Press Release

**Deloitte’s Sports Business Group estimates that Football Money League clubs will miss out on revenue of over €2 billion by end of the 2020/21 season due to the COVID-19 pandemic**

* The 24th edition of the *Deloitte Football Money League* profiles the financial performance of the highest revenue generating clubs in world football during a disrupted 2019/20 season;
* This year’s top 20 Money League clubs generated €8.2 billion, a decline of 12% compared to 2018/19 (€9.3 billion); This €1.1 billion decrease is explained by:
  + a €937m (23%) drop in broadcast revenue, primarily due to revenue deferral and broadcaster rebates;
  + a €257m (17%) fall in matchday revenue; and
  + offset by a €105m (3%) increase in commercial revenue.
* Average revenue generated per club in the Money League top 20 was €409m in 2019/20, compared to €464m in 2018/19. This is similar to levels in the 2017/18 season;
* Rebates to broadcasters for the ‘big five’ leagues and UEFA reportedly total almost €1.2bn currently, of which a large proportion is borne by Money League clubs; and
* Matchday revenue of Money League clubs will likely be close to nil from March 2020, with fans seemingly unlikely to be able to return in significant numbers for any of the 2020/21 season.

The 20 highest revenue generating clubs in world football will have missed out on over €2 billion in revenue by the end of the 2020/21 season, according to the 24th edition of the *Football Money League* published by Deloitte’s Sports Business Group. Set against the context of the global economic and social disruption caused by the COVID-19 pandemic during the 2019/20 season, the report profiles the highest revenue generating clubs in world football.

Under normal circumstances, clubs typically have a financial year-end that aligns with their domestic season (May or June for most European leagues). The disruption to the 2019/20 football season and the differing approaches by the various leagues, broadcasters and commercial partners have resulted in clubs’ revenue generated in respect of the 2019/20 season being spread across two financial years ending in 2020 and 2021. The majority of Deloitte’s analysis in this year’s Money League is focused on the financial year ending 2020.

As a result, this has led to a deferral element and a permanently lost element (notably on matchday income, but also rebates to broadcasters) to the reduction in revenue. In terms of deferral, the disruption to the 2019/20 season in most clubs’ cases meant that approximately one quarter’s revenue from the financial year ending in 2020 has been shifted to the financial year ending in 2021, resulting in 2021 having an additional quarter’s revenue.

Dan Jones, partner in the Sports Business Group at Deloitte, commented: “Leagues across the world took different approaches in response to the pandemic with respect to their seasons, ranging from postponement to termination, with final standings determined using different methodologies, to others being annulled entirely.

“There is no doubt that this is one of the most testing times the football industry has ever had to endure. The absence of fans, postponement and cancellation of matches, rebates to broadcasters and the need to satisfy commercial partners have all significantly affected the compilation of the 2021 Football Money League. As a result, the comparability of relative performance between clubs in this year’s Money League is more challenging than usual.”

**In detail - the 2021 Football Money League**

The 20 highest earning football clubs in the world generated €8.2 billion of combined revenue in 2019/20, down 12% on the prior season (€9.3 billion). The €1.1 billion decrease is explained by:

a €937m (23%) drop in broadcast revenue, primarily due to the deferral of broadcast revenue into the financial year ending in 2021 and broadcaster rebates related to the disrupted 2019/20 season;

a €257m (17%) fall of matchday revenue as matches were first postponed, then either cancelled or resumed behind closed doors and thus irrecoverable;

offset by a €105m (3%) increase in commercial revenue, reflecting the commencement of several major commercial arrangements across Money League clubs in 2019/20.

Jones added: “Whilst no football club has been immune to the challenges of COVID-19, and other clubs have suffered more in relative terms, those in the Money League have borne the greatest financial impact in absolute value terms. In this year’s edition, the top 20 clubs generated an average of €409m per club, a decline of €55m compared to 2018/19 (€464m per club).

“The safe return of fans to stadia in significant numbers is one of the highest priorities across global football. Matchday operations are a cornerstone of a club’s business model and help drive other revenue-generating activity. Fans’ absence will be more fully reflected in next year’s Money League. The final size of the financial impact of the pandemic on football will depend, in no small part, on the timing and scale of fans’ return.”

**Club-by-club**

Despite the significantly different conditions across leagues in the 2019/20 season, the Money League’s composition has remained broadly consistent with previous years. The constituents of the top ten remain unchanged, whilst 18 of the 20 clubs were present in last year’s Money League.

FC Barcelona (1st - €715.1m) and Real Madrid (2nd - €714.9m) remained at the top of this year’s Money League, with the gap between the two of just €0.2m being the closest in Money League history.

Barcelona suffered the second largest revenue fall in absolute terms of any Money League club, off the back of its record-breaking year in 2018/19 when it became the first club to break the €800m revenue barrier (€840.8m).

Real Madrid’s revenue decline was smaller. The club achieved a €28.1m (8%) increase in commercial revenue following the extension of key partnerships and from taking control of more revenue generating activities in-house.

Bayern Munich (€634.1m) rose to third place in this year’s Money League. A first top three placing since 2013/14. The club had the smallest revenue decrease (4%) of the Money League top ten, benefitting from being able to recognise all of its domestic broadcast revenue in the financial year ending in 2020 due to the earlier completion of the Bundesliga season.

Manchester United’s revenue of €580.4m (£509m) saw them slip to fourth place after a revenue decrease of €131.1m (£118.1m, 19%), the largest year-on-year decline in this year’s Money League. This was largely due to the Red Devils not competing in the 2019/20 UEFA Champions League as well as being affected by the absence of matchday revenue and broadcast rebates and deferrals.

On the other hand, Liverpool entered the top five for the first time since 2001/02 with revenue of €558.6m (£489.9m). The club’s on-pitch success of the past few years continues to fuel financial success with the benefits associated with its Premier League triumph spread across the financial years ending in 2020 and 2021.

Manchester City (6th - €549.2m / £481.6m), Paris Saint-Germain (7th - €540.6m), Chelsea (8th €469.7m / £411.9m), Tottenham Hotspur (9th - €445.7m / £390.9m) and Juventus (10th - €397.9m) make up the remainder of the top ten.

18 of the 20 clubs were also present in last year’s edition – with FC Zenit (15th - €236.5m) and Eintracht Frankfurt (20th - €174m) replacing AS Roma and West Ham United. Zenit’s revenues were boosted by participation in the 2019/20 Champions League and benefitted from having a calendar year end (to 31 December 2019) and hence their revenues for the period were largely unaffected by the pandemic, whilst the completion of the Bundesliga season within the financial year helped Eintracht Frankfurt enter the Money League top 20 for the first time.

Only two clubs in the Money League top 20, FC Zenit and Everton (17th - €212m / £185.9m) saw an increase in revenue compared to the previous year. Everton’s marginal revenue growth was driven by the club’s commercial revenue more than doubling to €86.7m (£76m). This was the largest growth (104%) in commercial revenue across all Money League clubs.

Tim Bridge, director in Deloitte’s Sports Business Group, commented: “The COVID-19 pandemic has provided an impetus for clubs to rethink and recalibrate their wider strategic objectives and business models to ensure a strong recovery from the current situation.

“In particular, the focus on both internal and external digital capabilities has accelerated as digital interaction has become the dominant way in which clubs can engage with their employees and fans. The most agile, and innovative clubs will be the best placed to deliver the greater value to their key stakeholders and be rewarded with the fastest and strongest recovery.”

**Future outlook**

Deloitte’s Sports Business Group estimates that this year’s Money League clubs will have missed out on over €2 billion in revenue by the end of the 2020/21 season. This figure includes amounts missed in respect of 2019/20 as a result of the COVID-19 pandemic, primarily due to:

Matchday revenue of Money League clubs being close to nil from March 2020 onwards, with fans seemingly unlikely to be able to return in significant numbers for any of the 2020/21 season;

Broadcast rebates of the ‘big five’ leagues and UEFA reportedly total almost €1.2bn currently, of which a large proportion is borne by Money League clubs; and

The lost potential to continue their previous growth trajectory over the period.

Jones concluded: “We remain strong believers in the fundamental value of top-level football to fans, broadcasters and other commercial partners. We are confident in the resilience of the industry and expect it to bounce back strongly in future years.

“The events of the past year have challenged the ability of clubs to drive their own revenue growth. Any short term ambitions they may have had will likely only be achievable as medium term goals once fans return to stadia and the effect of the pandemic on the global economy and the path to recovery from it becomes clearer.

“The full financial impact of COVID-19 may not be realised for years to come, with continued uncertainty forcing existing and potential broadcast and commercial partners to consider their investment into sport. Positively for the Football Money League clubs, the global pandemic has highlighted the importance of sport to communities and wider society, reinforcing its fundamental strengths and value to broadcasters and sponsors.”

**– ENDS –**

**Notes to editors:**

To review the full findings of the *Deloitte Football Money League*, please visit:

[www.deloitte.co.uk/dfml](http://www.deloitte.co.uk/dfml).

Governments around the world responded to the pandemic in different ways at different speeds and to different degrees, including enforcing national lockdowns, closing sports venues and stadia, and on the whole, at least initially, prohibiting sporting events. For those that did see the return of professional football, extended restrictions on mass gatherings and non-essential travel meant that in most cases fans were not able to attend matches, or where they were able to, in very limited numbers.

Leagues across the world also had different ways of adapting to the challenges faced. These varied from postponement to termination (with final standings determined using different methodologies) to others being annulled entirely. Each outcome had ramifications with broadcast and commercial partners alike, many of which sought rebates on rights fees as a result of changes to the delivery of the on-pitch product.

The table below summarises the impact of COVID-19 on the 2019/20 seasonal calendar and broadcast rights across leagues that contain clubs in this year’s publication.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **League** | **Date season postponed** | **Date season resumed** | **Date season completed** | **Broadcast implications** |
| **Premier League** | 13 March 2020 | 17 June 2020 (behind closed doors) | 26 July 2020  (behind closed doors) | Broadcast revenue for 2019/20 season recognised over two financial years. Rebates shared proportionately between clubs, with cash flow impact deferred over the remaining period of the rights cycle. |
| **La Liga** | 12 March 2020 | 11 June 2020  (behind closed doors) | 19 July 2020  (behind closed doors) | Broadcast revenue for 2019/20 season recognised over two financial years. Rebates split between all clubs. |
| **Bundesliga** | 13 March 2020 | 16 May 2020  (behind closed doors) | 27 June 2020  (behind closed doors) | Broadcast revenue for 2019/20 season largely recognised in one financial year. Minimal rebates. |
| **Serie A** | 9 March 2020 | 20 June 2020  (behind closed doors) | 2 August 2020  (behind closed doors) | Broadcast revenue for 2019/20 season recognised over two financial years. Rebates to be determined. |
| **Ligue 1** | 13 March 2020 | - | Season cancelled 28 April 2020 | Broadcast revenue for 2019/20 season recognised in one financial year. Rebates split between all clubs. LFP secured government guaranteed loans make up for the shortfall in distributions to clubs. |
| **Russian Premier League** | 17 March 2020 | 19 June 2020 (c.10% capacity) | 22 July 2020  (c.10% capacity) | Broadcast revenue for 2019/20 season recognised over two financial years. |
| **UEFA club competitions** | Mid-March (part way through the Round of 16) | 7 August (behind closed doors) | 23 August 2020 (behind closed doors) | Broadcast revenue largely recognised in one financial year for clubs knocked out of 2019/20 competitions prior to postponement and over two financial years for those competing after the postponement. |

Negotiations are ongoing with broadcasters in respect of the disrupted 2019/20 season, however, broadcast rebates currently total almost €600m across some of the biggest leagues, including the Premier League (reportedly up to c.£330m / c.€376m), La Liga (c.€100m) and Ligue 1 (c.€123m) as well as a reported €575m rebate to UEFA broadcasters. The result of the Serie A court ruling regarding Sky Italia’s withholding of a final €130m instalment for the 2019/20 season is yet to be determined.

A substantial proportion of broadcast revenue has been deferred into the 2020/21 financial year reflecting the extended 2019/20 season spanning two financial years. This means that the next edition of the Money League is likely to be a “bumper year” for broadcast revenue – assuming no further disruption and delay – as clubs also recognise a full-season of 2020/21 broadcast distributions. On the other hand, matchday revenue will likely be near to nil for the whole 2020/21 season and financial year after having only been reduced for a comparatively small portion of the 2019/20 season and financial year.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Position (last year’s position)** | **Club** | **2019/20 Revenue (€m) (2018/19 Revenue)** | **2019/20 Revenue (£m) (2018/19 Revenue)** | **2019/20 Revenue ($m) (2018/19 Revenue)** |
| 1 (1) | FC Barcelona | 715.1 (840.8) | 627.1 (741.1) | 790.5 (959.3) |
| 2 (2) | Real Madrid | 714.9 (757.3) | 627 (667.5) | 790.3 (864) |
| 3 (4) | Bayern Munich | 634.1 (660.1) | 556.1 (581.8) | 701 (753.1) |
| 4 (3) | Manchester United | 580.4 (711.5) | 509 (627.1) | 641.6 (811.7) |
| 5 (7) | Liverpool | 558.6 (604.7) | 489.9 (533) | 617.5 (689.9) |
| 6 (6) | Manchester City | 549.2 (610.6) | 481.6 (538.2) | 607 (696.6) |
| 7 (5) | Paris Saint-Germain | 540.6 (635.9) | 474.1 (560.5) | 597.6 (725.5) |
| 8 (9) | Chelsea | 469.7 (513.1) | 411.9 (452.2) | 519.2 (585.3) |
| 9 (8) | Tottenham Hotspur | 445.7 (521.1) | 390.9 (459.3) | 492.7 (594.5) |
| 10 (10) | Juventus | 397.9 (459.7) | 349 (405.2) | 439.9 (524.5) |
| 11 (11) | Arsenal | 388 (445.2) | 340.3 (392.4) | 428.9 (507.9) |
| 12 (12) | Borussia Dortmund | 365.7 (371.7) | 320.7 (327.6) | 404.3 (424.1) |
| 13 (13) | Atlético de Madrid | 331.8 (367.6) | 291 (324) | 366.8 (419.4) |
| 14 (14) | Internazionale | 291.5 (364.6) | 255.6 (321.3) | 322.2 (416) |
| 15 (28) | FC Zenit | 236.5 (180.4) | 207.4 (159) | 261.4 (205.8) |
| 16 (15) | Schalke 04 | 222.8 (324.8) | 195.4 (286.3) | 246.3 (370.6) |
| 17 (19) | Everton | 212 (210.5) | 185.9 (185.5) | 234.3 (240.1) |
| 18 (17) | Olympique Lyonnais | 180.7 (220.9) | 158.5 (194.7) | 199.8 (252) |
| 19 (20) | Napoli | 176.3 (207.4) | 154.6 (182.8) | 194.9 (236.6) |
| 20 (27) | Eintracht Frankfurt | 174 (182.2) | 152.6 (160.6) | 192.4 (207.9) |

This press release is based on the *Deloitte Football Money League* published in January 2021. As explained further in the publication, the revenue figures are extracted from the annual financial statements of the company or group in respect of each club, or other direct sources, for the financial year ending in 2020, which covered the majority of the 2019/20 football season. For some clubs the extension of the 2019/20 season will result in a proportion of revenue relating to the 2019/20 season instead being recognised in the annual financial statements of the company or group in respect of each club for the financial year ending in 2021. For the avoidance of doubt, we have not made any adjustments to reflect all revenue in respect of the 2019/20 season in the financial year ending in 2020.

There are many ways of examining the relative wealth or value of football clubs. For the *Deloitte Football Money League*, revenue has been used as the most easily available and comparable measure of financial performance.

Revenue excludes player transfer fees, VAT and other sales related taxes. In a few cases we have made adjustments to total revenue figures to enable, in our view, a more meaningful comparison of the football business on a club-by-club basis.

We have not performed any verification work or audited any of the information contained in the financial statements or other sources in respect of each club for the purpose of the publication.

For the purpose of the international comparisons, unless otherwise stated, all figures for the financial year ending in 2020 have been translated at the average exchange rate for the year ending 30 June 2020 (£1 = €1.14), or 31 December 2019 for Russian Rouble (€1 =73.94). Comparative figures have been extracted from previous editions of the *Deloitte Football Money League*, or from relevant annual financial statements or other direct sources.

Later this year the *Deloitte Annual Review of Football Finance* will be published, providing a more detailed analysis of the English and European football finance landscape.

**About the Sports Business Group at Deloitte**

Over the last 30 years Deloitte has developed a unique focus on the business of sport. Our specialist Sports Business Group offers a multi-disciplined expert service with dedicated people and skills capable of adding significant value to the business of sport. Whether it is benchmarking or strategic business reviews, operational turnarounds, revenue enhancement strategies or stadium/venue development plans, business planning, market and demand analysis, acquisitions, due diligence, expert witness, audits or tax planning; we have worked with more clubs, leagues, governing bodies, stadia developers, event organisers, commercial partners, financiers and investors than any other adviser.

For further information on our services you can access our website at [www.deloitte.co.uk/sportsbusinessgroup](file:///\\uk\ukvfmroot\A%20&%20A\Manchester\Sports%20Group\Admin\Publications\Press%20releases%20general\Football\Transfers%20(Jan%2011)\www.deloitte.co.uk\sportsbusinessgroup)

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