,149)
Final balance	4,782	3,589

Impairment value corrections basically correspond to the adjustment of the value of the stocks to their net realizable value.

The Group has taken out insurance policies that guarantee the recoverability of the net book value of the stocks.

12. EQUITY

At June 30th, 2023, the consolidated net equity is negative in the amount of 516 thousand euros. However, there is no legal impediment that prevents the Club from continuing to operate normally.

12.1. Equity for the purposes of the Sports Law

The Sports Law (Act 10/1990), of October 15th, 1990, established that the Clubs that participate in professional sports competitions would take the form of Sports Public Limited Company. As an exception to this rule, it was established that the Clubs that participate in official professional competitions in the football category and that, according to the audits carried out by the Spanish Professional Football League, have obtained a positive equity balance since the 1985/86 financial year, could maintain their legal structure, a condition that was met in the case of Futbol Club Barcelona. In this case, said Act provided that a guarantee of 15% of the expense budget for the year in which the Board of Directors began its management must be presented by the Board of Directors. That is why the current Board of Directors, on March 17th, 2021, before taking office, deposited said guarantee for the legally corresponding amount to the Spanish Professional Football League.

However, the third final provision of Act 22/2021, of December 28th, on General State Budgets for the year 2022, has amended Act 10/1990, of October 15th, on Sports, eliminating the obligation to present the guarantee mentioned in the previous paragraph, establishing in the bylaws of the Clubs the requirements to be a member of their Boards of Directors, such as seniority or required guarantees. The liability regime established in this provision is applicable from the 2020/21 year, for which reason the Board of Directors has canceled the guarantee granted.

12.2. Grants

The information on the grants received by the Group, which form part of equity, as well as the results attributable to the income statement from them, is as follows:

June 30th, 2023

Organization	Type	Thousands of euros (*)			
		06/30/2022	Transfer t results	Tax effect (Note 15.3)	06/30/2023
Generalitat de Catalunya	Public	89	(6)	2	85
Spanish Professional Football League (Note 7)	Private	1,345	(70)	18	1,293
Artworks	Private	598	-	-	598
Total		2,032	(76)	20	1,976

(*) Amounts net of tax effect.

June 30th, 2022

Organisme	Type	Thousands of euros (*)			
		06/30/2021	Transfer t results	Tax effect (Note 15.3)	06/30/2022
Generalitat de Catalunya	Públic	97	(11)	3	89
Spanish Professional Football League (Note 7)	Privat	1,395	(66)	16	1,345
Artworks	Privat	598	-	-	598
Total		2,090	(77)	19	2,032

(*) Amounts net of tax effect.

At June 30th, 2023, and 2022, the Club had met all the necessary requirements to receive the grants detailed above.

13. PROVISIONS PROVISIONS AND CONTINGENT LIABILITIES

13.1. Non-current provisions

The breakdown of the non-current provisions of the consolidated balance sheet at June 30th, 2023, and 2022 is as follows:

June 30th, 2023

Non-current provisions	Thousands of euros					
	06/30/2022	Provisions	Allocations and payments	Reversals	Transfers (Note 13.2)	06/30/2023
Provision for taxes (Note 15.7)	58,055	18,434	-	(42)	-	76,447
Provision for other liabilities	25,697	12,901	-	(13,315)	-	25,283
Total	83,752	31,335	-	(13,357)	-	101,730

The provision for the 2022/23 financial year corresponds to a provision for different tax lawsuits, as well as compensations. Reversals consist of the elimination of provisions due to the disappearance of risks to which the Club was exposed at the close of the previous year.

June 30th, 2022

Non-current provisions	Thousands of euros					06/30/2022
	06/30/2021	Provisions	Allocations and payments	Reversals	Transfers (Note 13.2)	
Provision for taxes (Note 15.7)	72,251	2,943	(17,059)	(80)	-	58,055
Provision for other liabilities	29,240	-	-	-	(3,543)	25,697
Total	101,491	2,943	(17,059)	(80)	(3,543)	83,752

The provision for the 2021/22 financial year corresponds to a provision for different tax lawsuits, as well as provisions for other lawsuits. The allocations and payments consist of the payment of the signed inspection certificates corresponding to the years 2015 to 2018 of corporate tax, personal income tax withholdings and non-resident withholdings and value added tax (Note 15.7).

13.2. Current provisions

At June 30th, 2023, and 2022, the breakdown of current provisions is as follows:

June 30th, 2023

Current provisions	Thousands of euros					06/30/2023
	06/30/2022	Provisions	Allocations and payments	Reversals	Transfers (Note 13.1)	
Provision for taxes (Note 15.7)	-	-	-	-	-	-
Provision for other liabilities	7,221	27,478	(1,827)	(1,723)	-	31,150
Total	7,221	27,478	(1,827)	(1,723)	-	31,150

The provision for the 2022/23 financial year corresponds to a provision for several occupational risks.

June 30th, 2022

Current provisions	Thousands of euros					06/30/2022
	06/30/2021	Provisions	Allocations and payments	Reversals	Transfers (Note 13.1)	
Provision for taxes (Note 15.7)	-	-	-	-	-	-
Provision for other liabilities	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 provision for the 2021/22 financial year corresponds to a provision for several occupational risks.

13.3. Lawsuits

The main lawsuits and judicial proceedings in which the Group is a party at June 30th, 2023, are detailed below, except for those derived from tax inspections, which are detailed in Note 15.7:

- During the 2015 financial year, pre-trial proceedings were opened before the Central Magistrate's Court no. 5 of the Spanish High Court derived from the lawsuit filed by DIS-Esportes and Organização de Eventos LTDA against the Club and other members. The lawsuit was based on the alleged offenses for contractual simulation originating from the contracts signed by the Club in the contracting of the player Neymar da Silva Santos Jr. By Order of July 8th, 2016, the Central Magistrate's Court No. 5 of the Spanish High Court issued the provisional dismissal of the case, but later, on September 23th, 2016, the Criminal Court of the Spanish High Court agreed to continue the proceedings. Finally, on November 3th, 2016, the Central Magistrate's Court no. 5 of the Spanish High Court issued an order to open an oral trial against the Club and other natural persons for the commission of two offenses of corruption between individuals, and fraud. During October 2022, the oral trial sessions were held before the Provincial Court of Barcelona and on December 12th, 2022, a sentence was passed acquitting the Club and the rest of the defendants of all the charges against them. The complainant DIS has filed an appeal, which is pending admittance. The Board of Directors and the Club's legal advisors consider that the risk of the sentence passed in trial court being revoked is very low and, therefore, the Club does not keep any provision recorded for this lawsuit in the attached annual accounts.

- On April 21st, 2020, a group of Club members filed a lawsuit before the Magistrate's Court no. 13 of Barcelona, directed in general against the Directors or Managers of the Club who had participated in the contracting of the services of the company I3 Ventures that would be dedicated, according to the lawsuit, to the creation of opinion speeches on social media. The alleged offenses that were denounced are those of unfair administration and corruption between individuals. On May 21st, 2020, the Magistrate's Court admitted the lawsuit for processing and ordered that the facts be investigated by the Mossos d'Esquadra's Money Laundering and Economic Offenses Central Division, decreeing the secrecy of the proceedings, which has been extended until March 1st, 2021, date on which several Club companies and offices were entered and inspected. In this case, the Club has the status of injured party, with the previous president of the Club's Board of Directors and 3 managers being under investigation. This case is in the pre-trial proceedings stage. The Board of Directors and the Club's legal advisors consider that there is no risk for the Club, given its condition as injured party.
- On January 26th, 2022, the Board of Directors of the Club filed a lawsuit before the Prosecuting Attorney of Barcelona because of the results of the forensic investigation entrusted to independent external professionals, which could indirectly constitute an offense of unfair administration or, secondarily, of a continuous offense of misappropriation, as well as an offense of document falsification in commercial documents and accounting falsification. The Board of Directors and the Club's legal advisers consider that there is no equity risk for the Club as subsidiary civil liability nor is there any criminal liability of the legal person, since the offenses mentioned above are not classified in article 31bis of the Criminal Code. Likewise, based on the information available, at the date of preparation of these annual accounts, no potential impacts that could affect them or those of previous years have been identified.
- In November 2009, the European Commission received a lawsuit about possible preferential treatment in relation to Corporate Tax to four Spanish sports clubs: Real Madrid CF, Athletic Club Bilbao, Club Atlético Osasuna, and FC Barcelona, in relation to public limited sports companies. In a 2016 Decision, the European Commission declared that Spain had illegally helped the four said football clubs with a tax privilege on Corporate Tax. According to the European Commission, this regime was not compatible with the internal market, for which it ordered Spain to abolish it and to immediately and effectively recover the amount of the help granted from the beneficiaries. Futbol Club Barcelona and Athletic Club appealed against the Decision of the European Commission before the General Court of the European Union. On February 26th, 2019, the General Court of the European Union, by means of a ruling handed down in case T-865/16 of the Club/Commission, annulled the Decision of the European Commission, for which reason the appeal was upheld in favor of the Club. Against the resolution of the General Court, the European Commission filed an appeal before the Court of Justice of the European Union. On March 4th, 2021, the Court of Justice of the European Union issued an unfavorable ruling for the Club, annulling the ruling of the General Court of the European Union that had initially upheld the appeal of the Club, ending the lawsuit. The Club has provisioned the necessary amounts to face the economic consequences of this ruling.
- On March 10th, 2023, the Prosecuting Attorney of Barcelona filed a complaint against, among others, Futbol Club Barcelona for the alleged crimes of corruption between individuals in the Sports field, unfair management, and falsification of commercial documents allegedly committed in the period between the years 2011 to 2018, which was admitted for processing, together with another lawsuit filed by an individual, against José María Enríquez Negreira, Javier Enríquez Romero and the company Dasnil 96, S.L. for the crime of sports corruption, actions that were admitted and are being processed in the Magistrate's Court no. 1 of Barcelona. The Club's Compliance Department began investigative actions to find out the events that occurred as soon as they became aware of them. The Club has appeared as being investigated in the judicial proceeding, which is in the first stages of the investigation. Until now the Court has only made formal decisions on the admission as parties to the procedure of natural or legal persons interested in the proceedings and no evidence has yet been carried out with the participation of the parties. At today, the Club's Board of Directors, as well as its Legal and Compliance Area, cannot evaluate the risk or the economic impact, as these actions are on their initial stage. In the criminal process, the realization of direct and subsidiary civil liability and request for fines occurs at a later procedural moment, at the intermediate stage and with a provisional qualification.

14. FINANCIAL LIABILITIES

The breakdown of financial liabilities at June 30th, 2023, and 2022, is as follows:

Item	Thousands of euros									
	06/30/2023					06/30/2022				
	Debts with finance companies	Bonds and other marketable securities	Debts with sports personnel	Others	Total	Debts with finance companies	Bonds and other marketable securities	Debts with sports personnel	Others	Total
Debts and payables: Non-current debts	170,283	1,458,499	53,714	168,386	1,850,882	68,574	596,778	54,142	84,424	803,918
Non-current	170,283	1,458,499	53,714	168,386	1,850,882	68,574	596,778	54,142	84,424	803,918
Debts and payables: Current debts	33,675	2,489	-	939	37,103	172,197	3,109	-	9	175,315
Creditors and other payables	-	-	174,001	360,834	534,835	-	-	163,611	355,804	519,415
Current	33,675	2,489	174,001	361,773	571,938	172,197	3,109	163,611	355,813	694,730
Total financial liabilities at depreciated cost	203,958	1,460,988	227,715	530,159	2,422,820	240,771	599,887	217,753	440,237	1,498,648

The impact on the income statement of financial liabilities is as follows:

- Financial expenses: 32,122 thousand euros (38,368 thousand euros in the previous year).

14.1. Non-current debts

The breakdown by maturity of the items that are part of the heading "Non-current debt" is as follows:

June 30th, 2023	Thousands of euros				
	Non-current				
	2024/25	2025/26	2026/27	2027/28 and following	Total
Bonds and other marketable securities	27,533	28,053	28,583	1,374,330	1,458,499
Debts with finance companies (Note 1.2)	13,266	48,684	-	108,333	170,283
Debts with sports entities (Note 14.3)	60,167	57,544	-	-	117,711
Other financial liabilities	-	-	-	1,629	1,629
Other non-current liabilities (Note 14.3):					
Compensations for termination of contract	7,271	60	-	-	7,331
Remuneration pending payment	46,383	-	-	-	46,383
Total	154,620	134,341	28,583	1,533,338	1,850,882

Bonds and other marketable securities correspond mainly to the bond issues of the Securitization Fund (Note 1.2). Also included are the "Senior Secured Notes" issued by the Club for a value of 471,446 thousand euros.

Non-current remunerations pending payment correspond to the fixed or similar remunerations accrued in the 2020/21 year and that, based on the collective bargain agreement dated December 17th, 2020, will be paid in the long term (Note 18.3).

June 30th, 2022	Thousands of euros				
	Non-current				
	2023/24	2024/25	2025/26	2026/27 and following	Total
Bonds and other marketable securities	-	34,855	35,514	526,409	596,778
Debts with finance companies	-	33,574	35,000	-	68,574
Debts with sports entities (Note 14.3)	54,924	15,750	13,750	-	84,424
Other non-current liabilities (Note 14.3)					
Compensations for termination of contract	15,101	14,614	-	-	29,715
Remuneration pending payment	6,876	17,551	-	-	24,427
Total	76,901	116,344	84,264	526,409	803,918

Bonds and other marketable securities

On August 28th, 2018, the Club issued "Senior Notes" (series A) for an amount of 90 million euros, maturing on August 28th, 2023, which accrued a fixed interest rate. Said "Senior Notes" were acquired by a US insurance company. At June 30th, 2021, the depreciated cost for which said debt was recorded amounted to 89.4 million euros. Also, on August 28th, 2018, the Club made a second issue of "Senior Notes" (series B) for an amount of 50 million euros, maturing on August 28th, 2023, which also accrued a fixed interest rate, and that was acquired by another US insurance company. At June 30th, 2021, the depreciated cost for which said debt was recorded amounted to 49.6 million euros.

In addition, on May 16, 2019, the Club conducted a third issuance of "Senior Notes" (series C) amounting to 30 million euros, with a maturity date on May 23, 2024, at a fixed interest rate. These notes were acquired by a French insurer. As of June 30, 2021, the amortized cost at which the mentioned debt was recorded amounted to 29.8 million euros.

Likewise, on May 16th, 2019, the Club made a fourth issue of "Senior Notes" (series D) for an amount of 30 million euros, maturing on May 23th, 2024, which accrued a fixed interest rate, and which was acquired by a French asset management company. At June 30th, 2021, the depreciated cost for which said debt was recorded amounted to 29.8 million euros.

The General Shareholders' Meeting held on June 20th, 2021, approved the subscription of new financing for an amount of 525 million euros, aimed at restructuring the financial debt of the Club and obtaining liquidity. On August 19th, 2021, "Senior Secured Notes" (series A1, A2, B1, B2, E1 and E2) were issued for an amount of 595 million euros, having cancelled the loan for an amount of 80 million euros granted on June 10th, 2021 by a US finance company and whose maturity was September 8th, 2021 (Note 14.2), as well as the cancellation of series C and D of the "Senior Notes" for a nominal amount of 60 million euros. The series A and B of the "Senior Notes" have been renewed in the new series A1, A2, B1 and B2 of the "Senior Secured Notes". On July 21th, 2022, an amount of 125 million euros of these "Senior Notes" was depreciated.

At June 30th, 2022, in relation to series A and B of the "Senior Notes", there was a substantial change in the conditions of the original debt (Note 4.7.2), which amounted to 8,399 thousand euros of financial expense on the date of the restructuring of these series of "Senior Notes".

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

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

	06/30/2023	06/30/2022
	Thousands of euros	Thousands of euros
Year:		
2024	27,533	34,855
2025	28,053	35,514
2026	28,583	36,185
2027	29,123	36,869
2028	29,674	37,566
2029	30,235	38,276
2030	30,806	38,999
2031	267,439	336,736
Total	471,446	595,000

At June 30th, 2023, the depreciated cost at which the "Senior Secured Notes" are recorded amounts to 471,446 thousand euros.

At June 30th, 2023, the accrued interest pending payment on the "Senior Secured Notes" amounts to 1.4 million euros (3.1 million euros at June 30th, 2022).

Debts with finance companies

The Club has granted credit policies at June 30th, 2023, and 2022 with the following limits:

	Thousands of euros		
	Limit	Amount not drawn down	Amount drawn down
June 30th, 2023	133,000	39,633	93,367
June 30th, 2022	140,500	25,711	114,789

The credit policies mature between April 2023 and May 2026 and are referenced to Euribor plus a market spread. The concession of these policies is not subjected to guarantees on behalf of the Club. These subscribed credit policies are guaranteed by the COVID-19 guarantee line of the Official Credit Institute (ICO).

14.2. Current debts

The breakdown of the heading "Current debts" at June 30th, 2023, and 2022 is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Bonds and other marketable securities (interest pending payment)	2,489	3,109
Debts with finance companies	33,675	172,197
Other financial liabilities	939	9
Total	37,103	175,315

Debts with finance companies

The breakdown of the heading “Debts with finance companies” at June 30th, 2023, and 2022 is as follows:

	Thousands of euros			
	06/30/2023		06/30/2022	
	Nominal value	Depreciated cost	Nominal value	Depreciated cost
Current loans with finance companies	-	-	124,831	124,831
Current debts for credits drawn down	31,417	31,417	46,214	46,214
Debts for confirming operations	1,311	1,311	950	950
Interest pending payment and others	948	948	202	202
Total	33,675	33,675	172,197	172,197

Other financial liabilities

On August 16th, 2018, an American finance company granted a loan to the Club for an amount of 90 million euros to finance the first stage of the construction of Espai Barça, in which the subsidiary Barça Licensing and Merchandising, S.L.U. acted as guarantor. The maturity of said loan was February 15th, 2022, and accrued an interest rate referenced to Euribor plus a differential.

On January 28th, 2022, a novation and recasting contract was signed for this financing contract signed on August 16th, 2018, expanding the credit limit to 180 million euros. Said financing contract was subsequently amended by novation and recasting contracts formalized on April 19th, 2022, and February 14th, 2023, and, finally, by means of an amendment letter on May 5th, 2023, by virtue of which the expiration date was extended to May 31th, 2023.

At May 31th, 2023, and within the Espai Barça financing process, this credit was extinguished.

Debts with finance companies

On June 1st, 2017, the Club signed a loan for 20 million euros, for a period of 6 years expiring on June 1st, 2023, with quarterly repayments and a 1-year grace period, referenced to the 12-month Euribor plus a differential. At June 30th, 2023, the amount has been fully depreciated (4.1 million euros in the short term at June 30th, 2022)

On June 12th, 2020, the Club signed a loan for 5.1 million euros, for a period of 3 years expiring on June 12th, 2023, with quarterly depreciations and referenced to the 12-month Euribor plus a differential. At June 30th, 2023, the amount has been fully depreciated (1.7 million euros in the short term at June 30th, 2022).

14.3. Trade creditors and other payables

The breakdown of this heading at June 30th, 2023, and 2022 are as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Suppliers	140,318	102,126
Suppliers, group, and associated companies (Note 20.2)	40	381
Other creditors	27,044	8,880
Related companies' creditors (Note 20.2)	9,093	7,060
Debts with sports entities	89,424	108,434
Sports personnel	174,001	163,611
Non-sports personnel	2,925	756
Current tax liabilities (Note 15.1)	3,877	-
Other debts with Public Administration (Note 15.1)	87,884	127,907
Customer advances	229	260
Total	534,835	519,415

Debts with sport entities

The breakdown of the debts with sports entities, which have been generated mainly by the acquisition of federative rights of players, at June 30th, 2023, and 2022 is as follows:

June 30th, 2023	Thousands of euros	
	Current	Non-current (Note 14.1)
<i>Football clubs:</i>		
Manchester City (Ferran Torres)	12,874	26,449
Kayserispor Club (Emre Demir)*	375	-
A.F.C. Ajax (Frenkie De Jong)*	15,983	-
Girona F.C. (Ramón Rodríguez)	33	17
Valencia C.F. (Ferran Torres)	455	910
Toulouse F.C. (Jean-Clair Todibo)	434	-
Olympique Lyonnais (Miralem Pjanic)	285	-
A.S. Roma (Miralem Pjanic)	165	-
F.C. Schöffeleng 95 (Miralem Pjanic)	138	-
F.C. Metz (Miralem Pjanic)	(54)	-
Wolverhampton Wanderers F.C. (Nélson Semedo)	111	-
Sevilla C.F. (Jules Koundé)	11,763	24,272
F.C. Girondins de Bordeaux (Jules Kounde)	359	719
La Brede F.C. (Jules Kounde)	80	160
Girona F.C. (Unai Hernández)	77	-
Real Betis Balompié (Emerson Royal)*	892	1,784
Real Betis Balompié (Junior Firpo)	627	627
Agrupación Deportiva Alarcón (Jorge Cuenca)	30	-
Valencia C.F. (Norberto Murara Neto)	4,000	-
Sporting Clube de Portugal (Raphinha)	103	206
Vitoria Sport Clube (Raphinha)*	242	485
Stade Rennais (Raphinha)	32	64
Leeds United F.C. (Raphinha)*	24,172	38,385
F.C. Bayern München (Robert Lewandowski)	10,210	21,105
Legia Warszawa (Robert Lewandowski)	50	101
Lech Poznań (Robert Lewandowski)	119	237
Delta Warszawa (Robert Lewandowski)	33	67
Znicz Pruszków (Robert Lewandowski)	113	225
MKS Varsovia (Robert Lewandowski)	169	338
Borussia Dortmund (Robert Lewandowski)	78	157
Others	5,476	1,403
Total debts with sports entities	89,424	117,711

* These clubs have factored their right to collect with a finance company.

June 30th, 2022

	Thousands of euros	
	Current	Non-current (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. Schöffeleng 95 (Miralem Pjanic)	161	138
Wolverhampton Wanderers F.C. (Nélson Semedo)	111	111
Club Atlético Boston River (Ronald Araújo)	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 (Sergio Dest)*	10,697	(28)
Others	6,414	5,708
Total debts with sports entities	108,434	84,424

* These clubs have factored their right to collect with a finance company.

Personnel

The breakdown of the non-current and current balances with sports personnel is as follows:

	Thousands of euros			
	06/30/2023		06/30/2022	
	Receivables (Note 10.4)	Payables	Receivables (Note 10.4)	Payables
Non-current				
First team players	31,531	50,681	37,439	53,109
Players from other sections	1,351	3,033	2,476	1,033
Non-current total	32,882	53,714	39,915	54,142
Current				
First team players	15,099	171,834	16,773	160,427
Players from other sections	1,641	2,167	3,036	3,184
Current total	16,740	174,001	19,809	163,611
Total	49,622	227,715	59,724	217,753

The non-current and current debt balances mainly include transfer bonuses for amounts pending accrual of 32,882 and 16,740 thousand euros, respectively (39,915 and 19,809 thousand euros, respectively, at June 30th, 2022). The additions for the year have been 25,264 thousand euros, while the derecognitions have been 10,853 thousand euros (23,504 and 3,667 thousand euros, respectively, in the 2021/22 financial year).

Additionally, the amounts accrued in said regard amounting to 22,833 and 250 thousand euros, respectively, have been transferred to the heading "Personnel expenses" and "External services" (25,965 and 391 thousand euros, respectively, in the 2021/22 financial year). Likewise, during the 2022/23 financial year, the transfer bonuses pending accrual of the players that the Club has already communicated that it does not have, were deteriorated for an amount of 1,289 thousand euros.

14.4. Obligation to comply with financial ratios

The loans dated June 1, 2017, and August 16th, 2018 (Note 14.1), involve compliance with various semiannual and annual ratios determined based on the net financial debt and financial expenses, both with respect to EBITDA, as well as on the value of the Club and its total debt, calculated on the figures of the given financial statements of the Club. As mentioned previously, the two loans have been paid off during the 2022/23 financial year, so they are no longer subject to any financial conditions.

At June 30th, 2022, the Club obtained a waiver from compliance with the financial ratios of the loan dated June 1st, 2017. Regarding the loan dated August 16th, 2018, the ratios were met at June 30th, 2022.

14.5. Information on the average payment period to suppliers

The information required by the third additional provision of Act 15/2010, of July 5th (amended through the second final provision of Act 31/2014, of December 3th) prepared in accordance with the Accounting and Auditing Institute's Resolution of January 29th, 2016, on the information to be incorporated in the annual accounts in relation to the average payment period to suppliers in commercial operations is stated below:

	06/30/2023	06/30/2022
	Days	Days
Average payment period to suppliers	68	94
Ratio of paid operations	68	93
Ratio of operations pending payment	69	124

	Thousands of euros	
Total payments made	432,299	206,567
Total pending payments	79,354	23,165

	Thousands of euros	
	06/30/2023	06/30/2022
Volume of operations paid within the legal term	174,885	56,504
Number of operations paid within the legal term	11,070	9,653
Volume ratio of transactions paid within the legal term	40%	27%
Number ratio of operations paid within the legal term	57%	75%

In accordance with the Accounting and Auditing Institute of Spain's resolution, to calculate the average payment period to suppliers, the commercial operations corresponding to the delivery of goods or services accrued since the date of entry into force of Act 31/2014 (December 3th) have been considered.

Suppliers are considered, for the exclusive purposes of providing the information provided for in this Resolution, those commercial creditors for debts for supplies of goods or services, included in the heading of Suppliers under current liabilities in the balance sheet.

“Average payment period to suppliers” is understood to be the period that elapses between the delivery of the goods or the provision of services by the supplier and the material payment for the operation.

Balances with sports entities and with suppliers of tangible assets are settled according to the agreements between the parties and may exceed the legally established period for commercial operations.

15. PUBLIC ADMINISTRATION AND TAXATION

15.1. Current balances with Public Administration

The breakdown of current balances with Public Administration at June 30th, 2023, and 2022, is as follows:

<i>Debt balances:</i>	Thousands of euros	
	06/30/2023	06/30/2022
VAT receivable from Tax Agency (Note 10.4)	8,341	616
Personal Income Tax receivable from Tax Agency (Note 10.4)	-	-
Corporate Tax receivable from Tax Agency (Note 10.4)	46,100	90
Total	54,441	706

<i>Credit balances:</i>	Thousands of euros	
	30/06/2023	30/06/2022
Current personal Income Tax payable to Tax Agency (Note 14.3)	83,873	66,871
Social Security costs (Note 14.3)	1,839	1,593
Corporate Tax payable to Tax Agency (Note 14.3)	2,112	59,151
Other payables to Tax Agency (Note 14.3)	60	292
Total	87,884	127,907

15.2. Reconciliation between the accounting result and tax base

The reconciliation between the book result and the expected tax base of the corporate tax is as follows:

June 30th, 2023	Thousands of euros		
	Increases	Decreases	Total
Accounting result before taxes*			422,949
Permanent differences:			
International double taxation reduction	623	-	623
Fines, penalties, and donations	5,177	-	5,177
Compensations	22,271	(5,622)	16,649
Provisions for risks and expenses	861	(11,449)	(10,588)
Land impairment reversal	-	(343)	(343)
Impairment of shares and credits	2,512	-	2,512
Temporary differences:			
Provision for risks and expenses and asset impairment	115,477	(181,597)	(66,120)
Non-deductible financial expense	21,189	(2)	21,187
Forward operations	29,589	(244,634)	(215,045)
Non-deductible tax depreciation	-	(214)	(214)
Tax base			176,787

*The accounting result before taxes includes an accounting consolidation adjustment corresponding to the revaluation of shares in the company Bridgeburg Invest, S.L., in the amount of 208,163 thousand euros, which have no tax impact. In the same way, it integrates the results after taxes of the same company by equity method.

June 30th, 2022	Thousands of euros		
	Increases	Decreases	Total
Accounting result before taxes			124,489
Permanent differences:			
International double taxation reduction	1,013	-	1,013
Fines, penalties, and donations	3,856	-	3,856
Compensations	8,274	-	8,274
Provisions for risks and expenses	5,943	(2,987)	2,956
Land impairment reversal	-	(26,569)	(26,569)
Impairment of shares and credits	714	-	714
Temporary differences:			
Provision for risks and expenses and asset impairment	82,135	(143,884)	(61,749)
Non-deductible financial expense	23,961	-	23,961
Forward operations	-	(77,087)	(77,087)
Non-deductible tax depreciation	-	(245)	(245)
Base imposable fiscal			(387)

The main differences between the taxable corporate tax base and the accounting result correspond to provisions recorded during the current year and in previous years that were not considered tax deductible.

15.3. Income recognized in equity

The breakdown of the income recognized directly in equity at June 30th, 2023, and 2022 is as follows:

June 30th, 2023	Thousands of euros		
	Increases	Decreases	Total
For deferred tax:			
Originating in the year - Grants (Note 12.2)	20	-	20
Total tax recognized directly in equity	20	-	20

June 30th, 2022	Thousands of euros		
	Increases	Decreases	Total
For deferred tax:			
Originating in the year - Grants (Note 12.2)	19	-	19
Total tax recognized directly in equity	19	-	19

15.4. Reconciliation between the accounting result and the expense (income) for corporate tax

The reconciliation between the book result and the expense (income) for corporate tax is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Accounting result before taxes	422,949	124,489
Permanent differences	14,030	(9,756)
Total tax base	436,979	114,734
Tax rate	25%	25%
Fee	109,245	28,683
Capitalized reductions	(2,209)	(1,173)
Corporate tax regularization of previous year	506	(418)
Regularization by companies integrated by equity accounting	(17)	-
Negative tax bases for the year not capitalized	11,963	(179)
Regularization of deductions and negative tax bases	(250)	-
Total tax expense / (income) recognized in the income statement	119,238	26,912

15.5. Breakdown of expense (income) for corporate tax

The breakdown of expense (income) for corporate tax is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Current tax	3,688	-
Deferred tax	115,550	26,912
Total expense / (income) for consolidated corporate tax	119,238	26,912

As stated in Note 4.10, since the 2020/21 financial year, the Club no longer pays corporate tax under the tax dation regime together with its subsidiary company Barça Licensing and Merchandising, S.L.U., in which the Club was parent company of the given tax group.

15.6. Deferred tax assets and liabilities

The breakdown of the balances of these accounts at the end of the financial years 2022/23 and 2021/22 are as follows:

Item	Thousands of euros			
	Deferred tax assets		Deferred tax liabilities	
	Amount	Tax effect	Amount	Tax effect
Grants	-	-	1,832	458
Credits for losses to be compensated	217,048	54,262	-	-
Temporary differences	202,386	50,597	500,300	125,075
Deductions pending to be applied	-	6,086	-	-
		110,945		125,533

June 30th, 2022		Thousands of euros		
Item	Deferred tax assets		Deferred tax liabilities	
	Amount	Tax effect	Amount	Tax effect
Grants	-	-	1,912	478
Credits for losses to be compensated	217,008	54,252	-	-
Temporary differences	249,548	62,387	77,088	19,272
Deductions pending to be applied	-	4,077	-	-
		120,716		19,750

At June 30th, 2023, the negative tax bases pending compensation of the Club amount to 382,739 thousand euros and correspond to those generated in the 2022/23 financial year for 410 thousand euros, and to the 2021/22 financial years (836 thousand euros), 2020/21 (284,204 thousand euros), 2019/20 (96,411 thousand euros), 2010/11 (350 thousand euros) and 2009/10 (528 thousand euros). Likewise, at June 30th, 2023, the subsidiary Barça Licensing and Merchandising, S.L.U. It has negative tax bases pending compensation that are not capitalized in the amount of 7,204 thousand euros generated in the 2020/21 financial year.

The negative tax bases for the years 2019/20 and 2020/21 were motivated by the effects of the COVID-19 pandemic, which caused a very significant decrease in the income figure, which especially affected income from competitions (ticket offices and hospitality), marketing (merchandising, museum, and others) and subscriptions, and a significant decrease in operations involving the transfer of federative rights of players between clubs. This reduction in income could not be offset by a similar decrease in expenses, especially those corresponding to the salaries of the first football team.

At June 30th, 2023, there are deferred tax assets recorded in the amount of 110,945 thousand euros, as the Club's Board of Directors considers that, according to the best estimate of future results, it is probable that these assets will be recovered within a certain temporary period not exceeding 10 years, as established by accounting regulations. The recovery of these deferred tax assets is based on the business plan for the next 4 years (financial years 2023/24 to 2026/27) approved by the Club's Board of Directors, which plans to generate positive results during the next 4 years. This business plan is based on an increase in income and containment of expenses, especially those corresponding to the salaries of the first football team. The expected growth in income is based, among others, on: (i) merchandising sales through the promotion of e-commerce, new product lines, new sales channels, and new licenses; (ii) promotion of digital activities; (iii) signing of new sponsorship agreements; and (iv) monetization of different business areas through strategic partners. Starting in the 2027/28 financial year, the projections have considered a moderate growth in the profit expected for the 2026/27 financial year.

15.7. Years pending verification and inspection actions

In 2016, the Club received a notification from the Tax Agency of the start of verification and inspection actions related to the periods between the 2011/12 to 2014/15 years. The inspection actions were of a general nature in accordance with the provisions of article 148 of the General Tax Act and with article 178 of the General Regulations on Tax Actions.

On June 29th, 2018, settlement agreements were notified for 13,496 thousand euros and default interest of 3,298 thousand euros derived from declarations of disagreement in relation to corporate tax, value added tax, advances of non-residents withholdings and personal income tax withholdings for the period from January 2012 to June 2015.

In July 2018, the Club filed economic-administrative claims before the Central Economic-Administrative Court against said settlement agreements. Likewise, in January 2019 economic-administrative claims were filed before the Central Economic-Administrative Court against the administrative sanctioning acts derived from this inspection for an amount of 16,481 thousand euros, received in the same month, January 2019. During June 2020, dismissal resolutions were notified by the Central Economic-Administrative Court in relation to corporate tax, personal income tax withholdings and non-resident withholdings, and in May 2021 in relation to value added tax. On July 20th, 2020, and July 20th, 2021 (the latter in relation to value added tax) the Club filed judicial appeals before the Spanish High Court in relation to said taxes. On June 23th, 2023, the Club received a ruling from the Spanish High Court in relation to withholdings on the income tax of non-residents, which upheld the Club's allegations and annulled said settlements and penalties. The rest of the resources corresponding to the withholdings of Personal Income Tax, Corporate Tax and Value Added Tax are pending resolution at the date of preparation of these annual accounts, although it is expected that the Club's claims will be admitted, annulling said settlements and penalties.

Likewise, on July 5th, 2019, the Tax Agency began general verification and inspection actions related to Corporate Tax for the 2015/16 to 2017/18 years, and VAT, withholdings on income from work performance and professionals, withholdings on movable assets and withholdings on the income of non-residents for the period between July 2015 and June 2018.

On July 21th, 2021, the Club signed a declaration of agreement in relation to the amount of 1,083 thousand euros, which has been paid (Note 13.1). Furthermore, on the same date, a declaration of disagreement was signed for 15,794 thousand euros, which were paid in full in January 2022. On October 2022, the Club filed economic-administrative claims before the Central Economic-Administrative Court against said settlement agreements and penalties. On April 3th, 2023, the Central Economic-Administrative Court notified the Club of the assessment of its allegations and annulment of the settlements and penalties corresponding to personal income tax and personal income tax withholdings, as well as those corresponding to corporate tax. At June 6, 2023, the Central Economic-Administrative Court communicated the admission of the allegations issued by the Club and the annulment of the settlements and penalties corresponding to VAT.

On May 24th, 2023, the Tax Agency began general verification and inspection actions related to withholdings on performance and professional income, and withholdings on the income of non-residents for the period between July 2015 and June 2018.

The Club's Board of Directors, together with its tax advisors, consider that the provision recorded at June 30th, 2022, under the heading "Non-current provisions" of the balance sheet (Note 13.1) is sufficient to meet the liabilities that may arise from the inspection actions indicated above.

As established by current legislation, taxes cannot be considered definitively settled until the returns submitted have been inspected by the tax authorities or the four-year mandatory period has expired. At June 30th, 2023, the Club has the following taxes and periods open for inspection:

i) Corporate tax for the years 2018/19, 2019/20, 2020/21 and 2021/22.

ii) VAT, withholdings on work performance and professional income, withholdings on movable capital and withholdings on the income of non-residents for the period between July 2018 and May 2023.

Regarding the information obligations established by article 86 of Act 27/2014, of November 27th, on Corporate Tax in relation to the non-monetary contribution covered by the special regime established by Chapter VII of Title VII of the same Act, it is stated that the assets contributed to Barça Produccions, S.L.U., had a book and tax value of 6,000 thousand euros, the assets received by this company having been recorded for the same amount.

16. ACCRUALS

The breakdown of the headings "Non-current accruals" and "Current accruals" at June 30th, 2023, and 2022, is as follows:

	Thousands of euros					
	06/30/2023			06/30/2022		
	Assets	Liabilities		Assets	Liabilities	
	Current	Current	Non-current	Current	Current	Non-Current
Multi-year contracts	-	122,736	-	-	122,777	-
Subscriptions and membership cards	-	10,436	-	-	15,937	-
Other accruals	10,961	6,504	5,527	7,233	-	6,734
	10,961	139,676	5,527	7,233	138,714	6,734

Multi-year contracts

The Group has granted different exclusivity contracts that are estimated to result in future income for the Group of approximately 1,317,244 thousand euros at June 30th, 2023 (1,251,788 thousand euros at June 30th, 2022). The income accrued in the year corresponding to these contracts is included in the heading "Net turnover" of the attached income statement. The amounts invoiced and not accrued, as well as the advances received, are recorded within the liability items of the attached balance sheet under "Accruals" as current or non-current depending on the estimated accrual period.

These contracts will be recognized as income in the following years according to the following estimate:

	Thousands of euros	
	06/30/2023	06/30/2022
2022/23	-	334,292
2023/24	362,057	325,235
2024/25	327,657	301,624
2025/26*	283,868	290,637
2026/27 and following	343,663	-
	1,317,244	1,251,788

* At June 30th, 2022, it corresponds to the income from the 2025/26 and following years.

The marketing of the services owned by the Club has continued to be progressively implemented, in line with previous years, through specific multi-year contracts. The most significant goods or rights subject to marketing and the period for which the contracts have been formalized are detailed below.

a) Sponsorship of sports equipment

On October 25th, 2006, a contract was signed with Nike European Operations Netherlands, BV (hereinafter Nike), through which the Club named Nike as the exclusive technical sponsor and supplier of sports-oriented products. In addition, Nike was named as the exclusive and non-exclusive bidder to sell sponsorship products that incorporate proprietary rights. The contract entered into force on July 1st, 2008, and had an initial duration of five years, although it was established, reciprocally between the Club and Nike Europe BV, a possible extension of five additional years that was approved by the General Shareholders' Meeting on August 29th, 2007.

On January 1st, 2011, the Club and Nike formalized an addendum to the sponsorship contract through which the duration of the contract was extended until June 30th, 2018.

On May 20th, 2016, the Club formalized an appendix to the contract extending its validity, which was approved at the General Shareholders' Meeting, until June 30th, 2028.

b) Broadcasting and TV rights

On May 1st, 2016, the Royal Decree that regulates the centralized sale of football TV rights came into force (Royal Decree-Act 5/2015, of April 30th, on urgent measures in relation to the marketing of the operation rights of audiovisual content of professional football competitions). The main objective of this Royal Decree is the establishment of a joint marketing system for professional football audiovisual rights.

With the new regulation, no professional club can directly market its operation rights for audiovisual content. From that date on, participation in an official professional football competition will necessarily entail the transfer of these rights to the organizer of the competition: the Spanish Professional Football League -LFP- in the case of the first and second division League and the Royal Spanish Football Federation (Real Federación Española de Fútbol, RFEF) for the King's Cup.

On May 19th, 2021, the Club formalized an agreement with Euroleague Properties for the purpose of marketing the Euroleague TV rights through the channel DAZN. This contract is valid until the end of the 2022/23 year.

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c) Official sponsor

On January 19th, 2017, the Club formalized an agreement with Rakuten INC, through which it granted, among other things, the right to sponsor and operate the shirt worldwide. The contract entered into force on July 1st, 2017, and ended on June 30th, 2022.

On February 27th, 2022, the Club formalized an agreement with Spotify AB (hereinafter, Spotify) whereby the Swedish company becomes the Club's Main Partner and Official Audio Streaming Partner. Spotify will appear on the front of the men's and women's first team shirt, starting in the 2022/23 season and for the next four seasons. Spotify will also sponsor the training shirts of both teams starting in the 2022/23 season and for the next three seasons. In the same way, as part of the collaboration, the Swedish company becomes a "Title Partner" of the Camp Nou stadium, which has changed its name to Spotify Camp Nou.

17. FOREIGN CURRENCY TRANSACTIONS

Except for the bonds issued by the Fund in USD (Notes 1.2 and 14), the Group does not carry out significant recurring transactions in foreign currency.

18. INCOME AND EXPENSES

18.1. Net turnover

The breakdown of the net turnover at June 30th, 2023, and 2022, broken down by activity and geographic markets, is as follows:

June 30th, 2023

Activity	Thousands of euros				Total
	Club's football first team	Club's sections and structure	Barça Licensing and Merchandising, S.L.U.	Barça Produccions, S.L.U.	
Income from competitions:					
League gate-money	53,779	2,819	-	-	56,598
Other Spanish competitions gate-money	5,338	7	-	-	5,345
International competitions gate-money	10,467	3,398	-	-	13,865
Friendly and other matches	21,729	114	-	-	21,843
Hospitality	24,884	1,439	-	-	26,323
Total income from competitions	116,197	7,777	-	-	123,974
Income from members and season-ticket holders	44,945	20,596	-	-	65,541
Income from broadcasting and TV rights	203,903	8,716	-	3,263	215,882
Income from provision of services	(60)	-	455	-	395
Marketing and advertising income (*)					
Marketing	54,608	37,470	99,531	-	191,609
Sponsorship	178,014	20,512	-	-	198,526
Advertising and others	-	-	-	-	-
Total marketing and advertising income	481,410	87,294	99,986	3,263	671,953
Total	597,607	95,071	99,986	3,263	795,927

(*) Includes marketing income from participation in the Champions League.

Geographic markets	Percentage (of turnover)				
	Club's football first team	Club's sections and structure	Barça Licensing and Merchandising, S.L.U.	Barça Productions S.L.U.	Total
National market	61%	9%	10%	2%	82%
International market	15%	2%	1%	-	18%
Total	76%	11%	11%	2%	100%

June 30th, 2022

Activity	Thousands of euros				
	Club's football first team	Club's sections and structure	Barça Licensing and Merchandising, S.L.U.	Barça Productions, S.L.U.	Total
Income from competitions:					
League gate-money	26,892	2,155	-	-	29,047
Other Spanish competitions gate-money	-	-	-	-	-
International competitions gate-money	8,799	2,504	-	-	11,303
Friendly and other matches	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 broadcasting and TV rights	238,453	11,268	-	472	250,193
Income from provision of services	-	205	-	-	205
Marketing and advertising income (*)					
Marketing	32,412	29,886	51,771	-	114,069
Sponsorship	138,463	14,371	-	-	152,834
Advertising and others	-	272	-	-	272
Total marketing and advertising income	170,875	44,529	51,771	-	267,175
Total	493,682	82,061	51,771	472	627,986

(*) Includes marketing income from participation in the Champions League.

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

18.2. Other operating income

The breakdown of other operating income at June 30th, 2023, and 2022, is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Other operating income	3,720	7,283
Transfer and training of players (Note 5)	5,265	2,418
Operating grants	744	1,151
Total	9,729	10,852

18.3. Personnel expenses

The balance of the heading "Personnel expenses" or the years ended June 30th, 2023, and 2022 is as follows:

June 30th, 2023	Thousands of euros					
	Wages and salaries	Compensations	Collective premiums	Social Security costs	Others (*)	Total
Wages and salaries of sports personnel:						
First team players and coaches	363,496	-	72,508	423	27,400	463,827
Other training and sections personnel	81,405	473	7,761	5,891	2,560	98,091
Total wages and salaries of sports personnel	444,901	473	80,270	6,314	29,960	561,918
Total wages and salaries of structure personnel	41,139	3,933	5,568	10,992	2,173	63,805
Total	486,040	4,406	85,838	17,306	32,133	625,723

	Thousands of euros					
	Wages and salaries	Compensations	Collective premiums	Social Security costs	Others (*)	Total
Amounts for squad to be registered in the Spanish Professional Football League	363,496	-	72,508	423	27,400	463,827
Amounts for squad not to be registered in the Spanish Professional Football League	81,405	473	7,761	5,891	2,560	98,091
Total	444,901	473	80,270	6,314	29,960	561,918

(*) The "Other" section in the salaries and wages of sports personnel corresponds to, among other things, additional compensation earned by sports personnel beyond their annual salaries that does not constitute payment for the fiscal year.

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

	Thousands of euros					
	Wages and salaries	Compensations	Collective premiums	Social Security costs	Others (*)	Total
Amounts for squad to be registered in the Spanish Professional Football League	237,632	8,146	39,161	385	13,409	298,733
Amounts for squad not to be registered in the Spanish Professional Football League	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

(*) The "Other" section in the salaries and wages of sports personnel corresponds to, among other things, additional compensation earned by sports personnel beyond their annual salaries that does not constitute payment for the fiscal year.

El The total expenses associated with the sports personnel for the years ending June 30th, 2023, and 2022, are as follows:

	Thousands of euros					
	06/30/2023			06/30/2022		
	Amounts for squad to be registered in the Spanish Professional Football League	Amounts for squad Not to be registered in the Spanish Professional Football League	Total	Amounts for squad to be registered in the Spanish Professional Football League	Amounts for squad Not to be registered in the Spanish Professional Football League	Total
Salary remuneration to sports personnel and Social Security costs	463,827	98,091	561,919	298,733	99,755	398,488
Image rights to companies	13,327	216	13,543	3,199	171	3,369
Agents	10,745	834	11,578	2,988	147	3,135
Expenses associated with sports personnel:						
Depreciation of players	85,147	3,727	88,874	107,429	5,874	113,303
Expenses from player impairment	20,774	3,566	24,340	32,626	3,457	36,082
Player impairment reversal	(20,774)	(922)	(21,696)	(28,784)	(1,111)	(29,895)
Loss/(profit) from transfer of players	39,453	2,576	42,029	(7,537)	(20,185)	(27,722)
Loss/(profit) from cession of players	(2,272)	(1,984)	(4,256)	(454)	(406)	(860)
Total cost of sports squad	610,227	106,104	716,331	408,200	87,702	495,902

As a result of the effects of the COVID-19 pandemic, the Club's income was reduced very significantly. To address this situation, a meeting was held for the collective change of the working conditions of the first team and Barça Atlètic personnel. On December 17th, 2020, a collective bargain agreement was signed by which the fixed or similar remuneration of the 2020/21 season was reduced for the professionals who signed said agreement, which will be compensated with a salary increase for the same amount that will be accrued and payable in the remaining contractual seasons of each professional, having consequently proceeded to amend the employment contracts.

Additionally, the thirty-six monthly payments agreed upon from July 1st, 2021, are being paid.

The total personnel expenses shown in the following breakdown include the amounts detailed in the calculation of the indicator of personnel expenses associated with the sports team registered in the Spanish Professional Football League, as defined in its Regulations of Economic Control, as well as the amounts associated with the personnel no to be registered in the same:

	Thousands of euros	
	2022/23	2021/22
Salaries and wages for personnel and others	561,918	489,590
Image rights to companies	13,543	3,369
Agents	11,578	3,135
Depreciation	88,874	113,304
Total	675,913	618,398

18.4. External services

This heading of the attached consolidated income statement includes, among others, the amounts incurred by the Club for image rights of players and technicians who make up the Club's sports squads, amounting to 25,121 thousand euros at present. financial year and 6,503 thousand euros in the 2021/22 financial year. The details of these expenses are as follows:

	2022/23		2021/22	
	Average duration of contracts	Thousands of euros	Average duration of contracts	Thousands of euros
Football	5 years	25,121	5 years	6,503
		25,121		6,503

Regarding players with image transfers to Image Management Companies, the Club pays them a maximum amount of 15% of the player's total remuneration. Additionally, during the current financial year, the Club has recorded an expense amounting to 11,578 thousand euros in compensation to sports agents (3,135 thousand euros in the 2021/22 financial year). This amount includes, where applicable, the payment of applicable taxes.

18.5. Endowments and allocation of provisions and others

This heading of the attached income statement for the years ended June 30th, 2023, and 2022 is as follows:

	Thousands of euros	
	2022/23	2021/22
Allocation of provisions (Notes 13.1 and 13.2)	(35,086)	(9,635)
Extraordinary expenses	(865)	(64)
Endowment for provisions and other expenses	(35,942)	(9,699)
Provision reversals (Notes 13.1 and 13.2)	-	2,265
Extraordinary income	125	173
Allocation of provisions and other income	125	2,438
Total	(35,817)	(7,261)

The heading "Provisions and other expenses" for the 2022/23 financial year corresponds to a provision for different compensation and occupational risks. The provision for the 2021/22 financial year corresponds to a provision for tax lawsuits and others.

19. CONTRIBUTION BY COMPANIES TO THE RESULT OF THE YEAR

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

	Thousands of euros	
	06/30/2023	06/30/2022
Futbol Club Barcelona	52,360	97,288
Barça Licensing and Merchandising, S.L.U.	1,992	572
Barça Produccions, S.L.U.	141,024	(283)
Barça Innovation Hub, S.L.U.	(5)	-
Bridgeburg Invest, S.L.	74	-
Sudburylane, S.L.U.	(1)	-
Espai Barça, Securitization funds (Note 1.2)	(47,855)	-
Revaluation adjustments (Note 10.3)	156,122	-
Total	303,711	97,577

20. OPERATIONS AND BALANCES WITH RELATED PARTIES

20.1. Operations with related parties

The breakdown of operations carried out with related parties during 2022/23 and 2021/22 are as follows:

Company	Thousands of euros	
	06/30/2023	06/30/2022
Contributions:	(4,000)	(3,000)
Fundació Futbol Club Barcelona	(4,000)	(3,000)
Services received:	(2,337)	(3,216)
Fundació Futbol Club Barcelona	-	(3)
FCBarcelona HK Limited	(1,784)	(1,013)
FCB North America LLC	(553)	(2,200)
Sale of tangible assets:	400,433	267,089
Locksley Invest, S.L.	400,433	267,089
Services provided and others:	767	601
Fundació Futbol Club Barcelona	760	587
FCB North America LLC	6	-
Haikou Barça Mission Hills	1	14
Financial income:	144	107
FCBarcelona HK Limited	94	32
FCB North America LLC	50	75

The transactions with Locksley Invest, S.L in the 2022/23 financial year correspond to the operation of the sale of 15% of the Club's audiovisual rights to the "La Liga" professional competition (Note 6).

20.2. Balances with related parties

The breakdown of this heading is as follows:

Company	Thousands of euros	
	06/30/2023	06/30/2022
Trade debtors and other receivables:	119,573	29,648
Fundación Futbol Club Barcelona (Note 10.4)	28	17
FCBarcelona HK Limited (Note 10.4)	98	6
FC Barcelona North America LLC (Note 10.4)	671	15
Haikou Barça Mission Hills (Note 10.4)	26	26
Locksley Invest, S.L (Note 10.4)	118,750	29,584
Trade creditors and other payables:	(9,132)	(7,060)
FCBarcelona HK Limited (Note 14.3)	(38)	(66)
FC Barcelona North America LLC (Note 14.3)	(2)	(315)
Fundación Futbol Club Barcelona (Note 14.3)	(9,093)	(6,679)

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

As established in the Club's bylaws, the members of the Board of Directors have not received or accrued any type of remuneration, advances, or credits from the Club during the 2022/23 and 2021/22 financial years.

Likewise, the remunerations received by the Club's Management Committee, which include in the salaries chapter the variable remunerations estimated at June 30th, 2023, and 2022, have been the following:

June 30th, 2023	Thousands of euros		
	Wages	Pension plans	Termination benefits
Management Committee and Senior Management	5,903	61	7

The above figures correspond to all the people who have been part of the Management Committee during the 2022/23 season.

June 30th, 2022	Thousands of euros		
	Wages	Pension plans	Termination benefits
Management Committee and Senior Management	6,127	24	3,344

The above figures correspond to all the people who have been part of the Management Committee during the 2021/22 season.

During the 2022/23 season, civil liability insurance premiums for the Board of Directors and the Management Committee have been paid in the amount of 942 thousand euros (570 thousand euros in the 2021/22 season).

21. OTHER INFORMATION

21.1. Personnel

The average number of people employed in the current and previous years, detailed by category, is as follows:

Categories	2022/23		2021/22	
	Average number of employees	Average number employees with disabilities > 33%	Average number of employees	Average number employees with disabilities > 33%
Management Committee	24	-	17	-
Professional sports personnel	633	4	645	6
Administrative services personnel	525	5	532	5
Other employees (facilities, stores, and others)	324	5	198	8
Total	1,506	14	1,392	19

Likewise, the breakdown by gender at June 30th, 2023, and 2022, detailed by category, is as follows:

Categories	06/30/2023		
	Men	Women	Total
Management Committee	18	6	24
Professional sports personnel	595	66	661
Administrative services personnel	290	229	519
Other employees (facilities, stores, and others)	184	145	329
Total	1,087	446	1,533

June 30th, 2022

Categories	06/30/2022		
	Men	Women	Total
Management Committee	17	5	22
Professional sports personnel	599	73	672
Administrative services personnel	286	253	528
Other employees (facilities, stores, and others)	174	153	327
Total	1,076	484	1,560

The Club's Board of Directors at June 30th, 2023, was made up of 17 men and 1 woman (18 men and 1 woman at June 30th, 2022).

21.2. Audit fees

The fees related to the account audit services and other services provided by the Group's auditor in the 2022/23 and 2021/22 financial years were as follows:

	Thousands of euros	
	2022/23	2021/22
Audit services	258	199
Other assurance services	111	32
Total fees for audit and assurance services	369	231

21.3. Guarantees committed to third parties and other financial liabilities

At June 30th, 2023, and 2022, the Group had guarantees for an amount of 46,123 and 43,902 thousand euros, respectively. The most significant guarantees at June 30th, 2023, correspond to the declarations of disagreement and the corresponding sanctions (Note 15.7).

The Board of Directors estimates that the unforeseen liabilities at June 30th, 2023, that, if applicable, could be originated by these guarantees, would not be significant.

21.4. Control ratios of sports organizations

The main ratios are set out below, without considering the figures and magnitudes of the Securitization Fund indicated in Note 1.2, established in the Economic Control Regulations and other mandatory regulations of the National Professional Football League (LFP). For comparison purposes, figures from the previous year are included.

Breakeven Point Indicator

The difference between income and relevant expenses forms the result of the breakeven point. The total breakeven result will be the sum of the breakeven results of each accounting period covered by the monitoring period, namely, accounting periods T, T-1 and T-2, with T being the annual accounting period for which the audited annual accounts have been requested:

	Thousands of euros		
	T	T-1	T-2
	06/30/2023	06/30/2022	06/30/2021
Relevant income	1,418,177	957,800	605,423
Relevant expenses	1,054,426	737,791	1,046,536
Breakeven point (+surplus, - deficit)	363,751	220,010	(441,113)
Total breakeven point	142,648	(221,157)	(386,696)
Required balance point	>0		
Conclusion	ACCOMPLISHED		

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

	Thousands of euros		
	T	T-1	T-2
	06/30/2023	06/30/2022	06/30/2021
Relevant income			
Ticket offices, members, and season-ticket holders	180,793	104,116	23,744
Sponsorship and advertising	184,137	139,008	195,198
Broadcasting rights	207,245	242,293	275,299
Commercial activities	186,818	113,452	60,351
Other operating income	8,176	8,232	11,887
Profit from sports intangible assets	14,231	21,329	28,813
Capital gains from the disposal of non-sports intangible assets	398,947	266,112	-
Financial income and exchange differences	201,093	2,310	4,236
Allocation of subsidies to operating income	70	78	70
Other income not classified within the previous headings	36,667	58,430	5,825
Total relevant income	1,418,177	957,800	605,423
Income consolidated annual accounts			
Total operating income	1,468,200	1,009,907	-
Total financial income	198,966	5,667	-
Total income consolidated annual accounts	1,667,166	1,015,574	-
Difference	248,989	57,773	-
Conciliatory items	-	-	-
Income from operations not linked to professional football activity	248,989	57,773	-
Total conciliatory items	248,989	57,773	-

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

	Thousands of euros		
	T	T-1	T-2
	06/30/2023	06/30/2022	06/30/2021
Relevant expenses			
Cost of sales/materials	44,249	25,018	15,614
Employee compensation expenses	535,640	369,039	396,531
Other operating expenses	259,772	145,661	156,021
Depreciation/impairment of players' federative rights	107,426	141,765	312,090
Losses due to the alienation of federative rights of players	53,685	13,792	27,576
Financial cost and dividends	42,365	38,589	54,599
Other expenses not classified in previous headings	11,289	3,927	84,105
Total relevant expenses	1,054,426	737,791	1,046,536
Expenses consolidated annual accounts			
Total operating expenses	1,200,562	852,409	-
Total financial expenses	43,654	38,676	-
Total Corporate Tax	119,238	26,912	-
Total expenses in the consolidated annual accounts	1,363,454	917,997	-
Difference	309,028	180,206	-
Conciliatory items			
Depreciation/impairment of tangible assets	35,135	29,996	-
Depreciation/impairment of sports assets	6,477	1,383	-
Tax expenses (Corporate Tax)	119,238	26,912	-
Expenses on community development activities directly attributable	-	3,175	-
Other expenses not classified within the previous reconciliation items	148,178	118,740	-
Total conciliatory items	309,028	180,206	-

Indicator of personnel expenses associated with the squad to be registered in the Spanish Professional Football League

It is considered indicative of a possible situation of future economic and financial imbalance when the annual economic amount of personnel expenses associated with the Club's football team to be registered in the Spanish Professional Football League, players and coaches exceeds 70% of the relevant income for the season, as defined in the LFP Economic Control Regulations.

	Thousands of euros	
	06/30/2023	06/30/2022
Personnel expenses associated with the first football team (*)	496,619	314,169
Relevant income	1,418,177	957,800
Personnel expense indicator for squad to be registered in the LFP	35%	33%
Personnel expense indicator for squad to be registered in the LFP required	<70%	<70%
Conclusion	ACCOMPLISHED	ACCOMPLISHED

(*) Includes expenses for salaries, image companies and remuneration to agents.

The income calculation and reconciliation can be seen in the break-even calculation above.

The reconciliation of the expenses associated with the squad to be registered in the LFP with the total personnel expenses is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Personnel expenses associated with the football team to be registered in the LFP (a)	487,899	304,919
Non-sports football and structure personnel expenses associated with the first football team (b)	8,720	9,250
Total personal expenses associated with the first football team	496,619	314,169
Expenses of personnel not to be registered in the LFP	90,421	90,823
Expenses of non-sports personnel except for those contemplated in section (b) and expenses of personnel to be registered in the LFP except for those contemplated in section (a)	63,805	58,758
Total personnel expenses	650,845	463,750

Ratio of net debt to relevant income

As defined in the Regulation, it will be indicative of a possible situation of financial economic imbalance when the net debt at June 30th of each sports season exceeds 100% of the relevant income of the entity.

According to the regulations, the amount of net debt corresponds to the sum of the net debt for transfers (that is, the net of accounts receivable and payable for transfers of players), of the amounts pending payment derived from financing received from finance companies, related parties or third parties, of advances to accrue within a period of more than 1 year and of debt with suppliers of tangible assets lessened by cash, equivalent liquid assets and temporary financial investments. The net debt does not include trade debts or other payables or the amount of debt pending payment for investments made in tangible assets for the construction, refurbishment, or substantial improvement of its facilities, that is, "Espai Barça".

	Thousands of euros	
	06/30/2023	06/30/2022
Net debt	552,090	608,089
Relevant income	1,418,177	957,800
Ratio of net debt to relevant income	39%	63%
Required ratio of net debt to relevant income	<100%	<100%
Conclusion	ACCOMPLISHED	ACCOMPLISHED

The breakdown of the net debt is as follows:

	Thousands of euros	
	06/30/2023	06/30/2022
Non-current debts		
Bonds and other marketable securities (Note 14.1)	(471,446)	(596,778)
Debts with finance companies (Note 14.1)	(61,950)	(68,574)
Debts with sports entities for transfers and assignments (Note 14.3)	(117,711)	(84,424)
Accruals (Note 16)	(5,527)	(6,734)
Total non-current debts	(656,634)	(756,510)
Current debts		
Bonds and other marketable securities (Note 14.2)	(2,489)	(3,109)
Debts with credit institutions (Note 14.2)	(33,675)	(172,197)
Debts with sports entities for transfers and assignments (Note 14.3)	(89,424)	(108,434)
other debts	(2,892)	(4,972)
Total current debts	(128,480)	(288,712)
Total liabilities	(785,114)	(1,045,222)
Compensatory assets		
Credits with sports entities for transfers and non-current assignments (Note 10.1)	9,483	17,734
Credits with sports entities for current transfers and assignments (Note 10.3)	49,165	40,034
Cash and equivalent liquid assets and current financial investments	174,376	379,365
Total compensatory assets	233,024	437,133
Total	(552,090)	(608,089)

22. ANALYTICAL INCOME STATEMENT BY SPORTS SECTIONS

In the complementary information of the analytical consolidated income statement by sports sections, the Group has applied the following allocation criteria between the different sections:

- The income and expenses attributable, by their nature, to each sporting activity have been allocated directly to the corresponding section.

The consolidated analytical income statement by sports sections for the 2022/23 financial year and, for comparison, the consolidated analytical income statement for the 2021/22 financial year, are shown in Appendix I, which forms an integral part of this note.

23. BUDGED SETTLEMENT

Appendix II shows the consolidated budget for the 2022/23 season and the consolidated budget for the 2021/22 season approved at the General Shareholders' Meeting of October 9th, 2022, and October 16th, 2021, respectively, compared to the settlements. for the years ended June 30th, 2023, and June 30th, 2022. The settlements show the same structure and are prepared according to the same criteria as the income statement of the corresponding annual accounts.

24. SUBSEQUENT EVENTS

On July 1st, the Club, as the sole shareholder, has contributed to the Barcelona Innovation Hub, S.L.U. the "Innovation Hub" business unit. The value of this contribution has been 300 thousand euros and has been recorded in Barcelona Innovation Hub, S.L.U. as a contribution from the shareholder to the company's assets.

During July and August, the federative rights of the players Vítor Roque, Ilkay Gündogan, Iñigo Martínez and Oriol Romeu have been acquired and the incorporation of Joao Félix and Joao Cancelo has been achieved to reinforce the first football team squad. On the other hand, Nico González, Franck Kessié, Ousmane Dembélé and Abde Ezzalzouli have been absent.

In relation to the sale of the stake of Barça Produccions, S.L. in the subsidiary Bridgeburg Invest, S.L. to Socios Deportes Services, S.L. (later Blaugrana Invest, S.L.) and Orpheus Media, stated in Note 10.3 to the attached consolidated annual accounts, dated August 11th, 2023, the shareholders who acquired it have reached a sale agreement with two new shareholders of 29.47 % of the stake they held in said company, for an amount of 120 million euros, maintaining the rest of their stake, and therefore not changing their status as an associated company. Likewise, because of the sale, the subsidiary Barça Produccions, S.L., during August 2023, has collected an amount of 20 million euros, recorded at June 30th, 2023, under the heading of accounts receivable from the sale of shares. After the agreement to amend the expiration of the invoicing calendar between the Club and one of the new members, for the latter to be able to meet its obligations, it is expected that, during the last quarter of 2023, it will make the payment of the remaining amount of 40 million euros. In this sense, at the date of preparation of these consolidated annual accounts, it is negotiating different options with several investors to obtain the necessary financing, so that, together with the capital increase carried out in the amount of 20 million euros, which it is pending registration by the new shareholder, assuming the obligations contracted with the company. In accordance with them, as well as with the typology of the purchasing company and the guarantees provided by this member to the Club, no doubts have been considered regarding its recoverability, as well as the fair value at which it is recorded at a consolidated level.

Additionally, on the same date, the Club has reached an agreement with the company Mountain and Co. I Acquisition Corp, through which the activities of Bridgeburg Invest, S.L. and Barça Produccions, S.L. would form part of a business combination, because of which the Club would hold a majority stake in an entity listed on the international financial market, specifically on the Nasdaq, allowing the acceleration of the business and becoming a significant source of income for the Club next to the entrance of strategic shareholders.

APPENDICES

APPENDIX I

CONSOLIDATED ANALYTICAL INCOME STATEMENT BY SPORTS SECTIONS FOR THE YEAR ENDED JUNE 30TH, 2023

(Thousands of euros)

	Male Football	Base Football	Female Football	Basketball	Handball	Roller Hockey	Indoor Football	Non-prof.	BLM and Others	Total
CONTINUING OPERATIONS										
Net turnover	597,923	1,619	13,548	16,922	2,084	443	1,329	988	161,071	795,927
Competition income	116,197	68	2,879	4,420	183	27	258	12	(70)	123,974
Income from members and season-ticket holders	44,945	-	-	820	33	4	19	-	19,720	65,541
Income from broadcasting and TV rights	203,903	433	1,956	5,390	836	-	21	-	3,343	215,882
Marketing and advertising income	232,622	1,117	8,704	6,249	1,022	412	1,029	976	138,004	390,135
Income from provision of services	256	1	9	43	10	-	2	-	74	395
Change in stock of finished and in progress products	-	-	-	-	-	-	-	-	10,220	10,220
Work carried out by the company for its assets	-	-	-	-	-	-	-	-	2,059	2,059
Supplies	(2,007)	(724)	(792)	(863)	(465)	(218)	(355)	(786)	(52,462)	(58,672)
Consumption of sports equipment	(1,441)	(589)	(554)	(463)	(383)	(181)	(303)	(776)	(50,044)	(54,734)
Other supplies	(566)	(135)	(238)	(400)	(82)	(37)	(52)	(10)	(1,225)	(2,745)
Impairment of merchandise, raw materials and other supplies	-	-	-	-	-	-	-	-	-	-
Other operating income	-	-	-	-	-	-	-	-	(1,193)	(1,193)
Ancillary income and other current management income	5,140	735	585	36	16	-	18	163	3,036	9,729
Operating grants incorporated into the results of the year	5,140	735	231	36	3	-	-	1	2,839	8,985
Personnel expenses	-	-	354	-	13	-	18	162	197	744
Salaries and wages of sports personnel	(473,633)	(25,830)	(9,448)	(38,879)	(7,467)	(2,356)	(4,578)	(1,525)	(62,007)	(625,723)
Salaries and wages of sports personnel	(469,769)	(22,426)	(8,267)	(37,670)	(6,832)	(1,906)	(3,998)	(1,249)	(3,488)	(555,605)
Salaries and wages of non-sports personnel	(2,796)	(1,064)	(333)	(519)	(134)	(138)	(148)	-	(46,212)	(51,344)
Social costs	(1,018)	(2,306)	(846)	(681)	(499)	(310)	(430)	(276)	(11,026)	(17,392)
Provisions	(50)	(34)	(2)	(9)	(2)	(2)	(2)	-	(1,281)	(1,382)
Other operating expenses	(117,253)	(6,749)	(3,908)	(8,045)	(2,095)	(840)	(1,004)	(1,402)	(139,997)	(281,293)
External services	(62,146)	(2,983)	(1,336)	(2,092)	(517)	(327)	(287)	(342)	(91,919)	(161,949)
Taxes	(1,912)	-	-	(6)	-	-	-	-	(1,127)	(3,045)
Losses, impairment and change in provisions for commercial operations	(774)	-	-	(1,229)	(60)	-	-	-	(2,102)	(4,165)
Impairment losses of credits from commercial operations	(774)	-	-	(1,229)	(60)	-	-	-	(4,623)	(6,686)
Impairment reversal of credits from commercial operations	-	-	-	-	-	-	-	-	2,521	2,521
Journeys	(3,521)	(1,484)	(1,296)	(2,199)	(1,097)	(282)	(453)	(553)	(552)	(11,437)
Player acquisition expenses	(302)	(396)	(2)	(38)	-	-	-	(270)	-	(1,008)
Other current management costs	(48,598)	(1,886)	(1,274)	(2,481)	(421)	(231)	(264)	(237)	(44,297)	(99,689)
Depreciation of tangible assets	(84,608)	(4,179)	(137)	(546)	(309)	-	(25)	-	(34,291)	(124,095)
Allocation of grants for non-financial assets and others	70	6	-	-	-	-	-	-	-	76
Excess provisions	-	1,002	-	-	-	-	-	-	10,844	11,846
Impairment and results from disposals of tangible assets	(41,155)	(5,054)	14	-	(180)	-	-	-	398,101	351,726
Impairment and losses	(1,701)	(2,464)	-	-	(180)	-	-	-	-	(4,345)
Loss for impairment of sports intangible fixed assets	(22,818)	(3,386)	-	-	(180)	-	-	-	-	(26,384)
Loss for impairment of tangible fixed assets	-	-	-	-	-	-	-	-	-	-
Reversal for impairment of sports intangible fixed assets	20,774	922	-	-	-	-	-	-	-	21,696
Impairment reversal of real estate investments	343	-	-	-	-	-	-	-	-	343
Results for disposals and others	(39,454)	(2,590)	14	-	-	-	-	-	398,101	356,071
Loss from tangible fixed assets	-	-	-	-	-	-	-	-	(161)	(161)
Profit from tangible fixed assets	-	-	-	-	-	-	-	-	-	-
Loss from intangible fixed assets	-	-	-	-	-	-	-	-	(685)	(685)
Profit from intangible fixed assets	-	-	-	-	-	-	-	-	398,947	398,947
Loss from sports intangible fixed assets	(53,685)	(2,911)	-	-	-	-	-	-	-	(56,596)
Profit from sports intangible fixed assets	14,231	321	14	-	-	-	-	-	-	14,566
Others	(8,217)	-	-	(25,270)	(228)	-	-	-	(2,102)	(35,817)
Extraordinary loss	(8,217)	-	-	(25,270)	(228)	-	-	-	(2,227)	(35,942)
Other extraordinary income	-	-	-	-	-	-	-	-	125	125
Result from loss of control of consolidated stake	-	-	-	-	-	-	-	-	208,163	208,163
Result due to loss of control of a subsidiary	-	-	-	-	-	-	-	-	208,163	208,163
OPERATING RESULT	(123,740)	(39,174)	(138)	(56,645)	(8,644)	(2,971)	(4,615)	(2,562)	502,635	264,146
Financial income	505	118	-	-	-	-	-	-	6,116	6,739
From stakes in financial instruments	-	-	-	-	-	-	-	-	-	-
In companies in the Group and associated companies	-	-	-	-	-	-	-	-	-	-
Of third parties	-	-	-	-	-	-	-	-	-	-
From negotiable instruments and other financial instruments	505	118	-	-	-	-	-	-	6,116	6,739
In companies in the Group and associated companies	-	-	-	-	-	-	-	-	-	-
Of third parties	505	118	-	-	-	-	-	-	6,116	6,739
Financing charges	(2,565)	-	-	-	-	-	-	-	(29,557)	(32,122)
For debts with companies in the Group and associated companies	-	-	-	-	-	-	-	-	-	-
For debts with third parties	(2,565)	-	-	-	-	-	-	-	(29,557)	(32,122)
For update of reserves	-	-	-	-	-	-	-	-	-	-
Variation in fair value in financial instruments	-	-	-	-	-	-	-	-	-	-
Profit in the valuation of financial instruments	-	-	-	-	-	-	-	-	-	-
Loss in the valuation of financial instruments	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	(1,618)	(1,618)
Positive exchange differences	-	-	-	-	-	-	-	-	1,416	1,416
Negative exchange differences	-	-	-	-	-	-	-	-	(3,034)	(3,034)
Impairment and result for financial instruments disposals	-	-	-	-	-	-	-	-	185,730	185,730
Profit from stakes in financial assets	-	-	-	-	-	-	-	-	192,939	192,939
Loss from stakes in financial assets	-	-	-	-	-	-	-	-	(7,209)	(7,209)
FINANCIAL RESULT	(2,060)	118	-	-	-	-	-	-	160,671	158,729
Share of profits (losses) from PE companies	-	-	-	-	-	-	-	-	74	74
PRE-TAX PROFIT	(125,800)	(39,056)	(138)	(56,645)	(8,644)	(2,971)	(4,615)	(2,562)	663,380	422,949
Profit tax	-	-	-	-	-	-	-	-	(119,238)	(119,238)
CONSOLIDATED YEAR'S RESULTS	(125,800)	(39,056)	(138)	(56,645)	(8,644)	(2,971)	(4,615)	(2,562)	544,142	303,711

This appendix is an integral part of Note 22 to the consolidated financial statements, pursuant to Sports Act 10/1990 of October 15th and Royal Decree 1251/1999 of July 16th on Public Limited Sports Companies.

CONSOLIDATED ANALYTICAL INCOME STATEMENT BY SPORTS SECTIONS FOR THE YEAR ENDED JUNE 30TH, 2022

(Thousands of euros)

	Male Football	Base Football	Female Football	Basketball	Handball	Roller Hockey	Indoor Football	Non-prof.	BLM and Others	Total
CONTINUING OPERATIONS										
Net turnover	494,989	1,409	7,635	14,308	2,969	538	1,232	1,027	103,879	627,986
Income from competitions	54,520	82	1,685	3,360	146	21	202	9	1,425	61,450
Income from season-ticket holders and members	29,834	-	-	723	41	4	25	-	18,336	48,963
Income from television transmissions and rights	238,453	480	1,860	3,777	1,752	-	30	1	3,840	250,193
Income from marketing and advertising	170,875	846	4,075	6,446	1,012	513	973	1,014	81,421	267,175
Income from rendering services	1,307	1	15	2	18	-	2	3	(1,143)	205
Variation of stock of finished and unfinished products	-	-	-	-	-	-	-	-	-	-
Work carried out by company for its assets	-	-	-	-	-	-	-	-	1,489	1,489
Supplies	(2,259)	(699)	(652)	(869)	(460)	(250)	(316)	(906)	(22,757)	(29,168)
Consumption of sports material	(1,843)	(581)	(614)	(602)	(410)	(227)	(280)	(896)	(22,543)	(27,996)
Other consumptions and external expenses	(416)	(118)	(38)	(267)	(50)	(23)	(36)	(11)	(1,363)	(2,322)
Work carried out for another company	-	-	-	-	-	-	-	-	-	-
Impairment of commodities, raw materials and other supplies	-	-	-	-	-	-	-	-	1,149	1,149
Other operating income	4,191	740	695	1,041	107	-	27	9	4,042	10,852
Operating income and other current management income	4,191	740	61	1,041	105	-	-	-	3,563	9,701
Operating grants included in year's results	-	-	634	-	2	-	27	9	479	1,151
Personnel expenses	(310,280)	(26,614)	(6,013)	(38,375)	(8,434)	(1,967)	(5,033)	(1,639)	(58,891)	(457,245)
Sports personnel wages and salaries	(307,355)	(23,997)	(5,442)	(37,606)	(7,859)	(1,634)	(4,651)	(1,359)	(3,651)	(393,554)
Non-sports personnel wages and salaries	(2,108)	(897)	(119)	(240)	(200)	(73)	(77)	(1)	(44,763)	(48,478)
Social Security contributions	(768)	(1,687)	(450)	(520)	(374)	(258)	(303)	(279)	(9,180)	(13,819)
Reserves	(49)	(33)	(2)	(9)	(1)	(2)	(2)	-	(1,297)	(1,395)
Other operating charges	(61,980)	(6,053)	(3,360)	(5,938)	(1,962)	(570)	(1,084)	(1,173)	(82,091)	(164,212)
External services	(32,443)	(2,888)	(1,030)	(2,359)	(831)	(291)	(447)	(380)	(72,269)	(112,938)
Dues	(2,234)	-	-	(8)	(1)	-	(1)	-	(1,168)	(3,413)
Loss, impairment and variation in reserves for commercial transactions	(619)	-	-	-	-	(3)	-	-	(2,692)	(3,314)
Loss for credit impairment from commercial transactions	(984)	-	-	-	-	(3)	-	-	(3,916)	(4,903)
Reversal of credit impairment for commercial transactions	365	-	-	-	-	-	-	-	1,224	1,589
Travelling expenses	(3,278)	(1,497)	(1,273)	(2,094)	(794)	(138)	(469)	(405)	(207)	(10,155)
Players' acquisition costs	(1,225)	(153)	-	-	(21)	-	-	(159)	-	(1,558)
Other current management costs	(22,181)	(1,515)	(1,057)	(1,477)	(315)	(138)	(167)	(229)	(5,755)	(32,834)
Depreciation of fixed assets	(107,919)	(5,335)	(24)	(452)	(218)	-	(39)	-	(25,149)	(139,136)
Allocation of non-financial fixed asset grants and others	76	-	-	-	-	-	-	-	2	77
Excess reserves	-	-	-	-	-	-	-	-	-	-
Impairment and result for fixed asset disposals	3,695	17,312	-	529	-	-	-	-	292,583	314,119
Impairment and loss	(3,842)	(2,345)	-	-	-	-	-	-	-	20,382
Loss for impairment of sports intangible fixed assets	(32,626)	(3,457)	-	-	-	-	-	-	-	(36,082)
Loss for impairment of tangible fixed assets	-	-	-	-	-	-	-	-	-	-
Reversal for impairment of sports intangible fixed assets	28,784	1,111	-	-	-	-	-	-	-	29,895
Reversal for impairment of real estate investments	-	-	-	-	-	-	-	-	26,568	26,569
Results for disposals and others	7,537	19,657	-	529	-	-	-	-	266,015	293,737
Loss from tangible fixed assets	-	-	-	-	-	-	-	-	(65)	(66)
Profit from tangible fixed assets	-	-	-	-	-	-	-	-	-	-
Loss from intangible fixed assets	-	-	-	-	-	-	-	-	(32)	(32)
Profit from intangible fixed assets	-	-	-	-	-	-	-	-	266,112	266,112
Loss from sports intangible fixed assets	(13,792)	(1,227)	-	(156)	-	-	-	-	-	(15,175)
Profit from sports intangible fixed assets	21,329	20,884	-	685	-	-	-	-	-	42,898
Others	(2,988)	(2,364)	-	(334)	-	-	-	-	(1,575)	(7,261)
Extraordinary loss	(3,000)	(2,364)	-	(334)	-	-	-	-	(4,002)	(9,700)
Other extraordinary income	12	-	-	-	-	-	-	-	2,427	2,439
OPERATING RESULT	17,525	(21,605)	(1,719)	(30,090)	(7,998)	(2,249)	(5,213)	(2,682)	211,534	157,500
Financial income	718	167	-	-	-	-	-	-	554	1,439
From stakes in financial instruments	-	-	-	-	-	-	-	-	-	-
In companies in the Group and associated companies	-	-	-	-	-	-	-	-	-	-
Of third parties	-	-	-	-	-	-	-	-	-	-
From negotiable instruments and other financial instruments	718	167	-	-	-	-	-	-	554	1,439
In companies in the Group and associated companies	-	-	-	-	-	-	-	-	-	-
Of third parties	718	167	-	-	-	-	-	-	554	1,439
Financing charges	(1,671)	(21)	-	-	-	-	-	-	(36,677)	(38,368)
For debts with companies in the Group and associated companies	-	-	-	-	-	-	-	-	-	-
For debts with third parties	(1,671)	(21)	-	-	-	-	-	-	(36,677)	(38,368)
For update of reserves	-	-	-	-	-	-	-	-	-	-
Variation in fair value in financial instruments	-	-	-	-	-	-	-	-	-	-
Profit in the valuation of financial instruments	-	-	-	-	-	-	-	-	-	-
Loss in the valuation of financial instruments	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	651	651
Positive exchange differences	-	-	-	-	-	-	-	-	872	872
Negative exchange differences	-	-	-	-	-	-	-	-	(221)	(221)
Impairment and result for financial instruments disposals	-	-	-	-	-	-	-	-	3,269	3,268
Profit from stakes in financial assets	-	-	-	-	-	-	-	-	3,356	3,355
Loss from stakes in financial assets	-	-	-	-	-	-	-	-	(86)	(87)
FINANCIAL RESULT	(953)	146	-	-	-	-	-	-	(32,203)	(33,010)
PRE-TAX PROFIT	16,572	(21,459)	(1,719)	(30,090)	(7,998)	(2,249)	(5,213)	(2,682)	179,331	124,489
Profit tax	-	-	-	-	-	-	-	-	(26,912)	(26,912)
CONSOLIDATED YEAR'S RESULTS	16,572	(21,459)	(1,719)	(30,090)	(7,998)	(2,249)	(5,213)	(2,682)	152,419	97,577

This appendix forms an integral part of Note 22 to the consolidated annual accounts, according to Act 10/1990, October 15th, on Sports and RD 1251/1999, of July 16th, on Sports Public Limited Companies.

APPENDIX II

CONSOLIDATED BUDGET AND BUDGET SETTLEMENT FOR THE YEAR ENDED JUNE 30TH, 2023

(Thousands of euros)

	REAL 2022/23	BUDGET 2022/23
CONTINUING OPERATIONS:		
Net turnover	795,927	773,075
Competition income	123,974	100,886
Income from members and season-ticket holders	65,541	65,675
Income from broadcasting and TV rights	215,882	236,099
Marketing and advertising income	390,135	369,415
Income from provision of services	395	1,000
Change in stock of finished and in progress products	10,220	-
Work carried out by the company for its assets	2,059	2,081
Supplies	(58,672)	(43,561)
Consumption of sports equipment	(54,734)	(39,539)
Other external consumption and expenses	(2,745)	(3,179)
Work carried out by other companies	-	-
Impairment of merchandise, raw materials, and other supplies	(1,193)	(843)
Other operating income	9,729	6,677
Operating income and other current management income	8,985	5,997
Operating grants incorporated into the results of the year	744	680
Personnel expenses	(625,723)	(587,196)
Salaries and wages of sports personnel	(555,605)	(519,031)
Salaries and salaries of non-sports personnel	(51,344)	(48,932)
Social costs	(17,392)	(17,673)
Provisions	(1,382)	(1,560)
Other operating expenses	(281,293)	(231,183)
External services	(161,949)	(158,767)
Taxes	(3,045)	(3,335)
Losses, impairment and change in provisions for commercial operations	(4,165)	(3,066)
Impairment losses of credits from commercial operations	(6,686)	(3,066)
Impairment reversal of credits from commercial operations	2,521	-
Journeys	(11,437)	(11,648)
Player acquisition expenses	(1,008)	(1,109)
Other current management costs	(99,689)	(53,258)
Amortization of fixed assets	(124,095)	(140,519)
Allocation of subsidies for non-financial assets and others	76	-
Excess provisions	11,846	1,002
Impairment and results from disposals of tangible assets	351,726	412,862
Impairment and losses	(4,345)	8,000
Impairment losses of sports intangible assets	(26,384)	(39,696)
Impairment losses of tangible assets	-	-
Impairment reversal of sports intangible assets	21,696	47,696
Impairment reversal of real estate investments	343	-
Results from disposals and others	356,071	404,862
Losses from tangible fixed assets	(161)	-
Profit from tangible assets	-	-
Losses from non-sports intangible assets	(685)	-
Profit from non-sports intangible assets	398,947	398,947
Losses from sports intangible assets	(56,596)	(19,427)
Profit from sports intangible assets	14,566	25,342
Others	(35,817)	(3,495)
Extraordinary losses	(35,942)	(3,500)
Other extraordinary income	125	5
Result from loss of control of consolidated stake	208,163	-
Result due to loss of control of a subsidiary	208,163	-
OPERATING RESULT	264,146	189,742
Financial income	6,739	-
Of participations in equity instruments	-	-
In group and associated companies	-	-
From third parties	-	-
Marketable securities and other financial instruments	6,739	-
From group and associated companies	-	-
From third parties	6,739	-
Financial expenses	(32,122)	(20,867)
For debts with group and associated companies	-	-
For debts with third parties	(32,122)	(20,867)
By update of provisions	-	-
Fair value variation in financial instruments	-	-
Benefit in the valuation of Financial Instruments	-	-
Loss in the valuation of Financial Instruments	-	-
Exchange differences	(1,618)	219
Positive exchange rate differences	1,416	440
Negative exchange rate differences	(3,034)	(221)
Impairment and results from disposals of financial instruments	185,730	196,983
Profits from participations in financial assets	192,939	196,983
Losses from participations in financial assets	(7,209)	-
FINANCIAL RESULTS	158,729	176,335
Participatio in profit (losses) of equity accounted companies	74	-
PRE-TAX PROFIT	422,949	366,077
Profit tax	(119,238)	(91,459)
CONSOLIDATED YEAR'S RESULT	303,711	274,618

This appendix forms an integral part of Note 23 to the consolidated annual accounts.

CONSOLIDATED BUDGET AND BUDGET SETTLEMENT FOR THE YEAR ENDED JUNE 30TH, 2022

(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
CONSOLIDATED YEAR'S RESULT	97,577	5,080

This appendix forms an integral part of Note 23 to the consolidated annual accounts.

Futbol Club Barcelona and dependent companies

Consolidated Management Report
for the year ended June 30th, 2023

Club's context

The 2022/23 season began with the sale, in addition to that already made the previous season, of 15% of the TV rights from the Spanish Professional Football League to an investor, generating a capital gain of 399 million euros. The structure of the operation was identical to that carried out the previous season with the sale of 10% of the TV rights. In this way, the Club completed the authorization received by the Assembly of Committed Members to proceed with the sale of up to a total of 25% of said rights. On the other hand, during July 2022, 49% of the company that operates the Club's digital business was also sold to two companies for 200 million euros. As a result of this operation, an additional profit of 208 million euros has been recorded due to adjustment of the valuation of the stake. Likewise, with part of the funds obtained from these sales, the Club proceeded to reduce its debt, prepaying 125 million euros of the Senior Secured Notes issued in favor of various international investors.

These two facts, together with the impact of other measures taken by the Board of Directors, have allowed the Club to recover sporting excellence and close with profit for the second time in the last three years.

Finally, the 2022/23 season has seen the start of work on the Spotify Camp Nou, within the framework of Espai Barça, and the obtaining of the necessary financing to start this project.

Operating income

Regarding the annual accounts presented, the operating income for this season has increased to 1,257,835 thousand euros, a fact that represents an increase compared to the 2021/22 financial year of 247,928 thousand euros. For the second consecutive season, these are the highest income obtained by the Club.

The lines associated with the Stadium have improved to 233,067 thousand euros, a record figure in the Club's history.

Regarding Media income, these have been reduced by 34,891 thousand euros corresponding, on the one hand, to the effect of the sale of 25% of TV rights, and on the other hand, due to the elimination of the team in the group stage of the last Champions League and in the first knockout qualifying of the Europa League, a fact that has resulted in lower income in the operation of rights related to European competitions.

Regarding income from sponsors, they have increased by more than 32%, reaching 198,525 thousand euros.

Non-sports investments

This season the Club has invested 139,856 thousand euros in non-sports investments, of which 121,601 thousand euros correspond to the Espai Barça project. Additionally, the Club has invested in refurbishment works of the warehouse in the social area, as well as in different areas of Ciutat Esportiva. It is also worth highlighting the works related to the Palau 50 project, which have resulted in an improvement in lighting, public address systems and VIP rooms, as well as the renewal of the video scoreboard.

In relation to Espai Barça, during this year the demolition works on the third tier of the Stadium have begun. Likewise, during the 2022/23 financial year, the financing of this project has also been signed, through the constitution of the Asset Securitization Fund "Espai Barça Fons de Titulització", as explained in the notes to the consolidated annual accounts.

Federative rights and transfers

During this 2022/23 season, the federative rights of players such as Robert Lewandowski, Raphinha and Jules Kounde, among others, have mainly been acquired. In total and considering other investments in the rest of the teams and professional sections of the Club, the amount of sports investment has amounted to 163,913 thousand euros. On the other hand, the Club has made sales that have generated a profit of 14,566 thousand euros as a result of the transfers of players such as Aubameyang and Memphis Depay, among others of lesser value and variables coming from previous contracts.

Sports personnel expenses on operating income

Sports personnel expenses also continue to be affected by the changes experienced in recent times in the sector, specifically, inflation in the football market both in salaries and in acquisition costs, which has caused a high depreciation which is very difficult to absorb right now from an economic point of view.

In this way, the ratio defined by the Spanish Professional Football League (LFP), which considers football salary costs without depreciation, with respect to the relevant operating income, remains below the maximum compliance ratio, which is 70%.

Risks and uncertainties

The Club's Board of Directors considers that the risks and uncertainties of the Club's operations are focused on the global financial situation of the markets, without any other relevant aspects arising other than those indicated in Note 10.4 to the attached consolidated annual accounts.

Derivative financial instruments

Except for the derivative financial instruments of the Fund (Note 1.2), during the years ending June 30th, 2023, and 2022, the Club has not contracted derivative financial instruments.

EBITDA and net debt

The operating result before depreciation, impairment, and provisions (EBITDA) for this 2022/23 season has been (182,728) thousand euros.

The net debt at a consolidated level used by the Professional Football League, discounting the financing of extraordinary investment projects in tangible assets (Espai Barça), as established in article 67 of the Club Bylaws, is 552 thousand euros at 30th June 2023.

Result for the year

The profit obtained before taxes is 422,949 thousand euros and 303,711 thousand euros after taxes.

These results, clearly positive, are mainly the result of the implementation of the new strategic plan of the current Board of Directors, which foresees an increase in income in all lines and a containment of management expenses in general and of the sports salaries in particular. In this section, it is worth highlighting that the extraordinary arrival of new players has been under the acceptance of conditions adjusted to the Club's new salary scheme, based on reasonable criteria and economic efficiency.

The profit obtained during the current financial year reinforces, for the second season, the plan of the current Board of Directors to rebalance the Club's assets, which is almost positive, a fact that allows the activity to be sustainable again.

Research and development

During the year the Group has carried out research and development activities in the field of information technology and sports sciences.

Information on the average payment period to suppliers

The Group's average payment period to suppliers for the year ending June 30th, 2023, is 63 days. The balances with Sports Entities and with Tangible Asset Suppliers are settled according to the agreements between the parties and may exceed the legally established period for commercial operations.

Subsequent events

On July 1st, the Club, as the sole shareholder, has contributed to the Barcelona Innovation Hub, S.L.U. the "Innovation Hub" business unit. The value of this contribution has been 300 thousand euros and has been recorded in Barcelona Innovation Hub, S.L.U. as a contribution from the shareholder to the company's assets.

During July and August, the federative rights of the players Víctor Roque, Ilkay Gündogan, Iñigo Martínez and Oriol Romeu have been acquired and the incorporation of Joao Félix and Joao Cancelo has been achieved to reinforce the first football team squad. On the other hand, Nico González, Franck Kessié, Ousmane Dembélé and Abde Ezzalzouli have been absent.

In relation to the sale of the stake of Barça Produccions, S.L. in the subsidiary Bridgeburg Invest, S.L. to Socios Deportes Services, S.L. (later Blaugrana Invest, S.L.) and Orpheus Media, stated in Note 10.3 to the attached consolidated annual accounts, dated August 11th, 2023, the shareholders who acquired it have reached a sale agreement with two new shareholders of 29.47 % of the stake they held in said company, for an amount of 120 million euros, maintaining the rest of their stake, and therefore not changing their status as an associated company. Likewise, because of the sale, the subsidiary Barça Produccions, S.L., during August 2023, has collected an amount of 20 million euros, recorded at June 30th, 2023, under the heading of accounts receivable from the sale of shares. After the agreement to amend the expiration of the invoicing calendar between the Club and one of the new members, for the latter to be able to meet its obligations, it is expected that, during the last quarter of 2023, it will make the payment of the remaining amount of 40 million euros. In this sense, at the date of preparation of these consolidated annual accounts, it is negotiating different options with several investors to obtain the necessary financing, so that, together with the capital increase carried out in the amount of 20 million euros, which it is pending registration by the new shareholder, assuming the obligations contracted with the company. In accordance with them, as well as with the typology of the purchasing company and the guarantees provided by this member to the Club, no doubts have been considered regarding its recoverability, as well as the fair value at which it is recorded at a consolidated level.

Additionally, on the same date, the Club has reached an agreement with the company Mountain and Co. I Acquisition Corp, through which the activities of Bridgeburg Invest, S.L. and Barça Produccions, S.L. would form part of a business combination, because of which the Club would hold a majority stake in an entity listed on the international financial market, specifically on the Nasdaq, allowing the acceleration of the business and becoming a significant source of income for the Club next to the entrance of strategic shareholders.

Preparation of the Consolidated Annual Accounts and Directors' Report

On September 20th, 2023, the Board of Directors has prepared these consolidated annual accounts at June 30th, 2023, which consist of the consolidated balance sheet, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement, and the explanatory notes to the consolidated annual accounts, as well as the Consolidated Directors' 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.