

World Rugby

Consolidated Financial Statements

Financial Year Ended 31 December 2024

World Rugby

General Information

Council Members as at 31 December 2024

B. Robinson (Chair)	M. Robinson (New Zealand)
J. Webb (England, Vice- Chair)	D. Robinson (New Zealand)
S. Iglesias (Argentina)	A. Pichot (Argentina)
A. Petrache (Romania)	T. Malielegaoi (Samoa)
G. Travaglini (Argentina)	J. Eales (Australia)
G. Fay (Scotland)	J. McGuigan (Scotland)
P. Marlow (Australia)	S. Dennis (Canada)
M. Alexander (South Africa)	V. Doble (South Africa)
B. Sweeney (England)	P. Stewart (England)
R. Collier Keywood (Wales)	C. Donovan (Wales)
R. Nayacalevu (Fiji)	A. Benazzi (France)
A. Tierney (Wales)	Q. Al-Dhalai (Asia Rugby)
C. Delbos (France)	F. Gill (France)
A. Milby (Asia Rugby)	T. Johnson (Oceania Rugby)
G. Nijaradze (Georgia)	S. Carty (Ireland)
R. Sapias (Oceania Rugby)	P. Lanco (Rugby Africa)
J. O'Driscoll (Ireland)	K. Potts (Ireland)
H. Mensah (Rugby Africa)	A. Chintoh (Rugby Americans North)
A. Duodo (Italy)	G. Fava (Italy)
C. Flores (Rugby Americans North)	J. Pieterse (Rugby Europe)
E. Morri (Italy)	K. Iwabuchi (Japan)
V. Muehlhofer (Rugby Europe)	M. Enya (Sudamerica Rugby)
A. Kagawa (Japan)	M. Tsuchida (Japan)
F. Rizzi (Sudamerica Rugby)	P. Waugh (Australia)
B. Campbell (New Zealand)	R. Oberholzer (South Africa)
B. Latham (USA)	S. Piñeyrua (Uruguay)

World Rugby

Company Information (continued)

Chief executive officer

A. Gilpin

Independent auditor

BDO
Statutory Audit Firm
Block 3
Miesian Plaza
50-58 Baggot Street Lower
Dublin 2

Principal bankers

Barclays
1-20 Chenin de Grange Canal
CH1211 Geneva 3
Switzerland

Bank of Ireland
St. Stephen's Green
Dublin 2
Ireland

Solicitors

Onside Law
642 Kings Road
London SW6 2DU
United Kingdom

World Rugby

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World Rugby

Statement of Council's Responsibilities For the year ended 31 December 2024

Statement of Council's responsibilities in respect of the financial statements

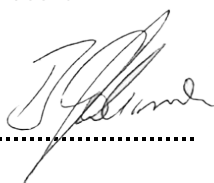
World Rugby is the world governing and law-making body of Rugby Union. It is made up of 118 Full Member Unions and 15 Associate Member Unions. World Rugby Council has a current representation of 53 members including an Independent Chair and a Vice-Chair. It is comprised of representatives of Unions and Associations appointed as set out in the World Rugby Bye-Laws and acts in accordance with the powers conferred upon it by the World Rugby Bye-Laws.

The Council is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of World Rugby and of its profit or loss and cash flow for that period. In preparing those financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The Council is responsible for maintaining records which disclose with reasonable accuracy the financial position of the association and its subsidiaries and to enable the Council to ensure that the financial statements have been properly prepared. The Council is also responsible for safeguarding the assets of the association and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



.....
B Robinson
Chairman



.....
L Evans
Chair of Audit and Risk Committee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD RUGBY

Report on the audit of the non-statutory financial statements

Opinion

We have audited the consolidated financial statements ("financial statements") of World Rugby for the financial year ended 31 December 2024, which comprise the consolidated statement of financial position, as at financial year ended 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the financial year ended 31 December 2024 and notes to the financial statements, including the summary of the significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is the International Financial Reporting Standards ('IFRS') as adopted by the European Union and the provisions of the World Rugby Bye-Laws.

In our opinion:

- the financial statements of World Rugby give a true and fair view of the assets, liabilities and financial position as at 31 December 2024 and of its loss and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union;
- the financial statements have been properly prepared in accordance with the provisions of the World Rugby Bye-Laws.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law.

Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority ('IAASA'), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Offices:
103/104 O'Connell St
Limerick, V94 AT85

Brian McEnery (Managing Partner)
Simon Carbery
Stewart Dunne
Chris Fogarty
Patrick Glover

Brian Hughes
Ronan Harbourn
Diarmuid Hendrick
Liam Hession
Ken Kilmartin

Stephen McCallion
Aine McInerney
Teresa Morahan
Ursula Moran
Siobhan Phelan

Donal Ryan
Richard Sammon
Gavin Smyth
Richard Warren-Tangney

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on World Rugby's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council with respect to going concern are described in the relevant sections of this report.

Other information

The Council is responsible for the other information. Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Respective responsibilities

Responsibilities of the Council for the financial statements

As explained more fully in the Council's responsibilities statement set on page 1, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing World Rugby'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 Council either intends to liquidate World Rugby or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

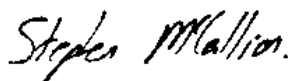
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: https://iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

This report, including the opinion, has been prepared for an only for the Council as a body in accordance with the World Rugby Bye-Laws and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of World Rugby, save where expressly agreed by our prior consent in writing.



Stephen McCallion

For and on behalf of

BDO

Dublin

Statutory Audit Firm

Block 3, Miesian Plaza,

50-58 Baggot Street Lower,

Dublin 2, D02 Y754.

Date: 19 June 2025

World Rugby

**Consolidated Income Statement
For the year ended 31 December 2024**

	Note	2024 £	2023 £
Turnover	4	36,091,605	578,175,681
Tournament related expenses		(60,086,233)	(118,370,792)
Grant related expenses	5	(72,877,533)	(113,496,527)
Administrative expenses	6	(91,526,149)	(110,007,045)
Other income	7	10,132,174	21,156,861
Other gains	8	49,278	3,237,034
Interest payable and similar charges	10	(7,105,045)	(3,587,464)
(Loss)/profit before taxation		(185,321,903)	257,107,748
Tax on (loss)/profit	11	(360,438)	(272,409)
(Loss)/profit for the financial year		(185,682,341)	256,835,339
(Loss)/profit for the financial year attributable to:			
Non-controlling interest		(907,459)	(42,986)
Owners of the parent		(184,774,882)	256,878,325
		(185,682,341)	256,835,339

The notes on pages 10 to 38 form part of these financial statements.

World Rugby

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

	2024	2023
	£	£
(Loss)/profit for the year	(185,682,341)	256,835,339
Items that will not be reclassified to profit or loss:		
Foreign currency translation reserve	-	(36,288)
Fair value gain/(loss) on financial assets	1,062,344	(3,953,063)
Tax relating to components of other comprehensive income	-	-
Total comprehensive (loss)/income for the year	(184,619,997)	252,845,988
Total comprehensive (loss)/income for the year attributable to:		
Non-controlling interest	(937,459)	(42,986)
Owners of the parent	(183,682,538)	252,888,974
	(184,619,997)	252,845,988

The notes on pages 10 to 38 form part of these consolidated financial statements.

World Rugby

Consolidated Statement of Financial Position As at 31 December 2024

	Notes	2024 £	2023 £
Non-current assets			
Deferred tax		25,002	-
Property, plant and equipment	12	7,119,229	8,113,148
Other intangible assets	13	295,582	392,595
Trade and other receivables	16	73,738	135,461
Financial assets	15	201,064,596	144,057,847
		208,578,147	152,699,051
Current assets			
Trade and other receivables	16	22,121,185	132,314,226
Deferred expenditure	14	-	4,954,598
Cash at bank and in hand	17	37,131,492	86,396,452
		59,252,677	223,665,276
Current liabilities			
Deferred revenue	19	(50,157,892)	(6,134,109)
Trade and other payables	20	(180,234,529)	(96,316,904)
		(171,139,744)	121,214,263
Net current (liabilities)/assets		(171,139,744)	121,214,263
Total assets less current liabilities		37,438,403	273,913,314
Non-current liabilities			
Loans and borrowings	18	-	(47,237,214)
Trade and other payables	20	(6,420,093)	(7,411,784)
Deferred revenue	19	-	(2,320,000)
		31,018,310	216,944,316
Net assets		31,018,310	216,944,316
Total equity			
Foreign exchange reserve	21	-	(36,288)
Non-controlling interests	21	(980,445)	(42,986)
Retained earnings/(losses)	21	31,998,755	217,023,590
		31,018,310	216,944,316



B. Robinson
Chairman
Date: 19 June 2025



L. Evans
Chair of Audit and Risk Committee

The notes on pages 10 to 38 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity
For the year ended 31 December 2024

	Foreign currency translation reserve £	Retained earnings £	Parent share of equity £	Non- controlling interests £	Total equity £
At 1 January 2023	-	(35,901,671)	(35,901,671)	-	(35,901,671)
Profit for the year	-	256,878,324	256,878,324	(42,986)	256,835,338
Currency translation differences	(36,288)	-	(36,288)	-	(36,288)
Other comprehensive loss	-	(3,953,063)	(3,953,063)	-	(3,953,063)
At 1 January 2024	(36,288)	217,023,590	216,987,302	(42,986)	216,944,316
Loss for the year	-	(185,682,341)	(185,682,341)	(937,459)	(186,619,800)
Currency translation differences	36,288	-	36,288	-	36,288
Other comprehensive gain	-	1,062,344	1,062,344	-	1,062,344
Other movement	-	(404,838)	(404,838)	-	(404,838)
At 31 December 2024	-	31,998,755	31,998,755	(980,445)	31,018,310

The notes on pages 10 to 38 form part of these financial statements.

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Consolidated Statement of Cash Flows For the year ended 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	22	(79,345,850)	13,966,744
Income tax paid		(360,568)	(122,298)
Grant payments		(35,596,904)	(35,941,868)
Net cash used in operating activities		<u>(115,303,322)</u>	<u>(22,097,392)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(192,228)	(296,700)
Purchase of intangible assets		(97,075)	-
Purchase of financial assets		(589,677,310)	(211,202,111)
Proceeds on disposal of financial assets		533,631,720	199,263,777
Investment income		9,067,762	21,156,861
Net cash (utilized by) generated from investing activities		<u>(47,267,131)</u>	<u>8,921,827</u>
Cash flows from financing activities			
Drawdown on borrowings		113,832,297	8,441,651
Interest paid		-	(3,414,489)
Rentals on lease payments		(817,644)	(835,760)
Net cash generated from financing activities		<u>113,014,654</u>	<u>4,191,402</u>
Net decrease in cash and cash equivalents		<u>(49,555,800)</u>	<u>(8,984,163)</u>
Exchange gain on cash and cash equivalents		291,289	(715,187)
Cash and cash equivalents at beginning of year	17	<u>86,396,452</u>	<u>96,095,802</u>
Cash and cash equivalents at the end of year	17	<u><u>37,131,942</u></u>	<u><u>86,396,452</u></u>

The notes on pages 10 to 38 form part of these consolidated financial statements.

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

1. General information

World Rugby is the world governing and law-making body of Rugby Union. It is made up of 108 Member Unions and 20 Associate Member Unions. World Rugby is resident in Dublin at World Rugby House, 8 - 10 Pembroke Street Lower, Dublin 2.

These consolidated financial statements which comprise the results of World Rugby and its subsidiary undertakings, collectively referred to as “the Group”, have been approved for issue by the Council of World Rugby on 21 May 2025.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations adopted by the European Union (EU). The consolidated financial statements have been prepared under the historical cost convention, as modified by the measurement of the fair value of financial assets. A summary of the more important group accounting policies is set out below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Going concern

The directors have prepared budgets and cashflows for a period of at least 12 months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

**Notes to the Financial Statements
For the year ended 31 December 2024**

2. Summary of significant accounting policies (continued)

New Standards, Amendments and Interpretations

The following new standards and amendments are effective for the period beginning 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendment to IAS 1).

None of these have had a significant effect on the financial statements of the Group.

Other changes to IFRS have been issued but are not yet effective for the Group. However, they are either not expected to have a material effect on the Consolidated Financial Statements or they are not currently relevant for the Group.

Notes to the Financial Statements
For the year ended 31 December 2024

2. Summary of significant accounting policies (continued)

2.2 Consolidation

Subsidiaries are all entities over which World Rugby has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether World Rugby controls another entity. World Rugby is made up of a number of subsidiaries, which are listed below:

World Rugby Limited - the company is engaged in providing financial and administrative services to various entities within the World Rugby Group.

World Rugby Tournaments Limited - the principal activity of the company is the promotion of Rugby Union and the organisation and administration of Rugby Union tournaments.

Rugby World Cup Limited - the company's principal activity is the licensing of rights emanating from the ownership of the Rugby World Cup brand.

World Rugby Trust - the Trust is established for the sole purpose of the promotion and development of Rugby Union worldwide.

World Rugby Services 2023 SAS – this company is engaged in the administration of Rugby World Cup 2023.

World Rugby Services 2023 Limited – this company is engaged in the administration of Rugby World Cup 2023.

World Rugby US Incorporated – this company is engaged in the development of Rugby Union in the region of the Americas.

RWC 2003 Limited – this company was previously involved in the organisation of Rugby World Cup 2003 and is engaged in certain administrative services on behalf of Rugby World Cup Limited.

World Rugby Strategic Developments DAC – the company is engaged in the promotion of Rugby Union through the Dot Rugby Domain name.

World Rugby Development Limited - this company is the Corporate Trustee of the World Rugby Trust.

World Rugby Events DAC - this company is engaged to promote the game of rugby union.

Rugby Pass Ireland Limited - this company is engaged to bring content to users across its multiple digital and social platforms.

Rugby Pass UK Limited - this company is engaged to provide support services to Rugby Pass Ireland Limited.

Rugby World Cup England 2025 Limited - this company is engaged to deliver the Rugby World Cup in 2025.

World Rugby Services UK Limited - the company is engaged in providing financial and administrative services to various entities within the World Rugby Group.

Rugby World Cup (Australia) PTY LTD - this company is engaged to deliver the Rugby World Cup

Notes to the Financial Statements
For the year ended 31 December 2024

2. Summary of significant accounting policies (continued)

in 2027 and 2029.

World Rugby Brain Health Services Limited - A company that provides an education platform on brain health conducted through a screening tool provided to past and current players.

World Rugby US Holdco Inc - A company engaged in providing financial and administrative services to various US based entities within the World Rugby Group.

World Rugby US Investments LLC - A company engaged in the joint ownership of a Major League Rugby club in partnership with Major League Rugby and USA Rugby.

World Rugby US Commercial Co LLC - A company engaged in the commercialization of Rugby Union in North America.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by World Rugby.

2.3 Revenue recognition

Revenue comprises the fair value of consideration receivable for services supplied to external customers in the ordinary course of the World Rugby's activities and excludes inter-company revenue and value added tax.

In general, revenue is recognised to the extent that World Rugby has satisfied its performance obligations to the buyer and the buyer has obtained control of the services being transferred. Revenue derives from the sale of royalties or rights and is generally recognised over the period of satisfaction of the performance obligation, being the duration of the tournament, rather than at a single point in time. The majority of tournaments organised by World Rugby do not straddle accounting dates.

**Notes to the Financial Statements
For the year ended 31 December 2024**

2. Summary of significant accounting policies (continued)

Royalties from the licensing of television rights to broadcast tournaments are recognised on the successful satisfaction of the performance obligation to stage the respective tournament, over the period of the tournament. Instalments received prior to the tournament are deferred as they may be repayable, in whole or in part, at any time up to the completion of the performance obligation to stage the tournament upon the occurrence, for any reasons, of one of more of the following conditions specified in the contractual agreements:

- Cancellation and/or rescheduling of the events and/or non-availability of feed of events to the licensee.
- Either party has committed a material breach of any of its obligations which cannot be remedied.
- Either party has committed a material or repeated breach of any of its obligations and fails to remedy such breach.
- The other party goes into liquidation or an administrator or receiver is appointed over the whole or any part of that other party's assets.
- The other party ceases or threatens to cease to carry on business or is removed from the relevant register of companies.

Other revenue is generated from the sale of sponsorship rights, hospitality rights, licensing rights, ticketing and grant revenues. Those which are related to tournaments are deferred until the performance obligation to stage the event has been satisfied, as prior to that they may be repayable in whole or in part upon the occurrence of similar conditions which apply to the broadcasting rights agreements.

Revenues are recorded based on the transaction price specified in the sales invoices/contracts net of actual and estimated rebates and any discounts granted. Accumulated experience is used to estimate rebates and discounts using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Where revenues are based on a series of tournaments the transaction price is allocated equally to individual legs on the most appropriate basis.

For those contracts where the transaction price was not clearly defined for each tournament, World Rugby took the adjusted market assessment approach as outlined in IFRS 15 as the best estimate of a stand-alone selling price by comparing to historical data and in comparison to similar customers in a single transaction.

2.3 Interest income

Interest income is recognised on an effective yield basis and dividend income is recognised when the right to receive payment is established.

Notes to the Financial Statements
For the year ended 31 December 2024

2. Summary of significant accounting policies (continued)

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of World Rugby's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in £, which is World Rugby's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Profit and Loss.

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Translation differences on non-monetary financial assets such as equities classified as fair value through other comprehensive income are included in the fair value reserve in equity.

2.5 Property, plant and equipment

World Rugby does not own any property. All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to World Rugby and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the financial period in which they are incurred.

Depreciation on plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Fixtures and fittings	5 years
Computer equipment	3 years
Plant and equipment	25 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss.

Notes to the Financial Statements
For the year ended 31 December 2024

2. Summary of significant accounting policies (continued)

2.6 Intangible assets

Rugby World Cup Logo

The Rugby World Cup logo represents costs incurred in registering the logo. The logo is regarded as having an indefinite useful life because, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows to the entity. The logo is not subject to amortisation and is tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. To date an impairment loss has not arisen.

Website development costs

The costs incurred in developing World Rugby's website are capitalised and amortised over 3 years.

Computer software

The costs incurred in developing World Rugby's Enterprise Resource Planning systems are capitalised and amortised over 10 years.

Data Platform

The data platform, acquired as part of the Rugby Pass business combination, is amortised over 1 year.

**Notes to the Financial Statements
For the year ended 31 December 2024**

2. Summary of significant accounting policies (continued)

2.7 Financial assets

World Rugby classifies all of its investments into the fair value through other comprehensive income category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of investments are recognised on trade-date – the date on which World Rugby commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial asset investments are subsequently carried at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and World Rugby has transferred substantially all risks and rewards of ownership.

Changes in the fair value of monetary securities classified as fair value through other comprehensive income and non-monetary securities classified as fair value through other comprehensive income are dealt with in the statement of comprehensive income.

When securities classified as fair value through other comprehensive income are sold, the accumulated fair value adjustments recognised in equity are included in the Consolidated Statement of Profit and Loss as 'gains and losses from investment securities'. Interest on fair value through other comprehensive income securities is calculated using the effective interest method and recognised in the Consolidated Statement of Profit and Loss. Dividends on fair value through other comprehensive income equity instruments are recognised in the Consolidated Statement of Profit and Loss when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices.

2.8 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Provision is made using the expected credit loss model which uses a lifetime expected loss allowance for all trade debtors. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Consolidated Statement of Profit and Loss within administration expenses. When a trade receivable is uncollectible it is written off against the allowance account for trade receivables. Subsequent recoveries of previously written off amounts are credited against administration expenses in the Consolidated Statement of Profit and Loss.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.10 Financial liabilities

Trade creditors and other short-term monetary liabilities are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.

**Notes to the Financial Statements
For the year ended 31 December 2024**

2. Summary of significant accounting policies (continued)

2.11 Employee benefits

Pension obligations

World Rugby operates a defined contribution pension plan. A defined contribution plan is a pension plan under which World Rugby pays fixed contributions into a separate entity. World Rugby has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.12 Leases

The Group leases its head office building and also its office for Rugby World Cup 2025 (England).

The lease agreement does not impose any covenants other than the security interests in the leased assets that are held by the lessor. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities are included within trade and other payables on the statement of financial position.

**Notes to the Financial Statements
For the year ended 31 December 2024**

2. Summary of significant accounting policies (continued)

2.13 Grants

World Rugby distributes discretionary investment grants through the World Rugby Trust. These are charged to the Consolidated Statement of Profit and Loss in the year in which the liability to distribute the grant falls due. Unpaid investment grants are accrued. Grants are credited back to the Consolidated Statement of Profit and Loss where non-compliance with the terms and conditions applying to their payment result in their non-payment.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of World Rugby's accounting policies, the Council is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical accounting estimates and judgements

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

Going concern

The Council has prepared budgets and cashflows for a period of at least 12 months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding World Rugby's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Council considers it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if World Rugby was unable to continue as a going concern.

Recoverability of trade receivables

The Council considered the recoverability of the balance due which is included in the balance sheet at 31 December 2024 at £5,125,573 (2023: £109,904,415). The Council has considered the ability of these customers to have the relevant facilities available to pay for these contracts. Based on these reviews, the Council is satisfied with the recoverability of the balances due at the balance sheet date.

3.1 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

Useful lives and impairment of tangible fixed assets

Long-lived assets comprising primarily of property, plant and equipment, fixtures and fittings, and long-term leasehold property represent a significant portion of total assets. The annual depreciation charge depends primarily on the estimated useful life of each type of total assets. The Council regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the financial year end date was £7,119,229 (2023: £8,113,148). At the end of each reporting period, World Rugby assess whether there is objective evidence of impairment of any of the fixed assets that are measured at cost. If there is objective evidence of impairment, impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Impairment of financial assets

At the end of each reporting period, World Rugby assesses whether there is objective evidence of impairment of financial assets that are measured at cost or amortised costs, including investments, trade debtors and amounts due from group undertaking. If there is objective evidence of impairment, impairment losses are recognised in the Consolidated Statement of Comprehensive Income in that financial year.

4. Turnover

Revenue is analysed as follows:

	2024 £	2023 £
Licensing and other income	35,694,138	100,846,383
Sponsorship	204,157	136,291,314
Broadcasting	193,310	188,487,984
Tournament fee	-	152,550,000
	<u>36,091,605</u>	<u>578,175,681</u>

5. Grant related expenses

During 2024, World Rugby incurred £72,877,533 of grant expenditure, which was distributed to tournaments and member unions (2023: £113,496,527).

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

6. Administration expenses by nature

	2024 £	2023 £
Depreciation and amortisation (notes 12 and 13)	1,118,199	2,035,745
Employee benefit expense (note 9)	32,965,961	32,087,691
Finance and administration expenses	56,058,822	39,896,670
Development and marketing expenses	8,471,333	35,986,939
Total administrative expenses	98,614,315	110,007,045

	2024 £	2023 £
Finance and administration expenses include:		
Audit fee	50,833	58,339
Council member attendance fees	514,188	732,375
Interest forgiven on grant loans	-	1,697,162
	565,021	2,487,876

7. Other income

	2024 £	2023 £
Income from financial assets	10,132,174	20,148,420
Interest income	-	1,008,441
	10,132,174	21,156,861

8. Other gains - net

	2024 £	2023 £
Foreign exchange gains	49,278	3,237,034

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

9. Employee benefit expense

	2024 £	2023 £
Employee benefit expense comprise:		
Wages and salaries	28,756,496	28,294,834
Social security costs	2,873,749	2,647,159
Other retirement benefit costs	1,335,716	1,145,698
	<u>32,965,961</u>	<u>32,087,691</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Events	178	129
Corporate services	63	65
Federation	103	59
	<u>344</u>	<u>253</u>

10. Interest payable and similar expenses

	2024 £	2023 £
Interest payable to credit institutions	6,949,478	3,414,489
Lease liability	155,567	172,975
	<u>7,105,045</u>	<u>3,587,464</u>

11. Income tax expense

	2024 £	2023 £
Income tax expense	385,440	272,409
Deferred tax	<u>(25,002)</u>	<u>-</u>

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

11. Income tax expense (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023 - *lower than*) the standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%). The differences are explained below:

	2024 £	2023 £
(Loss)/profit on ordinary activities before tax	(185,321,903)	257,107,748
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2023 - 12.5%)	(23,165,238)	32,138,469
Effects of:		
Expenses not deductible for tax purposes	278,882	14,277
Capital allowances for year in excess of depreciation	93,852	98,150
Amount charged in excess of interest charge	(82,731)	(75,623)
Different tax rates	(264,589)	88,415
Tax loss utilised	(937,539)	(492)
Tax losses not recognised	1,356,766	1,242,929
Expenses (Income) earned in tax exempt entities	23,097,970	(33,233,716)
Prior period over provision	(10,647)	-
Other timing differences	(6,288)	-
Total tax charge for the year	360,438	272,409

Under Irish tax law World Rugby is largely exempt from paying tax. A minimal taxation expense was incurred in the current financial period. This expense arose within the following entities:

- World Rugby Limited
- Rugby World Cup (England 2025) Limited
- World Rugby US Incorporated
- World Rugby Services 2023 SAS
- World Rugby Services 2023 Limited
- World Rugby Services UK Limited

World Rugby

**Notes to the Financial Statements
For the year ended 31 December 2024**

12. Property, plant and equipment

Group and company

	Computer equipment £	Fixtures and fittings £	Right of use asset £	Total £
Cost				
At 1 January 2024	2,123,728	1,073,027	11,162,735	14,359,490
Additions	180,240	57,016	-	237,256
Exchange adjustments	-	-	213,297	213,297
At 31 December 2024	<u>2,303,968</u>	<u>1,130,043</u>	<u>11,376,032</u>	<u>14,810,043</u>
Depreciation				
At 1 January 2024	1,668,543	1,015,223	3,562,576	6,246,342
Charge for the year	288,090	19,062	1,137,320	1,444,472
At 31 December 2024	<u>1,956,633</u>	<u>1,034,285</u>	<u>4,699,896</u>	<u>7,690,814</u>
Net book value				
At 31 December 2024	<u><u>347,335</u></u>	<u><u>95,758</u></u>	<u><u>6,676,136</u></u>	<u><u>7,119,229</u></u>
At 31 December 2023	<u><u>455,185</u></u>	<u><u>57,804</u></u>	<u><u>7,600,159</u></u>	<u><u>8,113,148</u></u>

The depreciation expense has been charged entirely within "administrative expense".

World Rugby

**Notes to the Financial Statements
For the year ended 31 December 2024**

12. Property, plant and equipment (continued)

Group and company

	Computer equipment £	Fixtures and fittings £	Right of use asset £	Total £
Cost				
At 1 January 2023	1,830,247	1,069,793	11,386,380	14,286,420
Additions	293,481	3,234	-	296,715
Effects of movements in exchange rates	-	-	(223,645)	(223,645)
At 31 December 2024	2,123,728	1,073,027	11,162,735	14,359,490
Depreciation				
At 1 January 2023	1,391,886	997,346	2,907,162	5,296,394
Charge for the year	276,657	17,877	710,726	1,005,260
Effects of movements in exchange rates	-	-	(55,312)	(55,312)
At 31 December 2024	1,668,543	1,015,223	3,562,576	6,246,342
Net book value				
At 31 December 2023	455,185	57,804	7,600,159	8,113,148
<i>At 31 December 2022</i>	<i>438,361</i>	<i>72,447</i>	<i>8,479,218</i>	<i>8,990,026</i>

The depreciation expense has been charged entirely within "administrative expense".

World Rugby

Notes to the Financial Statements
For the year ended 31 December 2024

13. Intangible assets

	DataPlatform £	Rugby World Cup Logo £	Computer software £	Total £
Cost				
At 1 January 2024	1,144,000	77,002	1,031,631	2,252,633
Additions	-	-	92,616	92,616
At 31 December 2024	1,144,000	77,002	1,124,247	2,345,249
Amortisation				
At 1 January 2024	1,144,000	-	716,038	1,860,038
Charge for the year	-	-	189,629	189,629
At 31 December 2024	1,144,000	-	905,667	2,049,667
Net book value				
At 31 December 2024	-	77,002	218,580	295,582
At 31 December 2023	-	77,002	315,593	392,595

World Rugby

**Notes to the Financial Statements
For the year ended 31 December 2024**

13. Intangible assets (continued)

	DataPlatform £	Rugby World Cup Logo £	Computer software £	Total £
Cost				
At 1 January 2023	1,144,000	77,002	1,031,631	2,252,633
At 31 December 2023	<u>1,144,000</u>	<u>77,002</u>	<u>1,031,631</u>	<u>2,252,633</u>
Amortisation				
At 1 January 2023	238,333	-	591,220	829,553
Charge for the year	905,667	-	124,818	1,030,485
At 31 December 2023	<u>1,144,000</u>	<u>-</u>	<u>716,038</u>	<u>1,860,038</u>
Net book value				
At 31 December 2023	<u>-</u>	<u>77,002</u>	<u>315,593</u>	<u>392,595</u>
At 31 December 2022	<u>905,667</u>	<u>77,002</u>	<u>440,411</u>	<u>1,423,080</u>

The Rugby World Cup Logos are considered to have an indefinite life because it is considered that there is no foreseeable limit to the period over which this asset is expected to generate cash flows. As the cash inflows to World Rugby as a result of the successful completion of the World Cup tournaments are expected to be significantly in excess of the net book amount of these intangible assets no impairment is considered to have taken place.

The amortisation expense has been charged entirely within "administrative expense".

World Rugby

**Notes to the Financial Statements
For the year ended 31 December 2024**

14. Deferred expenditure

	2024	2023
	£	£
Sponsorship	-	-
Tournament related expenses	-	4,600,695
Broadcasting	-	353,903
Licencing, merchandising and other	-	-
	<u>-</u>	<u>4,954,598</u>
	<u>-</u>	<u>4,954,598</u>
Beginning of the year	4,954,598	12,509,192
Released to expenditure	(4,954,598)	(12,509,192)
Deferred during the period	-	4,954,598
	<u>-</u>	<u>4,954,598</u>
End of the year	<u>-</u>	<u>4,954,598</u>

15. Financial assets

	2024	2023
	£	£
Beginning of the year	144,057,847	136,072,577
Additions	384,896,869	211,202,111
Disposals	(328,952,464)	(199,263,777)
Fair value movement	1,062,344	(3,953,064)
	<u>201,064,596</u>	<u>144,057,847</u>
End of the year	<u>201,064,596</u>	<u>144,057,847</u>

World Rugby

**Notes to the Financial Statements
For the year ended 31 December 2024**

15. Financial assets (continued)

	2024	2023
	£	£
Financial assets includes the following:		
Listed securities:		
– Equity securities – eurozone countries	-	1,411,463
– Equity securities – US	833,267	5,965,396
– Equity securities – UK	-	260,122
– Equity securities – other	1,493,176	1,022,039
	2,326,443	8,659,020
– Interest securities – eurozone countries	75,346,900	49,217,737
– Interest securities – US	31,833,542	23,718,300
– Interest securities – UK	-	32,389,411
– Interest securities – other	91,557,711	30,073,379
	198,738,153	135,398,827
	201,064,596	144,057,847

At 31 December 2024 retained earnings included a cumulative surplus of £1,375,208 (2023: *surplus of £(141,208)*) in respect of unrealised fair value gains on financial assets held at fair value through other comprehensive income.

The maximum exposure to credit risk at the reporting date is the fair value of the securities.

Investment in Hawks Rugby LLC

World Rugby, through its subsidiaries holds an investment in Hawks Rugby LLC (US) which operates a professional rugby team in partnership with Major League Rugby USA.

This is accounted for under as a joint venture in accordance with IFRS 11. The carrying value as at 31 December 2024 is nil.

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

16. Trade and other receivables

	2024 £	2023 £
Trade debtors	5,125,573	109,904,415
Prepayments and other receivables	6,792,180	4,019,838
Grants paid in advance	4,143,170	6,420,001
Accrued income	6,110,136	12,105,433
	<u>22,171,059</u>	<u>132,449,687</u>

The carrying amount of trade and other receivables and grants paid in advance represents the maximum credit exposure.

At 31 December 2024 trade and other receivables included £22,121,185 recognisable within one year (2023: £132,314,226).

Trade receivables

	2024 £	2023 £
Movement in impairment provision on trade receivables		
At 1 January	15,467	-
Written back during the year	(15,467)	-
Additional provision	250,866	15,467
At 31 December	<u>250,866</u>	<u>15,467</u>

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was as follows:

	2024 £	2023 £
UK/Ireland	5,125,573	1,168,252
Europe	-	106,583,606
Oceania	-	743,880
Americas	-	839,168
Rest of world	-	569,509
	<u>5,125,573</u>	<u>109,904,415</u>

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

The ageing of trade receivables, under the expected credit loss model, at 31 December 2024 was:

	Gross value £	Impairment £	Carrying value £	Weighted average loss rate £
Not Past Due	5,376,439	250,866	5,125,573	0%
Past Due				
0-30 days	-	-	-	0%
+60 days	-	-	-	0%
	5,376,439	250,866	5,125,573	0%

Trade and other receivables (continued)

The ageing of trade receivables, under the expected credit loss model, at 31 December 2023 was:

	Gross value £	Impairment £	Carrying value £	Weighted average loss rate %	Col 6 £
Not Past Due	108,170,412	-	108,170,412	-	0%
Past Due					
0-30 days	271,890	-	271,890	-	0%
30-60 days	678,206	(15,467)	662,739	-	0%
+60 days	799,374	-	799,374	-	0%
	109,919,882	(15,467)	109,904,415	-	0%

Other receivables

Other receivables at 31 December 2024 include a loan to USA Rugby of US\$172,750 (£137,498) (2023: US\$272,520 (£213,979)). The loan is repayable in full over three years £63,760 (2022: £135,461) falls due after one year.

Prepayments and other receivables do not contain any impaired assets.

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

17. Cash and cash equivalents

	Group 2024 £	<i>Group 2023 £</i>
Cash at bank and in hand	37,129,288	19,622,564
Short-term bank deposits	2,204	66,773,888
	<u>37,131,492</u>	<u>86,396,452</u>

The effective interest rate was 4.75% on GBP short-term bank deposits; these deposits are fiduciary call deposits.

Cash at bank and in hand and all deposits are held with financial institutions with a Standard and Poor's A rating.

18. Loans and borrowings

	2024 £	<i>2023 £</i>
Secured bank loans	-	47,237,214

During the current fiscal period, the Group's debt has been reclassified as a short-term liability and included in note 20. The reclassification has no impact on total liabilities or the income statement. During the year World Rugby drew down £113,829,878 (2023: £8,441,651) under a secured loan facility with Barclays Bank which is secured over the financial investment assets of the Group.

The carrying amounts of financial and non-financial assets pledged as security for current and noncurrent borrowings are disclosed in note 15. The Group has complied with the financial covenants of its borrowing facilities during the year.

World Rugby

**Notes to the Financial Statements
For the year ended 31 December 2024**

19. Deferred revenue

	2024	2023
	£	£
Broadcasting	4,661,899	530
Sponsorship	18,176,741	8,236,793
Licensing, merchandising and other	9,396,554	216,786
Tournament related income	17,922,698	-
	<u>50,157,892</u>	<u>8,454,109</u>
Beginning of the year	8,454,109	304,455,357
Released to income	(8,454,109)	(304,455,357)
Deferred during the period	50,157,892	8,454,109
End of the year	<u>50,157,892</u>	<u>8,454,109</u>

At 31 December 2024 deferred revenue included £49,082,977 recognisable within one year (2023: £6,134,109).

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

20. Trade and other payables

	2024 £	2023 £
Short term loan	161,067,511	30,120,988
Trade payables	1,269,842	3,616,980
Accrued expenses	14,877,510	22,350,980
Grants payable	-	38,273,907
Lease liability	7,082,860	8,103,942
Payroll tax payable	-	386,824
Other creditors	2,115,051	631,168
Corporation tax payable	241,848	243,899
	<u>186,654,622</u>	<u>103,728,688</u>

At 31 December 2024, trade and other payables included £180,234,529 recognisable within one year (2023: £96,316,904).

There is no difference in the fair value of trade and other payables and the amounts stated above.

The lease liability relates to a single property lease. The remaining lease term is 11 years consisting of a non-cancellable period of 3 years. Management have determined an incremental borrowing rate of 2.09%, the indicative rate for a loan of similar term and value.

During the current fiscal period, the Group's debt has been reclassified as a short-term liability and is secured over the financial investment assets of the Group.

21. Reserves

Retained earnings

Retained earnings is the cumulative gains recognised in the Statement of Profit and Loss and Other Comprehensive Income. The retained earnings balance includes a non-distributable Catastrophic Injury Reserve of £9,526,000 (2023: £9,526,000).

Non-controlling interest

Rugby World Cup (Australia) PTY LTD and Rugby World Cup England 2025 Limited are both 20% owned subsidiaries.

Foreign currency translation reserve

Foreign currency translation reserves arise on the consolidation of foreign subsidiaries with functional currencies other than sterling.

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

22. Cash generated from operations

	2024 £	2023 £
Profit/(loss) for the period before taxation	(185,321,903)	257,107,748
Adjustments for:		
- Depreciation and amortisation (notes 12 and 13)	1,118,199	2,035,745
- Investment income	(10,463,921)	(21,156,861)
- Lease interest	155,567	172,975
- Interest expense	-	3,414,489
- Grants	5,383,650	113,496,527
- Gain on foreign exchange	1,512,889	662,445
Changes in operating capital		
- Trade and other receivables	81,147,684	(86,593,455)
- Trade and other payables	(18,462,010)	33,273,814
- Deferred revenue	40,629,397	(296,001,247)
- Deferred expenses	4,954,598	7,554,594
Cash generated from operations	(79,345,850)	13,966,774

Notes to the Financial Statements
For the year ended 31 December 2024

23. Financial risk management

Financial risk factors

World Rugby's activities have the potential to expose it to a variety of financial risks including foreign exchange, interest rate and investment risk (collectively referred to as 'Market Risk'), credit / counterparty and liquidity risk. Together with insurance and tax, these are identified as 'Key Risks' within the World Rugby Risk Taxonomy and sit under 'Financial Risk' as one of the organisation's five 'Principal Risks' (the others being Strategic, Conduct & SafeSport, Reputational and Operational). The Risk Taxonomy forms a key component of World Rugby's broader Enterprise Risk Management Framework, which is owned and managed by the World Rugby Risk Function. This ensures an effective and consistent approach to risk identification and management is adopted across the organisation.

Financial risk is owned and managed by World Rugby management (principally the Global Services Finance Function) in line with mandates and authorities agreed by the Executive Board. Appropriate oversight is maintained by the Audit & Risk Committee with relevant updates provided to the Executive Board as required.

(a) Market risk

Foreign exchange risk

World Rugby operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to non-sterling denominated future commercial transactions. To manage its foreign exchange risk, entities in the Group use hedging or ongoing currency matching of foreign denominated receivables and outgoings. Foreign exchange risk within World Rugby's investment portfolio is fully hedged by independent investment managers as required.

Interest rate risk

Interest rate risk arises from cash deposits, financial investments and borrowings. The Global Services Finance Function monitors the impact of interest rate movements on interest income received from financial instruments and interest cost payable on borrowings, and an appropriate value is reflected in the annual budget.

Investment risk

In order to manage investment risk, World Rugby invests in financial assets in line with asset allocations agreed as part of the investment mandate approved by the Executive Board.

(b) Credit/Counterparty risk

World Rugby has no significant credit default risk. Substantially all of its revenues are generated from hosting fees, broadcasting rights and other commercial rights, which management expect to be fully received.

**Notes to the Financial Statements
For the year ended 31 December 2024**

24. Financial risk management (continued)

Financial risk factors (continued)

(c) Liquidity risk

Liquidity risk arises from the management of World Rugby's working capital, and the finance charges and principal repayments on its debt instruments. It refers to the risk that the organisation encounters difficulty in meeting its financial obligations as they fall due. World Rugby's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim it seeks to maintain cash balances, or access to approved facilities, to meet forecasted requirements.

The liquidity risk of each entity is managed centrally by the Global Services Finance Function and supported by World Rugby's borrowing facilities. Borrowing facilities are aligned to the annual working capital requirements of the organisation and are approved in advance by the Executive Board. To ensure oversight of liquidity risk, the Executive Board receives quarterly cash flow projections for the upcoming budget cycle in addition to regular information regarding cash balances and the value of the Group's financial investments.

24. Commitments

At 31 December 2024 the World Rugby had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2024 £	Group 2023 £
Not later than 1 year	817,643	1,379,097
Later than 1 year and not later than 5 years	545,096	2,716,557
	<u>1,362,739</u>	<u>4,095,654</u>

World Rugby has made commitments to its Member Unions to pay grants at a level of approximately £41.5 million over the next year including High Performance, Development and Tournament grant expenditure.

World Rugby, through its wholly owned entity, World Rugby Tournaments Limited has firm commitments pertaining to the HSBC SVNS, U20 Championship and Pacific Nations Cup in 2025.

World Rugby, through its wholly owned entity, World Rugby Events DAC, has entered into a Collaboration Agreement with the Rugby Football Union pertaining to the staging of the Women's Rugby World Cup 2025 in England.

World Rugby, through its wholly owned entity, World Rugby Events DAC has entered into a Collaboration Agreement with Rugby Australia pertaining to the staging of the Men's Rugby World Cup in 2027 and the Women's Rugby World Cup 2029, both in Australia.

World Rugby

Notes to the Financial Statements For the year ended 31 December 2024

25. Contingencies

World Rugby is currently engaged in a small number of legal matters which the World Rugby Council and Management believe are fully provided for in the accounts to the extent that a financial loss is expected to be incurred.

26. Key management compensation

Key Management includes non-executive directors of the Executive Committee, non-executive directors of Rugby World Cup Limited, the Chief Executive Officer, the Chief Operating Officer and the Company Secretary.

The compensation paid or payable to key management for fees and employee services is shown below:

	2024 £	2023 £
Salaries and other short-term employee benefits	1,671,861	2,044,520
Post-employment benefits	84,579	62,447
	<u>1,756,440</u>	<u>2,106,967</u>

27. Post balance sheet events

No material events have occurred since the Balance Sheet date which affect the financial statements of the company.

28. Approval of financial statements

The Council approved the financial statements on 21 May 2025.