

## **HIBERNIAN FOOTBALL CLUB ANNUAL REPORT, FINANCIAL STATEMENTS, AND AGM NOTICE**

**7 February 2025**

The Club sent shareholders notice of the AGM, to be held on 25 February 2025 in the Behind the Goals Sports Bar, Famous Five Stand, at Easter Road Stadium at 6.30pm, via post on 7 February 2025. As part of the Annual General Meeting, the Club will consider three resolutions.

These resolutions deal with the Club's financial statements and appointments of auditors. Key statements and commentary on the accounts are included below.

### **KEY FINANCIAL STATEMENTS:**

- Turnover increased by 28% from the previous year to £15.9m (PY:12.4m). This growth was due to an increase across commercial revenues and ticketing, and in central distributions. The European qualifying campaign impacted positively across these revenue streams. In addition, the Club benefitted from donations received from shareholders which were made to augment the First Team player budget and to support the Women's Team.
- Overall, the staff costs increased by £2.3m compared to the previous year. The wage to turnover ratio decreased slightly from 81% to 78%. Due to poor sporting performance, the Board sanctioned an unbudgeted player spend in the January transfer window. In addition, the annual staff costs include the costs of separating from both Lee Johnson and his coaching team, and Nick Montgomery and his coaching team.
- Other operating costs increased by £2.4m compared to the previous year, from £9.2m to £11.6m. Both amortisation and depreciation increased by £0.5m and £0.2m respectively. The participation in the UEFA Conference League qualification rounds gave rise to a significant increase in travel costs of over £0.5m. Energy costs remained high and due to global instability; it appears they will remain high going forwards. Steps have been taken to mitigate against any energy shocks as far as possible.
- Player trading resulted in a gain this year of £1m. This related primarily to the sell on fee on the transfer of Josh Doig from Hellas Verona to Sassuolo Calcio, and from the transfer of Elias Melkerson.
- Significant investment also went into improving the facilities at Easter Road Stadium. This consisted of a major refit of the Famous Five Stand to enhance supporters' matchday experience and providing a dedicated area for the Hibernian Community Foundation. Rail seating was also introduced inside the stadium, alongside new facilities for disabled supporters and upgraded floodlights. The total amount invested was in excess of £3 million.

- In 2024, the Club recorded an exceptional write off of £1 million after a commercial partner's business went into liquidation. While legal action is being pursued, the full amount has been accounted for as a provision.
- The net performance for the year resulted in a loss of £7.2m. The Gordon Family continues to financially support the Club as part of their on-going commitment.

The financial results of the 2023/24 season are of course disappointing, and the cumulative results over the previous three seasons have varied from the historic performance of the Club. Although strong revenue was generated throughout the period, the Club accepts that a poor player recruitment strategy hindered sporting objectives and in turn financial performance.

We are expecting the current financial year to 30 June 2025 to remain challenging. Although revenue has stayed strong and current on pitch performance is good, we will not have the additional European competition revenue recognised in the year to 30 June 2024. In continuing the work in the recruitment side, a number of First Team contracts will be expiring at the end of this season which will allow a tighter focus on the playing budget and associated costs going into 2025/26. Other operating costs are being reviewed as far as possible.