



DIPARTIMENTO DI IMPRESA E MANAGEMENT

CATTEDRA DI FINANCIAL STATEMENT ANALYSIS

No matches, no revenues:
the financial impact of Covid-19
on the Italian Serie C Football Clubs

Relatore:

Prof. Saverio Bozzolan

Correlatore:

Prof. Francesco Legrottaglie

Candidato:

Flavio Cannarella

Matricola:

738901

Anno Accademico 2021/2022

Abstract

The research presented in this paper is aimed to the understanding of the action of an unpredictable and unexpected event having a very peculiar nature such as the Covid 19 pandemic on a particular business sector: the Italian Serie C League, one of the lowest level in the Italian professional football league system. The present survey is based on data referred to a sample of football clubs in the Italian Serie C Championship collected for the periods involving the seasons 2018-2019, 2019-2020 and 2020-2021. The primary data sources for this study are the financial statements and related annual reports which have been filed by the selected clubs of the Italian Serie C League. The traditional streams of income for Serie C clubs have dramatically decreased as direct consequence of the zeroing in the tickets and supporters' subscriptions sales (due to the lockdowns and other restrictions for the presence of spectators during the matches) and the collapse of sponsorships.

The data shown in this study confirm that weaker revenues have severe impact both on bigger and smaller Serie C teams considered in the sample. This interrelation can be intuitively inferred but the analysis of the financial data carried out in this study not only confirms such statements but also it highlights the width and the extent of such emergency. The present analysis therefore evidences how, for a large number of the clubs involved in the survey severe financial troubles before 2019 suddenly turned into one of the worst financial crisis they have faced.

A tutto ciò che rappresenta la mia famiglia

“Chi sa solo di Calcio, non sa niente di Calcio”

José Mario dos Santos Mourinho Félix

Table of Contents

Chapter 1:	7
The Italian Serie C Football Clubs in the Pandemic Regime.....	7
1. Introduction	7
2. The Italian Serie C Championship	8
3. The legal framework.....	11
4. The Serie C and the Covid-19 pandemic.....	17
5. Corporate Governance and Football clubs	26
6. Concluding comments.....	28
Chapter2.....	30
The financial scenario.....	30
1. Introduction	30
2. The Accounting Recommendations (Raccomandazioni Contabili)	33
3. The Unified Chart of Accounts (“Piano dei Conti Unificato”).....	37
4. The Financial Statements’ reclassification methodology	40
4.1 The Balance Sheet.....	41
4.2 The Income Statement.....	45
5. Methodology	47
5.1 The Target.....	48
5.2 Creation and evaluation of the sampling frame	49
5.3 Groups’ creation	50
5.4 Clusters’ creation	50
6. Ratios Analysis	52

7.	Cluster One: Historical Top Clubs	55
7.1	Delfino Pescara.....	56
7.2	Catania Calcio.....	59
7.3	Pro Vercelli	61
7.4	Piacenza Calcio	63
8.	Cluster two: Medium clubs.....	64
8.1	Società Sportiva Teramo Calcio.....	65
8.2	The other sub-cluster teams.....	67
9	Cluster three: Small Clubs	73
10.	Discussion and concluding comments.....	81
	ANNEXES: clubs’ balance sheets and income statements – own reformulation.....	93
	References.....	108
	Database sitography	110

Chapter 1:

The Italian Serie C Football Clubs in the Pandemic Regime

1. Introduction

Covid-19 pandemic has moved so far along different waves according to different virus mutations creating a highly uncertain scenario (further aggravated by the ongoing war in Ukraine) whose impacts and implications are still largely unknown in the medium-long run. These waves show some critical fluctuations in which dramatic consequences in human, social and health data are accompanied by severe impacts in production and business terms: the global football industry is no exception with loss of approximately USD 14 billion (Rehn 2020).

Doing business in these risky and uncertain times with a not yet definitively solved pandemic and the implications of a war, is not an easy task in particular for those sectors linked to entertainment, sport and other not material factors also for the large number of psychological variables involved (Pedersen, Ruihley and Li, 2021). The past waves of the pandemic have produced severe consequences for these economic sectors involving also profound transformations whose implications at global and/or local level (in business management, in consumers' behavior, in the relations among the agents in the business chain, etc.) are not fully understood yet (Grix *et al.* 2021).

The football industry at world level is presently dealing with many interrelated dimensions and several questions: how to effectively and efficiently back up and running competitions with the risk of eventual new surge in infections? How to define, design and implement extensive global health and safety standards capable to guarantee an adequate degree of predictability and stability? How to manage and ensure the return of fans to

stadiums as an essential step for a sector restoring with the risk of future lockdowns? These questions have profound implications related to the cost control measures, to the relations with investors and sponsors and to the sensitive relations between the football clubs and TV (Grabowski, 2021).

All this represents a concrete challenge for the football industry as a whole but it is maybe something more than a challenge for the football lower leagues' clubs which are in general more financial fragile and more vulnerable to external market shocks: it's a question of survival (Hammerschmidt *et al.* 2021).

Major attention of the general public, research and media in Italy has been biased on the Serie A teams indeed, and perhaps little attention has been paid to what occurred, during the years of the pandemic, to the football clubs in the lower leagues. The Italian clubs in the “Serie C” championship, one of the lowest level in the Italian professional football league system, highly suffered the consequences for Covid-19 during the period 2020/2021 making the future prospects of these teams extremely uncertain: their current weakness makes them particularly fragile in case of an eventual future new aggravation of the pandemic.

2. The Italian Serie C Championship

In the Italian men's football championship “Serie C” represents the third professional series, being therefore one of the lowest professional level within the Italian football League system and structure (see <https://www.lega-pro.com>). The “Serie C” was founded with this denomination in 1935 as a single championship tournament (Bacci, 2006).

Since its foundation in 1935, the Italian Serie C championship has undergone significant transformations and modifications in its structure and in the division of the

teams: just to mention for example, the 1978 reform which divided the Serie C into two distinct series:

- Serie C1 (later called *Lega Pro Prima Divisione*) made up of two groups;
- Serie C2 (later called *Lega Pro Seconda Divisione*) made up of four groups,

which were reduced to three in 1991, and finally to two in 2011.

In 1993, only for the Serie C1, the play-off and play-out system was introduced and the experimentation of 3 points for a victory (later introduced in all series). In 1994 the play-offs and play-outs were also introduced in Serie C2 and in 2000 the “Supercoppa di Lega Serie C1” was established, a trophy involving a match of the winners of the two Serie C1. In 2006 the “Supercoppa di Lega Serie C2” was also established, a triangular tournament with a match of the winners of the three Serie C2 groups. In 2008 the “Lega Professionisti Serie C” becomes the “Italian Professional Football League”.

In 2012 the reform of the Lega Pro championships was launched starting from the 2014-2015 season with the provision of measures for the passage, in the 2013-2014 championship, from 69 to 60 teams. In 2014 and until 2017, “Serie C” was named “Lega Pro” but in 2017 it was decided to return to the original name.

At present Serie C involves 60 teams, privately associated and affiliated with the Italian Football Federation, engaging professional players. The championship is divided into three distinct group stages on a geographical basis made up of 20 teams each. The winners of the three groups at the end of the championship are promoted to Serie B together with the winning team of the play-offs, which are accessed by the teams placed from second to tenth place in each group plus the winner of the Serie C Italian Cup. Nine teams downgrade in Serie D: the last classified of each group are retroceded directly, while the play-outs are played between the teams classified from the fifth to the last to the penultimate place to establish the relegation of two further teams per group. During the last

decades, more and more frequently, financial bankruptcy has become another cause for relegation to lower series.

It is important to remind some peculiar financial features of a football club: even if sharing almost the same level of costs of any other commercial/financial firm, they show certain peculiarities in the relations between profits and the concept of “result”. A football team is structured in order to gain competitiveness and achieve results in terms of matches in a highly aleatory environment. Achieving positive results on the playground and in the financial statements is not always the same. High investments with the aim to achieve results in the matches may scale up becoming losses being frequently unable to repay the initial costs. This boomerang effect is often caused by among others some elements:

- high fixed costs (stadium, players’ salaries, staff, etc.);
- high volatility in revenues (for instance number of subscriptions, tickets and season tickets can vary year by year or after relegation the lower football league, availability of less contributions, etc.).

This leads very often to financial distress, inflating large amount of (frequently short term) debt and risk of dealing with huge losses in the short-medium run.

These features highly characterize the operative scenario for the Italian Serie C clubs where several examples of bankruptcy can be reported. This is the case of Catania Calcio which has officially declared bankruptcy immediately downgraded to “Eccellenza” (the lowest football league in Italy). Another example is Trapani Calcio. This club in 2020/2021 season tried to satisfy (just before the beginning of the championship) the minimum requirements to be included in Serie C but after just two matches it went onto bankruptcy. Another interesting example is the case of Pro Piacenza which in 2018/2019 season, due to financial distress, was not able to pay players anymore. For this reason Pro Piacenza lost 20-0 the match against Cuneo playing with only seven players from the first

minute (see <https://www.gazzetta.it/Calcio/17-02-2019/surreale-cuneo-pro-piacenza-7-finisce-20-0-3201483375840.shtml>).

It's quite evident also how these bankruptcies, and their consequences such as the immediate relegation, have the power to alter the entire functioning of the tournament increasing the global uncertainty level and creating backlash effects to the other clubs.

3. The legal framework

A detailed survey of the legal framework for the professional sports clubs, including the football clubs, is not the aim of this study (Carta 2005, Camera dei Deputati 2006, Demuro and Frosini 2009). Nonetheless it is important to cite some relevant aspects of the issue, which involves critical implications for the Italian Serie C championship, mainly connected to the fact that sports clubs have always been considered “anomalous enterprises” or “companies of special law”, becoming at the core of many doctrinal disputes about the nature and type of society itself.

These initial considerations soon became source of legal uncertainty. Being an “anomalous” or a “special” company is not a merely theoretical exercise because this distinction is reflected on the legal level of discipline. The evolution of some sectors of professional sport, especially football, drove to the reorganization of the entire topic since 1981, with Act no. 91 (“Rules on relations between clubs and professional sportsmen”). This Act can be considered as a cornerstone of the discipline of professional sports clubs because it regulates the relationships between companies and professional (sports) workers, establishing that the performance for consideration of the professional sportsman is the subject of a subordinate employment relationship and dealing with the form and organization of professional clubs.

Before the introduction of this Act, sports associations were open structures whose organization was established by the social statute, having equity distinct from that of the members. For the creation of a football club just a minimum of written form was required, for example the social statute, to be attached to the application for affiliation with the sports federation. To date, this type of organization is still adopted by most amateur football clubs. Yet with the fast transformation of the football business and the global socio-economic scenario, such approaches became definitively inadequate to manage the implications involved in such changes. For example, how the voluntary contributions of the members alone could cover costs, expenses and investments necessary to undertake this kind of business in a changed environment? How these associations could deal with the new market dynamics?

The Act no. 91/1981 was directed to answer to these questions stating that the former sport associations had reorganized providing two legal forms for football club: joint-stock company (S.p.A.) or limited liability company (S.r.l.) and also the system of controls of professional football clubs was typical of joint-stock companies.

Three key factors of corporate law were mainly most considered in this Act:

- the causal element;
- the subject of controls;
- the relevance of sports affiliation.

At that time the possibility of pursuing the lucrative purpose, or rather, of redistributing the profit achieved among the shareholders, was excluded because these companies had to reinvest their profits earned by the company, for the exclusive pursuit of sporting activity. This part, which created problems in the homologation of the statutes, was modified together with other substantial parts of the Act no. 91/1981, with the Act no. 586 of 1996.

The legislator therefore chose the model of the business company (S.p.A. or S.r.l.) with the exclusion of the “limited partnership” (*accomandita*) and cooperative form. The form of “accomandita” was excluded in order to prevent the possibility that a category of shareholders, the general partners, had stable dominance within the company while the exclusion of the cooperative form was instead a logical consequence of the pyramidal nature of the organization of the C.O.N.I., in which the athlete has a subordinate position with respect to the other subjects of the system, such as: clubs, federations, Olympic committee.

The football clubs were considered “anomalous companies” because of their *object*. Their anomaly was not linked only to their inability to distribute profits achieved among the shareholders, but also to the corporate purpose: the sporting purpose and the pursuing of the sporting activity. This anomaly limited the possibility to exploit the potential deriving from the use of the S.p.A. form, a form that almost all the Serie A and B clubs chose at that time. Other implications were connected to the issue of shares: it was not possible to issue savings shares, dividend-right shares, preference shares in the distribution of profits, etc.

In the early 80s the issue of stock exchange listing (despite Act no. 91/1981) was at the center of a wide debate. The shares of the Italian football clubs were not intended for economic and lucrative aims but rather for mere sporting interests and activities.

In general terms, the Act no. 91/1981 substantially limited the possibilities for football clubs to really operate in the market pursuing the typical purposes of joint-stock companies. The further evolution of the business scenario was re-oriented in the light of the sentence of the Court of Justice of the European Communities of 1995, the so-called “Bosman judgment” which inspired the Act no. 586/1996, in order to allow the football companies to acquire financial resources and risk capital from the market.

The pursuit of profit, like all companies, became possible. The Act involves the obligation to reinvest 10% of the profits for youth and training schools, but the remaining part can be distributed.

Important changes involved the control issues. The powers of the federations, (whose control under the previous regulatory system produced unsatisfactory results), were limited to the sole purpose of guaranteeing the fair running of the championships; clubs have to demonstrate to retain adequate resources to meet the costs arising from participation in the championships. Moreover, national federations have not the power to decide about the dissolution and liquidation of the clubs, being this power exclusive competence of the shareholders' assembly. Nonetheless the federations have the right to report to the Court pursuant (art. 2409 of the Italian civil code), in the case of well-founded suspicions of irregularities in management.

As already mentioned, C.O.N.I. is placed at the top of the pyramid, being under the supervision of the Presidency of the Italian Council of Ministers and it controls and checks every federation for each type of sport (C.O.N.I. recognizes just one federation for each sport). C.O.N.I. operates its supervision above F.I.G.C. (Federazione Italiana Giuoco Calcio). According to the Federal Statute article 2:

“The F.I.G.C. is the association of the sports societies and associations that pursue the aim of practicing soccer in Italy and of the other bodies affiliated to it carrying out activities instrumental to the pursuit of such purpose. The federal norms regulate the registration of athletes, technicians, match officials, managers and other subjects of the federal system”.

Professional Italian leagues are by right recognized by F.I.G.C.: the National Professional League Serie A, in which the associated clubs employ professional athletes

playing in the national championships of Serie A (LNP Serie A), the Lega Nazionale Professionisti Serie B (LNP Serie B), to which are associated those clubs employing professional players involved in the national championships of Serie B and the "Lega Italiana Calcio Professionistico" (Lega Pro), involving the clubs employing professional athletes playing in the Serie C national championship (see: “*Norme transitorie e finali statuto FIGC II*”).

The F.I.G.C. has the management control function of its affiliated companies (Article 16 of the Federal Statute), through the Commission for the supervision of professional football clubs (CoViSoC), which is aimed to control the economic and financial management of the companies (Article 80 of the N.O.I.F. 12) and of the sanctioning power (Article 81 of the N.O.I.F.)¹.

Moreover art. 19 of F.I.G.C. Federal Statute states:

“1. Professional clubs are subject to the verification of economic and financial equilibrium and compliance with the principles of proper management, in accordance with the system of controls and financial balance and compliance with the principles of correct management, in accordance with the control system and the consequent measures established by the F.I.G.C., also by delegation and according to the modalities and principles approved by C.O.N.I. 2. In relation to professional clubs, the F.I.G.C. may exercise the powers of complaint to the Court as provided for by Art. 2409 of the Civil Code. 3. the F.I.G.C. avails itself of a technical body of control called Commissione di vigilanza sulle società di calcio professionali (CoViSoC).”

¹The internal federal organizational rules (NOIF) are the regulatory body at the basis of the organization of the F.I.G.C. and of the football clubs that participate in the championships provided by the various leagues that compose it. They find valid justification in the general obligation to supervise the financial balance of professional clubs imposed by ordinary legislation on Federations in order to ensure the smooth running of sports championships.

CoViSoC can be therefore defined as the institutional body in charge to control the economic and financial equilibrium in order to check if the football clubs are reliant to N.O.I.F. and to federal law. Set up by Art. 78 of the F.I.G.C. Internal Regulations CoViSoC pursuant to Act no. 91/1981, having consultative, control and proposal powers.

Transparency and controls are linked to the predisposition of a mandatory budget plan and periodic interim reports (Articles 84-85 of the N.O.I.F.) (see <https://www.figc.it/it/federazione/norme/norme-organizzative-interne/>) as base for their financial statements. For instance, the ratio between revenues and indebtedness, generates an index through which clubs can or can not access to the market indicating: a) their free access to market operations; b) the limit to make purchases only if financed by own means and c) the possibility of making purchases only if they are fully covered in previous or simultaneous transfers. When the index reports risk values, as symptom of serious debt imbalance, a club may see its registration to the championship denied together with the other implications involved in the so called financial fair play by U.E.F.A.

N.O.I.F. in art. 77 to 90 reports all of the main ratios to be accomplished in order to be subscribed to the relative league.

Just to integrate the present brief overview, it is important to mention two further cornerstones:

- at domestic level, the Act no. 27 (February 21, 2003) also known as the “save the football” Act through which professional sports clubs characterized by high losses can distribute them along 10 years in derogation of both Italian civil law and national and international accounting standards;
- at European level, the introduction in September 2009 of the rules on the so-called “financial fair play” whose main goal is the adoption of stricter discipline,

rationality and responsibility, in the financial management of football clubs (even if this discipline is mainly applied to medium/big clubs, rather than to Serie C teams).

In conclusion, this legal framework acted as a critical tool to render professional football clubs real business enterprises like any other company with the same economic, financial and equity dynamics. However, the particular characteristics of sporting activity, the competitive environment in which they operate, the socio-economic dynamics of a local environment for the Serie C clubs, determine the emergence of a completely original business model.

4. The Serie C and the Covid-19 pandemic

Since the beginning of the pandemic, one of the first measures put in place by the Italian government was to completely stop every sport activity and every event that included crowds of people. The Italian Serie C championship 2019/2020 was initially suspended on 10th March 2020 with “COMUNICATO UFFICIALE N. 179/A” (until the 3rd of April 2020); other suspensions were confirmed by Italian Government: “COMUNICATO UFFICIALE N. 182/A (until 13th of April 2020); COMUNICATO UFFICIALE N. 184/A (until May 3rd 2020); COMUNICATO UFFICIALE N. 193/A (until May 17th 2020); COMUNICATO UFFICIALE N. 195/A (until the 14th of July 2020). After some months of completely zeroing of sports events, finally in June 2020 football clubs had restarted their championships. In Serie C the season was concluded only by playing Play-offs in June and July so playing less matches than the normal regular season.

It is estimated² that only in Serie C lost revenues from stadium and games were about 8 millions € due to the 306 regular season matches not played. Instead, due to the

²(<https://www.pwc.com/it/it/publications/reportcalcio/2021/doc/reportcalcio-2021-ita.pdf>)

301 games played with empty stadiums income lost is estimated about 112 millions € for a aggregated total of 121 millions € lost in this season.

Two main key issues can be placed at the base of the Covid-19 crisis of the Italian Serie C clubs (PwC 2021):

- the zeroing in the tickets and season tickets sales at the box offices (due to the lock down and other restrictions for the presence of spectators during the matches);
- the collapse of sponsorships.

These two factors produced relevant budget and economic consequences. The partial reopening to 15% of the capacity of up to 1,000 provided some help in particular to small clubs but in certain circumstances created rather paradoxical effects for the big ones: opening the stadium for a match appeared more expensive than the relative revenue.

The lack of visibility in stadiums and the general economic crisis has caused severe drops in sponsorships with additional losses in the revenues for these clubs. Furthermore, the introduction of the measures and protocols to limit the infections involved additional costs in order to comply the procedures: swabs and serological tests, sanitizations measures and tools, charter flights and trains with reserved wagons, costs for quarantines, etc.

As a consequence of that, the severe reduction of liquidity, due to less revenues, have had a huge impact also on players transfer market, causing a direct effect also on capital gains related to it (“Plusvalenze”), which play a critical role in order to increase the positive part of the income statement of a football team.

Four main sources are at the base of the football clubs’ revenues (Plumley 2017):

- matchday;
- commercial;
- capital gains from players’ transfers (“Plusvalenze”)
- TV broadcasting.

These traditional streams of income for Serie C clubs have dramatically decreased together with other sources such as merchandising, food and beverages.

It's quite evident that the Serie C clubs are extremely more dependent on matchday and sponsorship revenues than their Serie A or Serie B counterparts: the former have a more limited role within pay-TV networks than the latter. A top Series A “closed-door” match has found a large public among subscribers in the pay TV Sport Channels (even if it seemed not enough to face their economic/financial problems at that time): nothing similar has occurred for a Serie C club which do not benefit of the so called “localization advantage”. The “localization advantage” is considered as a natural source of competitive advantage linked to the geographical allocation of a club. Only the major teams can have such an advantage which create a large number of supporters. Clubs linked to small towns, also far away from big cities, cannot benefit from the localization advantage: therefore, the pandemic has evidenced how, in particular for the Serie C clubs, a seat in a stadium can become, after all, a definitively perishable asset.

Covid-19 has clearly highlighted that, for in the value creation process, spectators are a sensitive factor whose action may range far beyond turning up to a live game once or twice a week (Sorset *al.* 2021, Szczepkowski 2021, Horky 2021). Yet spectators are not the same for different levels of clubs. For Serie A teams a certain number of fans may migrate from the stadium to TV in the living room at home. For the Serie C clubs with no fans in the stands the commercial value of the match is unavoidably devalued or cancelled with significant effects for sponsorship, advertising, etc.

Covid-19 has had therefore a relevant impact on the commercial partnerships between federations/leagues/clubs and media/sponsorships partners for Serie C clubs; it's quite evident that in one way or another the business media rights and sponsorship models have been altered. The crisis caused by these two years of pandemic may have triggered and accelerated some changes, affecting audio-visual rights agreements, bringing new

ways to arrange media partnerships considering also that sponsors are likely to reduce their investment in traditional advertising and new sponsorship deals might not be as lucrative as in the past. It implies that sponsorship deals today require alternative strategies in order to recoup/profit from greater reliance on digital, e.g. increasingly used virtual advertising (digital placement/replacement of branding, advertising and other visual promotional messages into audio-visual footage) (Kelham 2020) and experimenting with virtual hospitality (Formula 1 2020).

Managing these changes could become a difficult task for the top tier clubs, but it may become an even more difficult job for smaller clubs in Serie C. Even if in mid 2022 stadiums are finally at full capacity almost everywhere in Europe and in Italy for many small clubs it could be enough to “refund” the revenues lost in the past two years.

No matches, no revenues: it describes the double, multilevel nature first of all of the relations between supporters and clubs as essential bias for the financial sustainability of many football Serie C clubs during the past two years and in the future (as well as the entire sport ecosystem) having in mind that the crisis and the risk of collapse of these clubs may involve significant implications upon the economic and social life of many towns and small cities in Italy being these teams deeply linked to local communities.

Lower leagues football teams represents the real essence of people’s love for this sport. Being a supporter of these clubs means not only to go to a stadium every Sunday, but it shows traditions, culture and roots that has been brought until nowadays from the supporter of the past. These clubs cannot have high ambitions and, apart from few examples, they will float on these championships almost forever. This describes how much football is important in our country and how much is fundamental to preserve it.

Nonetheless the Covid-19 regime has generated deep transformations in the operative scenario these clubs usually deal with in carrying out of their business

evidencing in the same time weaknesses and inefficiencies already (more or less) latent in their management ecosystem.

According to PwC estimates (PwC 2021), Serie C is suffering a negative performance condition. As evidenced during the season 2019-2020, Serie C teams (in a sample of 50 teams on the total 60) produced 152 millions € on average Revenues with 224 millions € OPEX. This leads to a EBITDA of negative 72 millions € on average, -96 millions of EBIT, -98 millions € of EBT and -93 millions € of net profit. So on average Serie C football teams are in loss since EBITDA (**table 1**). These results were obtained before Covid-19 clearly highlighting how difficult and fragile was the situation in this tournament.



Campione analizzato	50 su 60
Dati chiave/Indici	19-20
Valore della produzione	€ 152m
Costi operativi	(€ 224m)
Ebitda	(€ 72m)
Ammortamenti e svalutazioni	(€ 24m)
Ebit	(€ 96m)
Proventi (oneri) straordinari e finanziari	(€ 2m)
Ebt	(€ 98m)
Imposte	€ 5m
Risultato netto	(€ 93m)

Table 1: 2019-2020 Serie C financial performance (source PwC)

Severe fragility and structural disequilibrium are therefore quite common features in the Italian Serie C football league affecting these clubs with variable and different degree and level of severity and magnitude.

In general, always according to “PwC report calcio 2021”, Serie C on average in 2020-2021 had an increase of net losses of 27,8% between season 2018-2019 and season 2019-2020. Whilst revenues have decreased for about 3,5%, costs have increased for 8,2%. The graph below (**figure 1**) shows the average revenues and costs from 2015 to 2020. It is interesting to notice that in 2019-2020, in the period taken into consideration, that there was an inverse relationship between the trend of the revenues and that one of the costs.



Figure 1

PwC Reportcalcio shows also the balance sheet item's variations (**table 2**).

	15-16	16-17	17-18	18-19	19-20
Serie A	€ 3.513,2m	€ 4.269,3m	€ 4.718,2m	€ 5.330,1m	€ 5.952,2m
Serie B	€ 446,3m	€ 345,4m	€ 354,8m	€ 278,2m	€ 424,9m
Serie C	€ 167,9m	€ 161,7m	€ 148,4m	€ 196,1m	€ 197,7m
TOTALE ATTIVITÀ (TA)	€ 4.127,4m	€ 4.776,4m	€ 5.221,4m	€ 5.804,4m	€ 6.574,8m
Serie A	€ 75,2m	€ 301,1m	€ 428,7m	€ 551,0m	€ 633,3m
Serie B	€ 64,8m	€ 58,6m	€ 68,6m	€ 58,8m	€ 67,3m
Serie C	€ 10,6m	-€ 1,6m	-€ 7,1m	€ 13,7m	€ 13,1m
Totale Patrimonio Netto (PN)	€ 150,5m	€ 358,1m	€ 490,3m	€ 623,5m	€ 713,7m
Serie A	€ 3.066,2m	€ 3.624,5m	€ 3.883,0m	€ 4.311,4m	€ 4.717,7m
Serie B	€ 302,9m	€ 238,5m	€ 246,1m	€ 187,5m	€ 319,1m
Serie C	€ 134,5m	€ 145,8m	€ 136,5m	€ 162,2m	€ 164,2m
Totale Debiti (TD)	€ 3.503,5m	€ 4.008,8m	€ 4.265,6m	€ 4.661,1m	€ 5.201,0m
Serie A	€ 371,9m	€ 343,7m	€ 406,5m	€ 467,7m	€ 601,2m
Serie B	€ 78,7m	€ 48,2m	€ 40,1m	€ 31,9m	€ 38,5m
Serie C	€ 22,8m	€ 17,5m	€ 19,0m	€ 20,1m	€ 20,4m
Totale Altre Passività (TAP)	€ 473,3m	€ 409,4m	€ 465,6m	€ 519,8m	€ 660,2m
TOTALE PASSIVITÀ	€ 4.127,4m	€ 4.776,4m	€ 5.221,4m	€ 5.804,4m	€ 6.574,8m

Table 2: the balance sheet item's variations

Moreover, net debt remained quite stable (+1,2%) equal to 164 millions € and this can be considered an unexpected result considering the net debt variation from season 2015-2016 to 2018-2019 which registered an increase of 21,9%. Other payables instead followed different trend, indeed the variation from 2018-2019 season to 2019-2020 reported an increase of almost 27% (Other payables are made by: Severance Indemnity Reserves, Total provisions for risks and charges and Accrued expenses and deferred income).

All this can explain why the topic “Bankruptcy” (when a football club is no longer able to meet its obligations) is therefore a sensitive issue for Serie C clubs because in particular after two years of pandemic, it is always a potential risk whose impacts may go

far beyond the mere club's default. Football clubs, as already mentioned above, are subject to two systems;

- the sporting system, for its affiliation and or its contractual and voluntary link with the F.I.G.C.
- the state one, for their nature as commercial companies.

Football clubs are subjects of the legal regime, being commercial companies, but they operate within a "parallel" system: the sporting system (Clemente di San Luca 2007, Demuro and Frosini, 2009). The effects of the bankruptcy of a football club are therefore under the Bankruptcy Law domain as well as the sports law domain.

The bankruptcy procedure against a sports club, in compliance with the bankruptcy law, can be activated only under precise conditions and requirements, both objective, subjective and dimensional, as for any other entrepreneur but the bankruptcy of a football club affects its "sporting title", or "the recognition by the F.I.G.C. of the technical sporting conditions that allow, together with other requisites provided by the federal regulations, the participation of a club to a specific Championship "(N.O.I.F., art. 52): it is the right to participate in a football championship.

As a consequence of the bankruptcy, the Federation take again the possession of the title because it cannot become part of the bankruptcy assets: it is "lost" by the bankrupt company.

The art. 16 c.6 N.O.I.F. indicates that after the insolvency declaration the club loses the membership with the F.I.G.C. and after that the insolvent club will:

- 1) release all of its players as free-agents (art. 110 N.O.I.F.);
- 2) be banned from every professional tournament.

These actions have surely disruptive outcomes both in an economic and professional terms. It is worth noticing on the other hand that the federal legislator has given the possibility to ensure the on-going of the tournament until the end of it in the case

that the insolvent club will continue temporary its own commercial activity (art 104 Legge Fallimentare linked to art. 16, c6 N.O.I.F.). This explains why in these last years, minor leagues (where bankruptcies happen more frequently that major ones) changed their structure so deeply.

From 2011 until 2021 (<https://www.calcioefinanza.it/2022/04/10/serie-c-club-falliti/>) in the Italian Serie C, 76 clubs got burst and 117 were penalized for a total of 465 points. The following figure compares the number of points deleted in the different leagues in Italy. The predominance of Serie C clubs compared to the other leagues' clubs is impressive. This evidences also the deeper difference between Serie A/B clubs and Serie C/lower leagues' clubs (**figure 2**).



Figure 2

PwC Reportcalcio highlights another further element: from 2010 and 2020, 15 teams out of the 76 mentioned before went into bankruptcy after just 2 seasons from relegation from Serie B to Serie C. These data thus confirm that clubs that in Serie C and lower leagues are more inclined to go into bankruptcy rather than Serie B ones.

5. Corporate Governance and Football clubs

In the management studies, the term “corporate governance” defines a cluster of procedures and processes which operate as fundamentals for the management of a company as well as the decision processes involved, in order to properly identify and direct rights, duties and responsibilities within the company's bodies: board, managers, shareholders and stakeholders.

For the aim of the present study, it can be cited a brief framework about Corporate Governance in football sector. The football business entails different kinds and models of corporate governance which refer to different conceptions about the nature and purpose of clubs (Gazzola *et al.* 2019). A first macro-distinction involves the Closed Model and the Open Model in Corporate Governance.

- *The Closed Model* – one or few controlling shareholders have the control of the company's bodies and mainly contributing to the risk capital. Small clubs in the lower football professional league are often linked to this kind of model where frequently a so-called “president-patron”, a local successful entrepreneur, decides to invest in the team driven by passion or in order to obtain a return in terms of image or sponsorship. The business approach, considering the peculiarities of the football environment, lacks not rarely of competent managerial figures and the corresponding adequate strategic planning. For many small clubs positive results may be achieved when these patrons are ready to invest massively, but the dynamics of the football system may drive this model to a fatal crisis when costs overcome the revenues and these presidents have to deal with growing difficulties in covering these losses. Unsurprisingly, in recent years in Italy many professional clubs, also in Serie C league as already mentioned, have gone bankrupt.

- *The Open Model* – in the internal bodies of the club, other subjects other than the majority shareholder are also involved: other figures, besides the shareholders, are involved in the governing bodies representing not only economic but also sporting and socio-cultural interests. This is the reason why often this model is identified with the expression "popular shareholding".

Moreover, in literature further models and approaches are considered in the corporate governance of the football clubs such as (Malagò and Sanguigni 2022):

- *The Public Business Model* - those football clubs which have their shares listed on the stock market have adopted this approach also because these shares can be purchased by anyone, including fans. Frequently key decisions and operative choices are made by a few members who actually control the club making the most important decisions. This kind of model requires an adequate level of transparency and a good communication systems being the company open to the public and therefore under the attention of all its stakeholders. These clubs have therefore the possibility of raising capital anywhere in the world market, but not rarely financial results, the central bias in the interests of the majority shareholders, may focus greater attention that the sport ones.
- *"It's my party" Model* – these clubs are under the control of a single powerful (rich) owner (oligarch) who manages the company directly as his own personal company and investing huge amount of financial resources in it. The availability a large amount of money allow these club to have the best players as well as to face the budget losses with injections of equity. Yet highly depending on a personal single management, these clubs may suffer of the risk of a lack of continuity for example when suddenly the owner of the club decide to leave the scene leaving in danger the company.

- *The "Popular Club" Model* – essentially based on the idea of “popular shareholding”, in these clubs a large number of supporters provide the necessary resources having the right to vote, electing a president and a steering committee that deals directly with corporate management. This model is based on a strong and diffused emotional participation whose main weakness is represented by the unstable voting base which can affect the club strategic and management directions.
- *The “Family Affair” Model* – often town small clubs, in particular in Serie C, are strictly linked to family-run businesses where the presidents invest the resources of the family and directly manage the business, assisted by a few other individuals. This model on the one hand is characterized by a relevant emotional involvement of these families in the management of these local clubs but on the other hand, as mentioned for the Closed Model, the present dynamics in the football business require specific management skills and expertise which not always these presidents have.

6. Concluding comments

The present chapter has been essentially focused on a brief description of the main features of Italian Serie C championship, in historical, legal, corporate governance and some substantive economic/financial terms.

The concepts described above can be considered as a sort of premise for the next chapter, in which the guidelines about accounting regulations in Italy and all of indicators and ratios in order to ensure the right functioning of Italian football clubs’ financial statements will be described.

In general terms the present study is focused on the description of the difficulties and problems Serie C clubs had to deal with before and during Covid-19 pandemic but, in

the same time, this brief survey aims to evidence also how the pandemic acted as “coup de grace” for this sector. Many directors and GMs have publicly requested to Italian Government some public funds to have some “oxygen” in order to overcome the short term negative implications of this difficult period. On the other hand, Italian Government has lots of doubts in accepting such requests for two main reasons: 1) the amount of economic support to be directed also to other sectors and private citizens involved in the Covid-19 economic crisis; 2) the previous economic situation of the football business capable to render these supports definitively ineffective.

Chapter2

The financial scenario

1. Introduction

Football Clubs, as described in the previous chapter, have been considered in the past as “anomalous enterprises”, or “companies of special law”, with a series of complex implications in legal and financial terms. The reorganization of the entire issue since 1981 concretely contributed to develop a legal framework capable to act as a critical tool to render professional football clubs real business enterprises like any other company with the same economic, financial and equity dynamics. Therefore the Football clubs’ financial statements form and structure are comparable and similar to every other commercial firm. Nonetheless, as already stated, the peculiar characteristics of sporting activity, the competitive environment in which they operate, the particular pyramidal mechanisms within the operative context where public/private bodies exert a supervision on football clubs as well as the socio-economic dynamics of a local environment for the Serie C clubs, determine the emergence of a completely original business model.

This peculiar business model shows relevant implications according many points of view because football clubs, as already mentioned, are subject to a double faceted legal, financial and control scenario which affects also those norms and regulations related to the financial statements. The football business in Italy is under the action of two interconnected but separated (and well distinct) levels:

- The legal level resulting from the Italian civil law and its accounting standards (OIC)
- The “sporting” level resulting from the Italian (FIGC, CONI, etc.) and the European sport associations’ rules (UEFA, FIFA, etc.) which are developed to guarantee the regular professional activity.

Additional elements are becoming a critical part of sustainable managerial strategies at global level such as the recent changes in corporate governance aimed to improve the disclosure reporting among stakeholders and corporate social responsibility (CSR). Similarly, within this context, the Financial fair play (FFP) introduced by UEFA in 2009 to improve the overall financial health of European football clubs (to prevent them from spending more than they earn in revenues thus preventing clubs from getting into financial trouble that could affect their long-term survival) is playing a relevant role.

Given the multilevel implications and the magnitude of the football game phenomenon, special emphasis should be paid upon the economic and financial grounds of companies’ reports under a sort of global/international perspective.

Some key-issues can be placed at the base of this approach:

- the growth of the football clubs’ revenues;
- the transfer fees paid by football clubs to recruit new players which have increased significantly over the past few years;
- the need to overcoming the comparability problems of European firms’ financial statements.

These issues clearly evidence that football business has reached in these recent years a global scale with a high degree of interconnection among clubs at international level. This is the reason why EU has launched over the years a harmonization, convergence

and standardization process which aims to reduce the differences in accounting practices by issuing specific directives. The stage of standardization was initiated to further adopt appropriate acts to improve the comparability of listed companies' financial statements.

Towards this end, the International Accounting Standards Board (IASB) developed IAS (International Accounting Standards) and IFRS (International Financial Reporting Standards) international accounting standards presently form an accepted common accounting practice in the football industry. The application of IAS/IFRS principles plays therefore a critical role. In Italy the international accounting standards affect the football business along three levels:

- listed clubs (es: AS Roma, SS Lazio, FC Juventus): international standards are mandatory;
- medium-small clubs (Serie A and B): IAS/IFRS are recommended;
- Serie C clubs and lower championships clubs: the adoptions of international standards is not required. Due to the very limited “internationality degree” of these teams the implementation of IAS/IFRS is not even recommended.

The presence of two different and distinct dimensions under which football business is subjected in Italy doesn't imply that each club has to redact two different financial statements. Nonetheless F.I.G.C. has developed two tools:

- the Accounting Recommendations (Raccomandazioni Contabili);
- the Unified Chart of Accounts (Piano dei Conti Unificato).

These tools are directed to improve accounting harmonization and transparency in football business as well as the convergence of the budgeting process of the Italian football clubs. They provide detailed information and instructions for a correct balance sheet or

income statement arrangement: each item and field are clearly identified and linked to the appropriate class.

2. The Accounting Recommendations (Raccomandazioni Contabili)

The Accounting Recommendations (Raccomandazioni Contabili) represent a fundamental document because it involves all those items, issues and elements essential and characteristic in a football club's financial statement. The Accounting Recommendations are a tool having regulatory value to which the subjects obliged to comply with the NOIF must refer to the preparation of the financial statements to integrate the forecasts contained in the accounting standards issued by the OIC which cannot be applied to the specific cases accountants in the professional football sector. Even those clubs adopting the international accounting standards are required to accomplish the Accounting Recommendations if some specific legal transactions typical of the professional football sector are not regulated by the IAS/IFRS principles but included in the Accounting Recommendations. The main goal of the Accounting Recommendations is to support football clubs in avoiding ambiguous interpretation of the specifications of the sector operations; they constitute a set of technical and interpretation rules which, together with the accounting principles, allow the correct recording of management facts.

F.I.G.C. through these recommendations identifies some typical items for Income Statement and Balance Sheet. With regards to the Income Statement F.I.G.C. indicates:

- 1) *Income from TV rights*: they are traded by Leagues in order to represent the clubs.

After the disaggregation of the Italian Championship as “Commercial Product” in 1999, the capability to transfer these rights passed to the Italian Football League on 2010-2011 and the income summoned is distributed as follows: a) 40% equally to every club of the championship; b) 30% on sport results (this percentage is

moreover divided in: 10% based on the results obtained from 1946 until today, 15% on the last 5 years and another 5% based on the results obtained during the last season); c) 5% based on the total population of the city where the club is located and d) the remaining 25% is based on the user base of that specific club.

- 2) *Capital Gains (Losses) from player trading (“Plusvalenze e Minusvalenze”)*: this income statement’s item plays a critical role as also evidenced in literature (Gravina 2016). Capital gains represent a fundamental element for the European Financial Fair Play being in the same time considered one of the most controversial topic in a football club’s income statement. The transcription of this item is strictly connected to the intrinsic definition of a football player’s value. The issue is however at the core of many legal, financial economic and extra-economic disputes. In addition the sale of a player implies that a club has to compare the gain from the player’s transfer and the cost of the right net of amortization. This difference could be positive (Capital Gain) or negative (Capital Loss).
- 3) *Amortization of player’s rights*: it describes the current accrual in order to own the player’s right. It is important to note that the amortization related to football players has a specific amortization provision for each player (in order to be in line with the principles of transparency and accountability).
- 4) *Revenues/Costs from players’ loans*: it is regulated by article 103 N.O.I.F.. In this case this article states for the clubs the possibility to obtain or dismiss a player just for one season (this rule can be modified in case of a substantive agreement between the two clubs involved in the transaction). The exchange in loan is reported as a cost for the “transferee club” (for O.I.C. is reported as “*Spese per il*

godimento di beni di terzi”) whilst for the receiver club as a revenue (OIC, “*Altri ricavi e proventi – ricavi da cessione temporanea dei giocatori*”).

With regards to the Balance Sheet 4 main items can be identified:

- 1) *Players’ rights* (intangibles assets): it is usually considered as one of the most important and critical item in the Balance Sheet. Players’ rights describe the relationship between the club and the player (under the legal provision of the 91/1981 act as mentioned in the previous chapter). This relationship is defined, qualified and reinforced within a written contract in the framework of the Italian Football League. This implies that the exchange of these rights from a club to another has to accomplish a definite legal course and its completion can be carried out only in a pre-specified and well defined timeframe (the so-called “*Calciomercato*” in Italy). The formal exchange is made from a previous negotiation between the clubs which becomes official after the formal substitution of the old contract (with the previous club) with another one completely new (with the new club). The total amount is registered into the Italian football clubs’ balance sheet under the item: “*Altre immobilizzazioni immateriali*” (Other intangibles). FIGC has also pointed out that, in order to achieve a precise accounting process, the football clubs have to specify the nature of these intangibles into the item: “*Diritti pluriennali alle prestazioni sportive dei calciatori*”. Being intangibles they are registered in order to be durably employed in the cycle of sporting activity. As mentioned before, a definition of a football player value is not an easy task because many variables are unavoidably involved: physical conditions, psychological and technical variables, etc. For this reason the players valuation has to be based on the cost reported on the contract, rather than on the estimated future realization. This accounting method of is applied also with regards to young players (from the youth

teams). The difference between regular and young players is that young players often come from the National Amateur League (“*Lega Nazionale Dilettanti*”). Another key-issue is related to the determination of the cost of these players. In general terms, it is commonly assumed, that the correct value can result from setting the number of clubs in which the player has played in the last three years and the league (Serie A,B,C, etc.) in which has been played during the last season. Obviously if the young player is coming from the youth team of the same club interested to move him to the main team, the correct way to define his values is in using the “*fair value*”.

- 2) “*Homegrown*” *players costs*: these kind of costs play a critical “investment” role for their strategic importance both in an economic/financial and in a managerial one term. Young football players’ scouting may become a rather expansive activity in a very broad sense somehow similar to R&D investments: the effective results of these investments can be estimated only in the future making them a rather risky activity as well. In accounting terms, considering their inner nature and supporting clubs in capitalizing these costs, they can be classified, according to the F.I.G.C. instructions, as “Other Intangibles” under the item “*Capitalizzazione costi vivaio*”. It is important to note that the capitalization implies only the costs strictly related to the management and structure and not those related to Seeling, General and Administrative Expenses (SG&A) such as: travels, salaries of youth team technical staff, injuries’ costs, etc.
- 3) *Partnership value ex art 102 bis N.O.I.F.*: according to this norm, it is possible for a selling football club holding a players’ rights to transfer to the buying club an equal right (50%) on the financial effects of the same right. This partnership is recognized and formalized through a contract that represents a separate distinct agreement from the transfer one. The partnership is accounted in the balance sheet

as financial debts (*“Debiti per compartecipazioni ex art. 102-bis NOIF”*) for the club transferring the right; the buying club that acquires the right it is accounted as financial credit (*“Compartecipazioni ex art. 102-bis NOIF”*). It is important to note that the impact on the income statement has to be reported as negative component.

- 4) *Provisions for mutual benefit purposes*: its legal framework is related to the provisions of article 4 of 586/1996 Act, which states that 10% of any operating profit must be set aside for youth technical and sports training schools. These sums must be included in a special reserve on the liabilities side of the balance sheet.

3. The Unified Chart of Accounts (*“Piano dei Conti Unificato”*)

The classification in the *“Piano dei Conti Unificato”* has been updated in 2006 in order to improve transparency in the transfer fees paid by football clubs to recruit new players, their costs and incomes.

The Unified Chart of Accounts includes 9 mandatory class of transactions as follows:

- 1) Financial sources long term:
 - a. shareholders' equity,
 - b. total provisions for risks and charges,
 - c. Severance Indemnity Reserves,
 - d. ordinary and convertible bonds, debts, and debt related to equity participations.
- 2) Fixed Assets:
 - a. tangible fixed assets,
 - b. intangible fixed assets,
 - c. financial fixed assets.

3) Inventory:

- a. initial inventories,
- b. final inventories.

4) Current receivables and payables:

- a. receivables,
- b. receivables from group companies,
- c. receivables from tax authorities,
- d. other amounts receivable,
- e. commercial payables,
- f. other payables,
- g. payables to tax authorities.

5) Liquidity:

- a. cash and cash equivalents.

6) Costs:

- a. costs of sales,
- b. salaries,
- c. amortization and depreciation,
- d. other production and operating costs,
- e. financial interest,
- f. adjustments,
- g. extraordinary costs,
- h. tax costs.

7) Revenue:

- a. value of production,
- b. income from equity investments,
- c. other financial income,

- d. adjustments,
 - e. extraordinary income.
- 8) Outturn accounts:
- a. income statement,
 - b. initial balance sheet,
 - c. final balance sheet.
- 9) Memorandum accounts:
- a. guarantees granted to third parties,
 - b. options and other derivatives,
 - c. leasing, factoring.

Of course the OIC and national accounting principles plays always a prominent role being legal duties and obligations: the F.I.G.C. Accounting Recommendations and Unified Chart of Accounts have no similar legal mandatory force. Nonetheless the compliance to these F.I.G.C. tools acquires a mandatory force because it represent a necessary precondition to register a club to the national leagues: there is no legal infringements but they are a clause to access the Leagues.

It is important to provide, at this point of the discussion, some indications about the accounting norms and regulations as well as the legal framework regarding the disclosure of Serie C clubs' financial statements, for which art. 84 and art. 85 (point C) N.O.I.F. provide detailed insights.

They have the obligation to deposit with Co.Vi.So.C.:

- by 31 May of each year the interim balance sheet as at 31 March, approved by the administrative body and accompanied by the report containing the opinion of the auditing firm ("limited review");

- by November 30 of each year, the interim balance sheet as of September 30, approved by the administrative body and accompanied by the report containing the opinion of the auditing firm ("limited review").

The obligation to prepare and transmit the interim accounting situations is functional to the calculation, on the same dates, of the following control indicators

- 1) Liquidity Ratio: calculated through the ratio between Current Assets and Current Liabilities;
- 2) Indebtedness Ratio: calculated as the ratio between Payables and Revenues;
- 3) “The Broader Labor Cost indicator”: calculated as the ratio of Broader Labor Cost to Revenue where the BLC is consequently obtained as the sum of the following accounting items: payroll and amortization of players' registration rights;
- 4) Capitalization indicator: given by the ratio between Equity and total Assets. The Capitalization ratio can be calculated using the approved annual financial statements, the approved semi-annual report and the approved interim balance sheets.

The minimum requirements for each index/ratio are not fixed and could change every year for every championship. This variable item is defined by F.I.G.C. and this variability allows eventual adjustments in indicators to manage different macro and microeconomics contexts and to deal with periods of financial distress (as COVID-19).

4. The Financial Statements’ reclassification methodology

The present study is based on a review strictly linked to a precise reclassification scheme in order to achieve an intuitive extraction of the ratios and economic/financial indicators useful for the analysis of the selected teams in the clusters.

4.1 The Balance Sheet

In general terms, the most commonly adopted tool for the reclassification of the football teams' balance sheet is linked to a *financial reclassification method* (see: <https://studiofazzini.it/ricerche/analisi-di-bilancio-la-riclassificazione-dello-stato-patrimoniale/>) based on the division between current and non-current assets as well as current and non-current liabilities. In fact, even UEFA in its toolkit (http://www.jalgpall.ee/docs/EN-FFP_Toolkit-2019.pdf) proposes a balance sheet scheme as described in **table 3**.

From this table it can be evidenced that about all the typical items of the balance sheet are nearly included (Accounts Receivable from Player Transfers Accounts Receivable from Group Entities & Related Parties, Intangible Assets - Players Intangible Assets - Other, etc.).

Surely such a scheme already drives to highlight the typical items of a soccer team and at the same time to calculate some profitability ratios, but it is not complete enough *per se* in order to have a complete and exhaustive view about the operativity of those assets and liabilities.

On the other hand, the present study is not fully inspired by such scheme, not therefore following the related model. It rather depicts a *functional reclassification scheme* within the division of receivables and payables on the basis of their operativity, thus on the base of their relevance to the company's activity and then on their duration on the Balance Sheet too (operating <12m, non-operating >12m).

Appendix III: Financial Information package – Key input schedules

	20xx
Current Assets	
Cash and Cash Equivalents	
Accounts Receivable from Player Transfers	
Accounts Receivable from Group Entities & Related Parties	
Other Accounts Receivable	
Tax assets	
Inventories	
Other Current Assets	
Total current assets	
Non Current Assets	
Tangible Fixed Assets	
Intangible Assets - Players	
Intangible Assets - Other	
Accounts Receivable from Player Transfers (nc)	
Accounts Receivable from Group entities & related parties (nc)	
Tax assets (nc)	
Investments	
Other Non-current Assets	
Total non current assets	
Total assets	
Current Liabilities	
Bank Overdrafts	
Bank and other loans	
Loans/Accounts Payable to Group Entities/Related Parties	
Accounts Payable relating to Player Transfers	
Accounts Payable to Employees	
Accounts Payable to Social/Tax Authorities	
Accruals and deferred income	
Other Accounts Payable	
Other Tax Liabilities	
Short-term Provisions	
Other Current Liabilities	
Total Current Liabilities	
Non Current Liabilities	
Bank and other loans (nc)	
Loans/Accounts Payable to Group Entities/Related Parties (nc)	
Accounts Payable Relating to Player Transfers (nc)	
Accounts Payable to Employees (nc)	
Accounts Payable to Social/Tax Authorities (nc)	
Deferred income	
Other Tax Liabilities (nc)	
Long-term Provisions (nc)	
Other Non-current Liabilities	
Total Non current liabilities	
Total liabilities	
Net Assets / (Liabilities)	
Equity	
Share/Fund Capital	
Retained Earnings	
Other Reserves	
Total equity	
Total Equity and Total Liabilities	
Control (total Assets = total Liabilities)	

CL/FFP IT Solution Toolkit: Edition 2019 46

Table 3: balance sheet reclassification model suggested by UEFA

In this way, profitability ratios were calculated, as well as leverage and growth ones. In fact, the Net Working Capital has been calculated based on the difference between current operating assets and current operating liabilities but including also the Net Working Capital related to activities linked to the world of soccer, given by the difference between account receivables from player transfers and from football entities (e.g. F.I.G.C.) Short Term and the corresponding liabilities.

Furthermore, intangibles linked to players, net of amortization (i.e. rights) as well as costs connected to the youth sector (Homegrown Players Cap Costs) have also been included.

The Balance Sheet scheme that will be used to perform the cluster analysis will be developed as follows (**table 4**):

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables				(Cash & Short Term Investments)			
Tax assets Short Term				Bank and other bank assets Short Term			
Inventories				Financial Debts Short Term			
Accrued income and prepaid expenses Short Term							
(Account Payables from suppliers)				NET FINANCIAL OBLIGATIONS Short Term			
(Account Payables to Tax Authorities Short Term)							
(Other Account Payables and Short Term Liabilities)				(Investments Long Term)			
(Accrued expenses and deferred income Short Term)				Financial Debts versus Banks Long Term			
				(Financial Fixed Assets)			
NET WORKING CAPITAL				Total provisions for risks and charges			
				Severance Indemnity Reserves			
Account receivables from player transfers							
Account receivables from Group Entities				NET FINANCIAL OBLIGATIONS Long Term			
(Loans/Acc. Pay to Group Entities)							
(Account Payables from player transfers)							
NET WORKING CAPITAL from football related activities				TOTAL NET FINANCIAL OBLIGATIONS			
Receivables Long Term							
Tangible Fixed Assets							
Other Non-Current Assets				TOTAL EQUITY			
Other Intangible Assets							
Tax assets Long Term							
Intangible Assets - Players' rights							
Intangible Assets - Homegrown Players Capitalization Costs							
Accrued income and prepaid expenses Long Term							
Account receivables from players Long Term							
Account receivables from Group Entities Long Term							
(Loans/Acc. Pay to Group Entities Long Term)							
(Account Payables from player transfers Long Term)							
(Account Payables from suppliers Long Term)							
(Account Payables to Tax Authorities Long Term)							
(Other non current Account Payables and Short Term Liabilities)							
(Accrued expenses and deferred income Long Term)							
NET FIXED ASSETS							
NET OPERATING ASSETS				EMPLOYED CAPITAL			
CHECK							

Table 4: own reclassification model of balance sheet

Data, reported in thousands, has been divided into (for the left side):

- The Net Working Capital (NWC)
- The Net Working Capital (NWC) from football related activities as reported before,
- The Net Fixed Assets (NFA) as the difference between Operating Assets and Operating Liabilities Long Term (Intangibles, Tangible Fixed Assets, etc.).

To complete the left side of the sheet Net Operating Assets or NOA is included.

NOA results from:

$$\text{NOA} = \text{NWCs} + \text{NFA}$$

The right side of the sheet includes:

- the Short Term Net Financial Positions reported as Short Term Net Financial Obligations (NFO ST)
- the Long Term Net Financial Positions reported as Long Term Net Financial Obligations (NFO LT)
- the total amount of NFO (as the sum of NFO ST and LT)
- the Shareholders' Equity (SE)

The Employed Capital (EC) results from:

$$EC = \text{NFOs} + \text{SE}$$

It is important to remind also that:

$$\text{NOA} = \text{EC}$$

This reclassification (and this also is adopted to the Income Statement) was based on the remodeling of the balance sheets (OIC structure) as reported in the Orbis and A.I.D.A. portals integrated with the balance sheet information for the three years of the reference time period for the various teams selected (2018-2020).

However, it should be underlined that such information base is not always adequate and exhaustive because in some case data are missing or incomplete: this is the reason why the reclassifications may included some items reporting blank, N/A or with 0.

4.2 The Income Statement

The reclassification of the Income Statement was carried out in order to have a clear structure of organized items capable to achieve a sound distinction among soccer clubs' items and to calculate economic indicators useful for explaining the incidence of those items on the various tranches of the Income Statement.

Moreover, this analytical sorting of clubs has been undertaken above all by highlighting the "top" of the income statement. In fact the focus will be above all on those items placed above EBITDA. It has been considered not particularly relevant for the present survey a detailed focus on the analysis of:

- Depreciation
- Interest Income/Expenses
- Taxes Income/Expense

The model adopted therefore is based on the following scheme (**table 5**):

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts						
Total Sponsors revenues						
Total TV rights						
Total Commercial						
Federal Contributions						
Other Revenues						
TOTAL REVENUES Gross of Players Transfers (A)						
Cost of Sales						
Total Players Benefit Expenses						
Total Employees Benefit Expenses						
Matchday Expenses						
Sponsorship and advertising expenses						
Property Expenses						
Other operating expenses						
TOTAL OPERATING COSTS Gross of players Transfers (B)						
EBITDA Gross of Players transfers (A-B)						
Revenues from players loans						
Capital Gains from Players' Transfers						
Other revenues from Player Trading						
REVENUES FROM PLAYER TRADING						
Costs from players loans						
Capital Losses from Players' Transfers						
Other Costs from Player Trading						
TOTAL COSTS FROM PLAYER TRADING						
NET INCOME/LOSS FROM PLAYER TRADING						
EBITDA net of Players transfer and Registration (A-B+C)						
Amortization and Depreciation (D)						
EBIT (A-B-C-D)						
Interest Expenses (E)						
EBT (A-B-C-D-E)						
Tax Income/(Expenses) (F)						
Net Profit (Loss) (A-B-C-D-E-F)						

Table 5: own income statement reclassification model

It is important to note that two different EBITDAs have been highlighted:

- a "classic" one: given by the difference between revenues and the sum of Cost Of Goods Sold (COGS) plus Selling General & Administrative Expenses (SG&A);
- an *EBITDA net of players transfer and registration*, given by adding to the classic EBITDA the difference between revenues from player trading (capital gains from players' trading, etc.) and costs from player trading (capital losses from players' trading, etc.).

A very brief literature review can be useful to identify the most typical items of the income statement (see UEFA website or Gravina, 2016) as reported in the previous subchapter. In the following **tables 6 and 7** the items that are considered more representative of a football club's income statement are reported for UEFA too:

Appendix II: Financial information package – Key input schedules

	FY 20xx
Gate Receipts - Season Tickets	
Gate Receipts - Membership Fees	
Gate Receipts - Premium tickets/match day hospitality	
Gate Receipts - National Competitions	
Gate Receipts - UEFA Club Competitions	
Gate Receipts - Other/Non-Split	
Total Gate Receipts	
Sponsorship and Advertising - Kit-Sponsor (Manufacturer)	
Sponsorship and Advertising - Main shirt sponsor	
Sponsorship and Advertising - Stadium Sponsor	
Sponsorship and Advertising - Pitch-perimeter and Board Advertising	
Sponsorship and Advertising - Other/Non-Split	
Total Sponsorship and Advertising	
Broadcasting Rights - National Competitions	
Broadcasting Rights - Other/Non-Split	
Total Broadcasting Rights	
Commercial - National Competitions	
Commercial - Merchandising	
Commercial - Non-matchday usage of facilities	
Commercial from Membership (non matchday related)	
Commercial - Other/Non-Split	
Total Commercial	
UEFA Club Competitions - Broadcasting Rights, Commercial, Prize money	
UEFA Club Competitions - Solidarity Payments	
UEFA Solidarity and Prize Money - Other/Non-Split	
Total UEFA Solidarity and Prize Money	
Subsidies, Donations or other amounts from National Football Bodies	
Subsidies, grants and other money from the government of the territory of the licensee	
Donations from non related parties	
Contributions/Donations from related parties	
Income from Non-Football Operations	
Exceptional income	
Other operating income - Other/Non-Split	
Total Other Operating Income	
Total Revenue	

Table 6: income statement reclassification model suggested by UEFA (1)

Appendix B: Financial information package – Key input schedules

Cost of Sales/Materials - Other/Non-Split			
Total Cost of Sales/Materials			
Players - Wages and Salaries			
Players - Social Security Contributions			
Players Benefits Expenses - Other/Non-Split			
Total Players Benefits Expenses			
Other Employees - Wages and Salaries			
Other Employees - Social Security Contributions			
Other Employees Benefits Expenses - Other/Non-Split			
Total Other Employees Benefits Expenses			
Employee Benefits Expenses - Other/Non-Split			
Total Employee Benefit Expenses			
Depreciation of Tangible Fixed Assets			
Impairment of tangible fixed assets			
Amortisation of Other Intangible Assets (excluding player registrations)			
Impairment of other intangible assets (excluding player registrations)			
Total Depreciation, Amortisation & Impairment (including player registrations)			
Cost of right-of-use assets (operating leases)			
Matchday expenses			
Sponsorship and advertising expenses			
Commercial activities expenses			
Property & Facilities expenses			
Expenses of Non-Football Operations			
Exceptional expenses			
Other operating expenses - Other/Non-Split			
Total Other Operating Expenses			
Total Operating Expenses (excluding player registrations)			
Player transfers			
Amortisation of intangible assets (player registrations)			
Impairment of intangible assets (player registrations)			
Profit on disposal of intangible fixed assets (player registrations)			
Loss on disposal of intangible fixed assets (player registrations)			
Cost of acquiring player registrations (including non capitalised agent fees and loan fees)			
Income from disposal of player registrations (including loan income)			
Total Player Transfers			
Profit/(Loss) on Disposal of Tangible Fixed Assets			
Profit/(Loss) on Disposal of Other Intangible Assets			
Total Profit/(Loss) on Disposal of Assets			
Finance income			
Finance expenses			
Net Foreign Exchange Gains/(Losses)			
Net Finance Income / (Expenses)			
Other Income (non operating)			
Other Expenses (non operating)			
Net Non-Operating Income / (Expenses)			
Tax Income/ (Expense)			
Profit/(loss) after Tax			
Dividends paid / Minority interests			
Profit/(loss) after dividends			

Table 7: income statement reclassification model suggested by UEFA (2)

Although the reclassification is not the same, these statements were however useful both for the division of items and also for the calculation of EBITDA from players' transfer.

5. Methodology

The present survey is based on data referred to football clubs in the Italian Serie C Championship collected for the periods involving the seasons 2018/2019, 2019-2020 and 2020-2021. The Italian Serie C Championship is composed of 60 clubs with highly variable sport performances with a certain number of teams promoted to the Serie B

Champions or relegated to the lower leagues. In order to achieve a stable comparison among different financial statements a sort of “*simplified cluster analysis*” has been adopted also to select those cases for which complete data was available on the chosen variables.

This kind of approach has been therefore chosen to divide and extract from the “global population” (60 teams), multiple groups (clusters) which are indicative of homogeneous characteristics and have an equal chance of being a part of the sample for research, data collection and data analysis.

This approach is described in **figure 3**.



Figure 3: a simplified approach in the clusters’ creation

This kind of approach has been adopted only as practical solution for the cluster-sample design by organizing items into groups, or clusters, on the basis of how closely associated they are, having therefore no statistical implications. The present approach is thus used for “classification”: subjects (clubs) are separated into groups so that each subject is more similar to other subjects in its group than to subjects outside the group.

5.1 The Target

As mentioned above the target group in the present survey is the “population” of the Italian Serie C League in four seasons: 2018/2019, 2019-2020, 2020-2021 and 2021/2022. This league is composed of 60 clubs and the composition the Championship

during each season is highly variable due to the relegation/promotion mechanisms to/from the lower/higher leagues. Different outcomes in sporting performances may reverberate into different outcomes in financial performances. These differences may be translated into a number of severe limitations and constraints associated with any form of comparison.

All this can be placed at the base of crucial methodological questions to be addressed with respect to: a) what extent these given units (clubs) are really comparable; b) what conditions are required to make any comparison among them meaningful; c) how to prevent the risk of comparing incomparable units belonging to different contexts and d) what are the alternative comparisons that could be carried out with possibly within more homogeneous analytical groups and clusters. In order to provide some answers to these questions is therefore necessary to define and implement some sampling frames to extract those units capable to be gathered within more homogeneous groups more useful to the present survey.

5.2 Creation and evaluation of the sampling frame

A lack of homogeneity in the sample may increase the group variances making a comparison of data rather problematic. For the present study, the creation and evaluation of the sampling frame are essential steps in order to solve those discrepancies among data: the main sample frame adopted is therefore essentially based on the *continuous presence* of each team in the Italian Serie C championship during the reference period of four seasons from 2018 to 2022. This parameter is thus the precondition for the present sampling frame capable to ensure an adequate level of homogeneity among the units and the related data involved in the present analysis.

5.3 Groups' creation

The adoption of the sampling frame mentioned above drives to the creation of two groups of clubs. A first group is composed of teams which during the reference period have been subjected to the relegation/promotion mechanisms to/from the lower/higher leagues. A second group gathers those teams which have had a continuous stay in the Serie C league in the reference period (2018-2022) thus meeting the sampling frame adopted for the present survey. For this reason, this *control group* includes **28 teams** (46,6% of the target population) which, according to this point of view show an adequate degree of homogeneity useful for a potential data and information comparison³.

Girone A	Girone B	Girone C
ALBINOLEFFE	CARRARESE	CATANIA
FERALPISALO	FERMANA	CATANZARO
GIANA ERMINIO	GUBBIO	MONOPOLI
PIACENZA	IMOLESE	PAGANESE
PRO PATRIA	OLBIA	POTENZA
PRO VERCELLI	PESCARA	VIBONESE
RENATE	PISTOIESE	VIRTUS FRANCAVILLA
SUDTIROL	PONTEREDERA	
TRIESTINA	TERAMO	
VIRTUS VERONA	VIS PESARO	
	VITERBESE	

5.4 Clusters' creation

The primary data sources for this study are the financial statements and related annual reports which have been filed by the selected clubs of the Italian Serie C League. in the control group mentioned above for financial periods corresponding to each season starting from 2018 to 2022 inclusive. In order to undertake a detailed examination of the clubs accounts records, a creation of a robust, homogeneous and stable database of accounts represented a critical step.

³The Delfino Pescara 1936 Soccer Club, better known simply as Pescara or with the old name Pescara Calcio 1936, has been included in the survey, despite having played in Serie B from 2018 to 2021, for its positive sporting results.

The reported accounting data has been “smoothed” by a two stage process. First, in some cases data were not fully available and/or some accounts are missing. In a second stage, from the notes to the accounts it was quite evident that the financial data reported does not provide valid comparative data either for the same club between seasons or with other clubs. These cases have been identified.

To reduce the proportion of such inconsistencies, it is assumed to exclude from the survey those clubs with incomplete or missing data (stage process 1) considering for the analysis only those clubs which close their financial statements on 31/6, thus excluding those closing their financial statements on 31/12. This because of a majority of football clubs to close their statements on June.

The sample for the present survey therefore results of **15 teams** (25% of the total population). Those 15 teams are:

- 1) Calcio Catania S.p.A.
- 2) Feralpisalò
- 3) Fermana Football Club S.r.l.
- 4) Associazione Sportiva Giana Erminio
- 5) Associazione Sportiva Gubbio 1910
- 6) Olbia Calcio 1905 S.r.l.
- 7) Paganese Calcio 1926 S.r.l.
- 8) Delfino Pescara 1936
- 9) Piacenza Calcio 1919 S.r.l.
- 10) Unione Sportiva Pistoiese 1921
- 11) Football Club Pro Vercelli 1892
- 12) Associazione Calcio Renate S.r.l.
- 13) Fussball Club Südtirol

14) Società Sportiva Teramo Calcio S.r.l.

15) Virtus Francavilla Calcio S.r.l.

These clubs have been organized within three clusters:

- Historical top clubs
- Medium clubs
- Small clubs

They have been defined on the base of the following criteria (**table 8**):

	a)	b)	c)	d)	RESULTS							
1) Historical Top Clubs	>100.000	>4	>5.000	>40.000	Catania	Pescara	Piacenza	Pro Vercelli				
2) Medium Teams	100.000<=x<30.000	4<=x<7	5.000<=x<7.000	40.000<=x<20.000	Gubbio	Fermana	Pistoiese	Teramo	Virtus Francavilla	Renate		
3) Small Teams	<30.000	0	<2.500	<20.000	Feralpisalò	Giana Erminio	Olbia	Paganese	Sudtirol			

Parameters

	Catania	Feralpisalò	Fermana	Giana Erminio	Gubbio	Olbia	Paganese	Pescara	Piacenza	Pistoiese	Pro Vercelli	Renate	Sudtirol	Teramo	Virtus Francavilla
a) Revenues from stadium subscriptions (avg 2018-2020)	577.778,33	10.256,88	92.985,56	16.448,08	46.681,67	22.228,00	24.201,67	419.945,33	100.574,00	38.779,33	103.013,00	52.934,67	14.240,67	90.643,33	31.017,00
b) Number of Years in the Serie A Italian Football League	17	0	0	0	0	0	0	7	8	1	6	0	0	0	0
c) Stadium size	20.016	2.364	8.920	3.766	5.300	3.209	5.093	20.000	21.600	13.195	5.500	2.500	5.500	12.000	2.500
d) Total Population of the city where the club is located	298.324	10.634	36.386	21.014	30.639	60.385	34.203	313.346	103.369	90.315	45.631	4.056	107.493	51.891	35.182

Table 8: clusters and criteria

6. Ratios Analysis

The selection of the ratios and the modalities through which they have been selected is a fundamental step in order to carry out the analysis about each single cluster identified and involved in this study. In order to achieve a more precise and detailed work, the previous financial statements' reclassifications have been adopted as a precondition for the calculation of these further ratios and for the estimation of some important parameters. The main ratios that will be used for the clusters' analysis in the three years considered (2018-2020) are reported in the chart in **table 9**.

This structure can provide useful contribution in depicting a 360 degree overview of Serie C football clubs' in terms of:

- the profitability and its key drivers;
- the structure and operating profitability itself (mostly using Return On Invested Capital and Financial Leverage);
- the ability of these firms to create a return of the equity investment (Return On Equity);
- the capability of the clubs to be able to deal with short term operating liabilities with short term operating assets (Net Working Capital).

The upper half of this table is clearly structured with ratios which are commonly implemented for about every firm: therefore they cannot provide any further specific detail about the peculiarity of a football club and in particular, for a small teams like those included in Serie C.

Team	2020	2019	2018
ROE (Net income/Equity)			
ROIC (EBIT/NOA)			
Financial Leverage (3) (NOA/Equity)			
Financial Costs Ratio (EBT/EBIT)			
Tax Ratio (Net Income/EBT)			
ROIC (EBIT/NOA)			
Cost of Debt (Interest Expenses/Tot NFO)			
Financial Leverage (1) (Tot NFO/Equity)			
Tax Ratio (Net Income/EBT)			
Profit Margin (EBIT/Sales)			
Asset Turnover (Sales/NOA)			
NFO			
Financial Leverage (1) (Tot NFO/Equity)			
Financial Leverage (2) (Tot NFO/NOA)			
Financial Leverage (3) (NOA/Equity)			
NWC			
NWC from football related activity			
REVENUES FROM PLAYER TRADING/Total Revenues			
COSTS FROM PLAYER TRADING/Total Costs			
EBITDA (net of player trading)/Net income			
EBITDA (gross of player trading)/Net income			
Total Gate receipts/total revenues			
Total player benefit expense/total costs			
Matchday expenses/total costs			
(Players' rights + Homegrown players)/NFA			

Table 9: Ratios analysis

For this reason, the structure of the ratio analysis, has to include also some indicators created for this specific case capable to describe the impact of single items respectively on the balance sheet or on the income statement. It has been therefore underlined also the amount of Net Working Capital from football related activities and this will be analyzed also comparing it with the “traditional” NWC.

Another critical element is the percentage impact of Revenues of Player Trading and Costs derived by Player Trading respectively on total revenues and total costs. This particular indicator play a peculiar role being capable to show that Serie C clubs don't suffer a huge “dependency” on these income statement's items when compared to Serie B or upper championships clubs.

As has been evidenced above, the EBITDA analysis is surely one of the most important indicator for the description of the wealth of a commercial as well as a football club firm. In this case EBITDAs impact of net profit has been considered as an index about the more or less financial dependency of these clubs on EBITDAs. In this case the impact of both EBITDAs can be capable to confirm or not the effect and consequences of the player trading on these clubs.

Two examples have been mentioned to verify the impact of single typical voices that embed costs and revenues in football clubs' income statements. With the aim to accomplish also the control parameters considered to create the three clusters cited above, it has been highlighted:

- the total gate receipts/total revenues
- the total player benefit expenses/total costs
- the matchday expenses/total costs.

In case of highly dependency on other items, they will considered in the analysis.

In this case the most important items in the balance sheet are always in the left side, whilst few typical items could be found in the right-side: so it will be quite normal to find just a summary regarding NFOs and Equity.

In general terms, these ratios and indicators will be used to provide contributions to the understanding of the effects of Covid-19 on Serie C Football Clubs’ financial statements. Surely they won’t be enough to achieve a fully description of such a complex phenomenon but surely some important stimulating indications can emerge from the analysis.

Each club will be analyzed with an individual evaluation of every item (therefore not only ratios) that showing a high variability during the 2018-2020 timeframe: each cluster will include a case study representative for the entire sample. Therefore the present study doesn’t not provide a specific in full analysis for each club because only the case study will be described in detail supplementing its balance sheet and income statement.

7. Cluster One: Historical Top Clubs

The first cluster entails four Serie C clubs:

- 1) Calcio Catania S.p.A.
- 2) Delfino Pescara 1936
- 3) Piacenza Calcio 1919 S.r.l.
- 4) Football Club Pro Vercelli 1892

These teams have been selected mostly based on their number of presences in Serie A championship throughout their entire life. This cluster, as already mentioned, is composed of clubs showing concrete differences in terms of economic/financial situation.

As an example, in the first chapter, it has been cited how Catania Calcio entered into bankruptcy in 2021 and for this reason its financial statements were showing, already in the timeframe 2018-2020, severe problems.

The Delfino Pescara shows a completely different situation. This club has been in Serie B for the entire period considered and it can be surely considered the “big one” in Serie C in 2022 in terms of financial power.

Pro Vercelli on the other hand, may represent a typical medium/high rating Serie C club also considering its financial statements’ data: it has been included in this cluster thanks to its 6 presences in Serie A (considering only the years in which Serie A was in a single tournament). Piacenza instead, despite its 8 presences in Serie A, could be classified as a medium/small team nowadays.

Under many points of view, one could define these teams as “Fallen Nobles” because of in the Italian Serie C Championship they hold a glorious professional past history but playing now in a low rate tournament.

Within this cluster, the case study is represented by Delfino Pescara because this club provides an unique opportunity for analyzing a team that has played in Serie B for the entire timeframe selected and now playing in Serie C. It is clear enough that the results will be very different from the other teams and for this reason, in this cluster, every team will be discussed separately from the others.

7.1 Delfino Pescara

The first club analyzed for this cluster is Delfino Pescara. Delfino Pescara is one of the biggest team in 2022 Serie C championship. Data reported in its financial statements confirm this picture (**tables10, 11, 12**):

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	2993.0	798.7	1995.3	(Cash & Short Term Investments)	531.1	31.8	86.4
Tax assets Short Term	0.0	200.0	910.5	Bank and other bank assets Short Term	3895.6	4080.5	3923.2
Inventories	67.1	29.4	31.3	Financial Debts Short Term	175.5	167.7	1463.6
Accrued income and prepaid expenses Short Term	1067.8	146.1	275.7	NET FINANCIAL OBLIGATIONS Short Term	3540.0	4216.5	5300.4
(Account Payables from suppliers)	2140.5	2205.8	1957.7	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	4955.7	3929.5	5608.7	Financial Debts versus Banks Long Term	1171.1	480.7	570.2
(Other Account Payables and Short Term Liabilities)	2224.7	1162.0	1191.6	(Financial Fixed Assets)	137.0	227.3	564.3
(Accrued expenses and deferred income Short Term)	1239.3	165.4	144.0	Total provisions for risks and charges	137.5	502.5	462.8
NET WORKING CAPITAL	-6432.4	-6278.4	-5689.1	Severance Indemnity Reserves	107.2	92.1	76.6
Account receivables from player transfers	2270.8	3788.5	3648.9	NET FINANCIAL OBLIGATIONS Long Term	1278.8	848.0	545.3
Account receivables from Group Entities	948.0	804.6	917.2				
(Loans/Acc. Pay to Group Entities)	166.5	151.0	102.2				
(Account Payables from player transfers)	1246.5	824.0	960.7				
NET WORKING CAPITAL from football related activities	1805.8	3618.1	3503.2	TOTAL NET FINANCIAL OBLIGATIONS	4818.9	5064.5	5845.7
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	1356.4	318.8	390.3				
Other Non-Current Assets	1095.8	1194.6	655.8	TOTAL EQUITY	7632.8	5021.5	5642.0
Other Intangible Assets	3638.5	3234.2	3775.2				
Tax assets Long Term	0.0	675.3	0.0				
Intangible Assets - Players' rights	12847.8	9539.1	11348.9				
Intangible Assets - Homegrown Players Capitalization Costs	3349.0	3602.5	3525.2				
Accrued income and prepaid expenses Long Term	754.8	320.9	521.2				
Account receivables from players Long Term	3126.3	4850.0	1550.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0.0	0.0	0.0				
(Account Payables from player transfers Long Term)	175.0	2300.0	535.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	6064.8	5917.9	6719.2				
(Other non current Account Payables and Short Term Liabilities)	1932.2	1972.5	0.0				
(Accrued expenses and deferred income Long Term)	758.4	798.7	838.3				
NET FIXED ASSETS	17078.2	12746.3	13673.6				
NET OPERATING ASSETS	12451.6	10086.0	11487.7	EMPLOYED CAPITAL	12451.6	10086.0	11487.7
CHECK	-	-	-				

Table 10: Delfino Pescara Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	531.4	1004.6	1088.9	-47.11%	-7.74%	-51.20%
Total Sponsors revenues	737.0	1317.8	882.0	-44.07%	49.40%	-16.44%
Total TV rights	1404.9	1788.9	1470.7	-21.47%	21.63%	-4.48%
Total Commercial	1209.6	1522.8	1974.7	-20.57%	-22.88%	-38.74%
Federal Contributions	5638.2	5161.6	5416.0	9.23%	-4.70%	4.10%
Other Revenues	1761.7	1601.0	11570.6	10.04%	-86.16%	-84.77%
TOTAL REVENUES Gross of Players Transfers (A)	11282.7	12396.7	22402.9	-8.99%	-44.66%	-49.64%
Cost of Sales	3377.8	4879.2	5216.0	-30.77%	-6.46%	-35.24%
Total Players Benefit Expenses	4814.9	6439.9	8343.8	-25.23%	-22.82%	-42.29%
Total Employees Benefit Expenses	2741.4	3507.8	5090.3	-21.85%	-31.09%	-46.14%
Matchday Expenses	328.1	476.8	634.4	-31.19%	-24.85%	-48.29%
Sponsorship and advertising expenses	821.4	980.0	469.1	-16.19%	108.90%	75.09%
Property Expenses	316.4	459.2	370.0	-31.10%	24.11%	-14.48%
Other operating expenses	639.6	1764.7	1740.7	-63.76%	1.38%	-63.26%
TOTAL OPERATING COSTS Gross of players Transfers (B)	13039.6	18507.7	21864.3	-29.54%	-15.35%	-40.36%
EBITDA Gross of Players transfers (A-B)	-1756.9	-6110.9	538.7	-71.25%	-1234.43%	-426.15%
Revenues from players loans	0.0	808.5	725.0	-100.00%	11.52%	-100.00%
Capital Gains from Players' Transfers	7514.5	10022.7	15815.7	-25.03%	-36.63%	-52.49%
Other revenues from Player Trading	6101.5	2124.8	1517.8	187.16%	39.99%	301.99%
REVENUES FROM PLAYER TRADING	13616.0	12956.0	18058.5	5.09%	-28.26%	-24.60%
Costs from players loans	9.0	76.0	7.0	-88.16%	985.71%	28.57%
Capital Losses from Players' Transfers	130.5	118.3	991.9	10.26%	-88.07%	-86.85%
Other Costs from Player Trading	338.0	1763.2	294.7	498.28%	14.69%	
TOTAL COSTS FROM PLAYER TRADING	477.5	1957.6	1293.6	-75.61%	51.33%	-63.09%
NET INCOME/LOSS FROM PLAYER TRADING	13138.5	10998.4	16764.9	19.46%	-34.40%	-21.63%
EBITDA net of Players transfer and Registration (A-B+C)	11381.7	4887.5	17303.6	132.87%	-71.75%	-34.22%
Amortization and Depreciation (D)	6235.1	5985.6	8731.7	4.17%	-31.45%	-28.59%
EBIT (A-B-C-D)	5146.5	-1098.1	8571.9	568.69%	-112.81%	-39.96%
Interest Expenses (E)	1503.3	1260.7	1172.1	19.24%	7.57%	28.26%
EBT (A-B-C-D-E)	3643.2	-2358.8	7399.8	254.45%	-131.88%	-50.77%
Tax Income/(Expenses) (F)	1032.0	261.6	2757.9	294.45%	-90.51%	-62.58%
Net Profit (Loss) (A-B-C-D-E-F)	2611.3	-2620.4	4642.0	199.65%	-156.45%	-43.75%

Table 11: Delfino Pescara Income Statement

Delfino Pescara	2020	2019	2018
ROE (Net income/Equity)	34,21%	-52,18%	82,28%
ROIC (EBIT/NOA)	41,33%	-10,89%	74,62%
Financial Leverage (3) (NOA/Equity)	1,631335014	2,008558138	2,036117635
Financial Costs Ratio (EBT/EBIT)	0,70789617	2,148136815	0,863267998
Tax Ratio (Net Income/EBT)	0,716746848	1,11091294	0,627305153
ROIC (EBIT/NOA)	0,4133214	-0,108869808	0,746180691
Cost of Debt (Interest Expenses/Tot NFO)	0,311966834	0,248934201	0,200497047
Financial Leverage (1) (Tot NFO/Equity)	0,631335014	1,008558138	1,036117635
Tax Ratio (Net Income/EBT)	0,716746848	1,11091294	0,627305153
Profit Margin (EBIT/Sales)	0,456142853	-0,088577018	0,38262315
Asset Turnover (Sales/NOA)	0,906122715	1,229097683	1,950171314
NFO	4818852	5064511	5845727
Financial Leverage (1) (Tot NFO/Equity)	0,631335014	1,008558138	1,036117635
Financial Leverage (2) (Tot NFO/NOA)	0,387005127	0,502130418	0,508869241
Financial Leverage (3) (NOA/Equity)	1,631335014	2,008558138	2,036117635
NWC	-6432380,9	-6278369,13	-5689119,09
NWC from football related activity	1805844,9	3618079,13	3503207,09
REVENUES FROM PLAYER TRADING/Total Revenues	54,69%	51,10%	44,63%
COSTS FROM PLAYER TRADING/Total Costs	3,53%	9,57%	5,59%
EBITDA (net of player trading)/Net income	435,869%	-186,516%	372,765%
EBITDA (gross of player trading)/Net income	-67,280%	233,204%	11,604%
Total Gate receipts/total revenues	2,134%	3,963%	2,691%
Total player benefit expense/total costs	35,621%	31,468%	36,030%
Matchday expenses/total costs	2,427%	2,330%	2,740%
(Players' rights + Homegrown players)/NFA	94,839%	103,101%	108,780%

Table 12:Delfino Pescara Ratios Analysis

The data related to Delfino Pescara reveal some main peculiarities of this club: firstly the dependence of Capital Gains from Player Trading, that represents in the three years considered almost half of its total revenues.

This item allows Pescara to achieve in 2020 and 2018 a positive net profit: this circumstance can be considered quite rare for these teams. Also federal contributions are a decisive item in its income statement, but the weight of players' salaries almost 50% of total costs surely doesn't play a secondary role.

The balance sheet shows that NWC is always negative, while NWC from Football related activities is a “puff of air” adopted to provide some contributions in correcting this negative trend.

The Covid-19 pandemic effect could be highlighted looking at the data between 2019 and 2020. Indeed, very surprisingly total gate receipts/total revenues has moved from 4% to 2% with only a rather limited impact on the revenues.

Moreover it is interesting to notice that ROE and ROIC have been boosted in this timeframe thanks to the reduction of costs in 2020 that has brought Net Income and EBIT to increase of 200% and 570% in just one year.

Revenues from gate receipts almost halved in one year (from 1mln to 531.000 in 2020) and also sponsors and TV income decreased of 30% on average, but on the same timeframe costs have been decreased more than proportionally.

On the balance sheet, on the other hand, NWC has remained negative (-6,4 millions in 2020) with a huge reduction of NWC from football related activities. In general it could be seen how Net Financial Obligations Long Term increases sharply thanks to the rise of the financial debts vs Banks.

So taking into consideration the aggregate data and ratios, one could state that Covid-19 has caused a rather limited impact on Pescara Financial Statements leaving the general situation in line with the previous years. It is however important to evidence that probably some negative effects will reverberates their consequences in the next period 2021/2022.

7.2 Catania Calcio

As described above Covid-19 have had a little impact on financial statements of Delfino Pescara in the period considered in the present analysis. Catania Calcio represents on the contrary a completely different story because Covid-19 pandemic generated severe negative impacts for this clubs causing a sort of “coup de grace”. The Catania Calcio financial situation was already really difficult, complicated and dramatic even before the pandemic as reported in the related financial statements (**table 13, 14**):

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	1201.4	2340.4	2568.9	(Cash & Short Term Investments)	0.7	1.1	0.1
Tax assets Short Term	1574.2	844.1	65.4	Bank and other bank assets Short Term	4.6	5.3	18.8
Inventories	0.0	0.0	0.0	Financial Debts Short Term	2046.6	1199.3	708.5
Accrued income and prepaid expenses Short Term	6.0	39.2	45.0	NET FINANCIAL OBLIGATIONS Short Term	2041.4	1192.8	689.6
(Account Payables from suppliers)	5109.8	5847.2	3394.5	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	6107.5	6890.1	1920.2	Financial Debts versus Banks Long Term	24248.0	24881.7	25365.2
(Other Account Payables and Short Term Liabilities)	0.0	0.0	0.0	(Financial Fixed Assets)	12.9	12.9	12.9
(Accrued expenses and deferred income Short Term)	140.9	117.6	50.4	Total provisions for risks and charges	2845.1	712.5	3044.8
NET WORKING CAPITAL	-8576.6	-9631.3	-2685.8	Severance Indemnity Reserves	213.9	251.1	297.2
Account receivables from player transfers	354.1	0.0	827.5	NET FINANCIAL OBLIGATIONS Long Term	27294.1	25832.4	28634.4
Account receivables from Group Entities	302.8	0.0	147.5				
(Loans/Acc. Pay to Group Entities)	20.4	0.0	163.9				
(Account Payables from player transfers)	724.2	0.0	982.9				
NET WORKING CAPITAL from football related activities	-87.8	0.0	-171.8	TOTAL NET FINANCIAL OBLIGATIONS	29335.6	27025.2	29384.0
Receivables Long Term	95.6	170.4	166.5				
Tangible Fixed Assets	41336.0	42628.3	38937.1				
Other Non-Current Assets	16.4	45.4	103.7	TOTAL EQUITY	-7529.6	324.5	-1247.3
Other Intangible Assets	5716.7	5950.0	6183.3				
Tax assets Long Term	0.0	238.8	1063.9				
Intangible Assets - Players' rights	15.6	23.4	31.3				
Intangible Assets - Homegrown Players Capitalization Costs	436.3	546.5	737.3				
Accrued income and prepaid expenses Long Term	0.0	0.0	0.0				
Account receivables from players Long Term	0.0	350.0	0.0				
Account receivables from Group Entities Long Term	0.0	50.4	46.0				
(Loans/Acc. Pay to Group Entities Long Term)	5000	0	437047				
(Account Payables from player transfers Long Term)	768.1	0.0	423.7				
(Account Payables from suppliers Long Term)	5120.0	3612.5	3718.7				
(Account Payables to Tax Authorities Long Term)	1026.2	8262.6	10470.3				
(Other non current Account Payables and Short Term Liabilities)	0.0	0.0	0.0				
(Accrued expenses and deferred income Long Term)	1127.0	1127.0	1218.0				
NET FIXED ASSETS	30470.4	36981.1	30994.3				
NET OPERATING ASSETS	21806.0	27349.7	28136.7	EMPLOYED CAPITAL	21806.0	27349.7	28136.7
CHECK	-	-	-				

Table 13: Catania Calcio Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	790.6	1515.4	1657.1	-47.83%	-8.55%	-52.29%
Total Sponsors revenues	1035.1	1844.7	1205.9	-43.88%	52.97%	-14.16%
Total TV rights	17.2	64.3	54.2	-73.28%	18.47%	-68.34%
Total Commercial	17.2	38.3	44.9	-55.15%	-14.58%	-61.69%
Federal Contributions	373.4	398.2	376.9	-6.23%	5.66%	-0.92%
Other Revenues	708.9	1601.6	3000.7	-55.74%	-46.62%	-76.37%
TOTAL REVENUES Gross of Players Transfers (A)	2942.4	5462.5	6339.7	-46.13%	-13.84%	-53.59%
Cost of Sales	297.8	913.6	797.4	-67.40%	14.58%	-62.65%
Total Players Benefit Expenses	2798.7	3420.7	2983.6	-18.18%	14.65%	-6.20%
Total Employees Benefit Expenses	1242.4	1294.9	1487.8	-4.06%	-12.97%	-16.50%
Matchday Expenses	399.9	583.6	557.7	-31.48%	4.64%	-28.30%
Sponsorship and advertising expenses	17.3	17.9	67.8	-3.57%	-73.62%	-74.56%
Property Expenses	339.5	538.0	297.7	-36.88%	80.68%	14.04%
Other operating expenses	4397.1	4525.6	3017.6	-2.84%	49.98%	45.72%
TOTAL OPERATING COSTS Gross of players Transfers (B)	9492.6	11294.2	9209.6	-15.95%	22.64%	3.07%
EBITDA Gross of Players transfers (A-B)	-6550.2	-5831.7	-2869.9	12.32%	103.20%	128.24%
Revenues from players loans	80.0	0.0	7.5	0.00%	-100.00%	966.67%
Capital Gains from Players' Transfers	300.0	1170.0	25.0	-74.36%	4590.00%	1100.00%
Other revenues from Player Trading	232.7	363.7	180.9	-36.01%	100.99%	28.61%
REVENUES FROM PLAYER TRADING	612.7	1533.7	213.4	-60.05%	618.57%	187.07%
Costs from players loans	0.0	0.0	8.5	0.00%	-100.00%	-100.00%
Capital Losses from Players' Transfers	0.0	2.0	0.2	-100.00%	1150.00%	-100.00%
Other Costs from Player Trading	33.6	45.4	305.0	-26.16%	-85.10%	-89.00%
TOTAL COSTS FROM PLAYER TRADING	33.6	47.4	313.6	-29.27%	-84.88%	-89.30%
NET INCOME/LOSS FROM PLAYER TRADING	579.2	1486.2	-100.2	-61.03%	-1583.00%	-677.90%
EBITDA net of Players transfer and Registration (A-B+C)	-5971.0	-4345.5	-2970.1	37.41%	46.31%	101.04%
Amortization and Depreciation (D)	2198.5	2159.7	2075.9	1.79%	4.04%	5.90%
EBIT (A-B-C-D)	-8169.5	-6505.2	-5046.0	25.58%	28.92%	61.90%
Interest Expenses (E)	1032.0	947.8	1054.0	8.88%	-10.08%	-2.09%
EBT (A-B-C-D-E)	-9201.5	-7453.0	-6100.1	23.46%	22.18%	50.84%
Tax Income/(Expenses) (F)	-740.9	8.3	-112.1	-9060.58%	-107.37%	560.69%
Net Profit (Loss) (A-B-C-D-E-F)	-8460.7	-7461.3	-5987.9	13.39%	24.61%	41.30%

Table 14: Catania Calcio Income Statement

These data show that the negative trend was persistent during the timeframe considered and Covid-19 have produced a huge impact on financial statement. Net Loss increased of 13% due to a huge reduction in revenues (decrease of 50% between 2019 and 2020) but also a not proportionate decreasing in costs (only 16%).

The Covid 19 effect could be respectively reported in the reduction of gate receipts (-47% from 2020 and 2019), Income from TV rights and Sponsors (-44% and 73%) as well as on the total players trading income net of costs from trading (-61%). Yet in general these results could provide an hint of the reasons why Catania, during the next year has been gone into bankruptcy. This club arrived in 2019 dealing with some already severe financial troubles: Net Loss was equal to 7,5mln.

On the Balance sheet side, these negative results are confirmed in full. NWC was deeply negative, showing the incapability of Catania deal with its short-term liabilities: also on the right side it can be evidenced how high was the Net Financial Position (equal to 29 millions in 2020) with negative shareholder's equity. Ratios are in line with this analysis and show an even wider financial disequilibrium of this football club.

7.3 Pro Vercelli

The balance sheet for Pro Vercelli depicts a linear performance throughout the timeframe considered: nonetheless some interesting information emerge from its income statement (**table 15**).

DATA REPORTED IN (000)	2020	2019	2018	Delta 20/19	Delta 19/18	Delta 20/18
Total Gate Receipts	116,6	191,5	370,9	-39,14%	-48,36%	-68,57%
Total Sponsors revenues	548,5	791,7	1292,4	-30,71%	-38,74%	-57,56%
Total TV rights	0,0	9,5	1125,5	-100,00%	-99,16%	-100,00%
Total Commercial	29,0	28,9	28,9	0,28%	0,00%	0,28%
Federal Contributions	1238,6	1248,5	4374,8	-0,79%	-71,46%	-71,69%
Other Revenues	156,6	405,3	241,0	-61,35%	68,19%	-35,00%
TOTAL REVENUES Gross of Players Transfers (A)	2089,3	2675,4	7433,5	-21,91%	-64,01%	-71,89%
Cost of Sales	124,7	133,7	220,8	-6,75%	-39,43%	-43,52%
Total Players Benefit Expenses	1451,8	2805,4	5259,3	-48,25%	-46,66%	-72,40%
Total Employees Benefit Expenses	375,7	772,7	1138,5	-51,38%	-32,13%	-67,00%
Matchday Expenses	328,1	471,7	893,5	-30,44%	-47,21%	-63,28%
Sponsorship and advertising expenses	392,6	849,3	1022,1	-53,77%	-16,91%	-61,59%
Property Expenses	62,2	80,3	160,0	-22,52%	-49,83%	-61,13%
Other operating expenses	223,6	329,7	607,6	-32,18%	-45,73%	-63,20%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2958,7	5442,8	9301,9	-45,64%	-41,49%	-69,19%
EBITDA Gross of Players transfers (A-B)	-869,4	-2767,4	-1868,3	-68,58%	48,12%	-53,47%
Revenues from players loans	1650,8	529,8	735,0	211,62%	-27,93%	124,60%
Capital Gains from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other revenues from Player Trading	742,6	1514,9	4141,0	-50,98%	-63,42%	-82,07%
REVENUES FROM PLAYER TRADING	2393,4	2044,6	4876,0	17,06%	-58,07%	-50,91%
Costs from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Losses from Players' Transfers	1,3	3,4	2,2	-60,76%	56,90%	-38,44%
Other Costs from Player Trading	163,0	83,0	228,8	96,39%	-63,73%	-28,77%
TOTAL COSTS FROM PLAYER TRADING	164,3	86,4	231,0	90,20%	-62,60%	-28,86%
NET INCOME/LOSS FROM PLAYER TRADING	2229,1	1958,2	4645,0	13,83%	-57,84%	-52,01%
EBITDA net of Players transfer and Registration (A-B+C)	1359,6	-809,2	2776,6	-268,02%	-129,14%	-51,03%
Amortization and Depreciation (D)	1915,8	1951,6	2543,8	-1,83%	-23,28%	-24,69%
EBIT (A-B-C-D)	-556,2	-2760,8	232,8	-79,85%	-1285,92%	-338,91%
Interest Expenses (E)	37,3	12,8	15,0	190,24%	-14,17%	149,12%
EBT (A-B-C-D-E)	-593,5	-2773,6	217,8	-78,60%	-1373,30%	-372,44%
Tax Income/(Expenses) (F)	31,6	37,2	272,2	-14,98%	-86,34%	-88,39%
Net Profit (Loss) (A-B-C-D-E-F)	-625,1	-2810,8	-54,3	-77,76%	5071,96%	1050,12%

Table 15: Pro Vercelli Income Statement

The year 2020 represented a critical moment because in this year Pro Vercelli achieved a financial “recovery” from the previous difficult situation in year 2019. In 2020 costs sharply decreased mostly thanks to the reduction in payroll -50% on average. Revenues decreased as well but less than proportionally rather than costs (-22% against -45%). This trend was also affected by the revenues from player trading that generated in 2020 2,393 millions. Indeed, EBITDA net of players transfer and registration increased of 270% in just one year.

On the contrary, ratios report some particular results that seem unable to confirm such trend. This is due to the fact that in 2019 and 2020 every result has been negative from EBIT to Net Loss: so it seems that from 2019 to 2020 ROE and ROIC decrease as well.

In conclusion, similarly to Pescara, Covid-19 pandemic has not caused a real negative effect on the financial statement of this team in the time period.

7.4 Piacenza Calcio

Piacenza Calcio is the smallest team of the cluster showing however interesting data as reported into the balance sheet (**table 16**):

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	224.9	153.8	376.2	(Cash & Short Term Investments)	125.0	47.9	73.5
Tax assets Short Term	61.3	71.2	20.7	Bank and other bank assets Short Term	0.0	4.4	0.0
Inventories	134.5	151.6	150.0	Financial Debts Short Term	0.0	0.0	0.0
Accrued income and prepaid expenses Short Term	108.7	86.7	30.0				
(Account Payables from suppliers)	318.3	351.1	232.9	NET FINANCIAL OBLIGATIONS Short Term	-125.0	-43.5	-73.5
(Account Payables to Tax Authorities Short Term)	145.4	261.2	311.2				
(Other Account Payables and Short Term Liabilities)	81.6	236.0	208.6	(Investments Long Term)	0.0	0.0	0.0
(Accrued expenses and deferred income Short Term)	11.7	3.0	113.2	Financial Debts versus Banks Long Term	0.0	0.0	0.0
				(Financial Fixed Assets)	0.0	0.0	0.0
NET WORKING CAPITAL	-27.5	-388.0	-289.0	Total provisions for risks and charges	86.2	16.7	15.7
				Severance Indemnity Reserves	15.4	4.5	4.5
Account receivables from player transfers	20.0	107.8	7.3				
Account receivables from Group Entities	0.0	0.0	18.9	NET FINANCIAL OBLIGATIONS Long Term	101.6	21.2	20.2
(Loans/Acc. Pay to Group Entities)	0.0	0.0	10.0				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	20.0	107.8	16.2	TOTAL NET FINANCIAL OBLIGATIONS	-23.4	-22.4	-53.3
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	57.9	34.3	44.1				
Other Non-Current Assets	11.2	8.9	17.6	TOTAL EQUITY	159.8	-165.8	-18.1
Other Intangible Assets	3.2	28.7	86.7				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	8.9	0.0	0.0				
Intangible Assets - Homegrown Players Capitalization Costs	0.0	0.0	0.0				
Accrued income and prepaid expenses Long Term	2.7	6.0	7.1				
Account receivables from players Long Term	70.0	80.0	225.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	22500				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	6.6	62.5	175.8				
(Other non current Account Payables and Short Term Liabilities)	3.3	3.3	-19.2				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	143.9	92.0	201.4				
NET OPERATING ASSETS	136.4	-188.2	-71.4	EMPLOYED CAPITAL	136.4	-188.2	-71.4
CHECK	-	-	-				

Table 16: Piacenza Calcio Balance Sheet

Indeed, the income statement shows a rather linear trend during the framework selected 2018-2020 and this condition is confirmed also by the linear performances of the ratios. On the other hand, the balance sheet offers an interesting point of view. During the 2020 NWC and NFO Long Term reported a huge changes.

Piacenza during Covid-19 has decided to change its financial structure, underwriting more long term debts despite of short term ones. Moreover this trend was surely amplified also with the increase of account receivables and an increase of cash and cash equivalents.

In conclusion, the cluster n. 1 encompasses four clubs having very different features and these different features have been translated into a number of data through which it can be evidenced how Covid-19 pandemic has impacted in completely different ways on their financial statements. These variable performances mainly depends on their previous management and financial history which acted as a precondition for the club capability to deal with the consequences of the pandemic. In this perspective, these data confirm and evidence that the pandemic has exacerbated and amplified the strength and weakness in the financial environment of each club.

8. Cluster two: Medium clubs

Cluster two is composed of those Serie C football clubs that are considered on the average of the sample considered: for this reason they have been labeled as Medium Clubs.

These teams have few and scarce presences in the higher Championships even if one of them (Pistoiese Calcio) shows one presence in Serie A in its history.

The combination of this aspect together with other technical parameters drives to the composition of the present cluster as follows:

- 1) Associazione Sportiva Gubbio 1910
- 2) Fermana Football Club S.r.l.
- 3) Unione Sportiva Pistoiese 1921
- 4) Associazione Calcio Renate S.r.l.
- 5) Società Sportiva Teramo Calcio S.r.l.
- 6) Virtus Francavilla Calcio S.r.l.

This cluster is surely less diversified compared to the Historical Top Clubs one: nonetheless in the same time it shows its own peculiarities. Teramo Calcio has data and values relatively higher than the other team: Gubbio, Renate, Pistoiese, Fermana and Virtus Francavilla have similar data.

8.1 Società Sportiva Teramo Calcio

Teramo Calcio suffered severe consequences from Covid-19 pandemic. Yet this club presented many financial troubles even in 2018 and 2019. During 2020 the situation sharply worsened as evidenced in the income statement (**table 17**):

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	375.1	229.1	211.6	63.74%	8.25%	77.26%
Total Sponsors revenues	1259.3	1382.2	1357.8	-8.90%	1.80%	-7.26%
Total TV rights	0.0	0.0	0.0	0.00%	0.00%	0.00%
Total Commercial	5.7	0.6	1.6	912.81%	-63.74%	267.23%
Federal Contributions	456.9	558.5	1157.5	-18.19%	-51.75%	-60.52%
Other Revenues	994.3	444.8	361.9	123.56%	22.91%	174.77%
TOTAL REVENUES Gross of Players Transfers (A)	3091.4	2615.2	3090.4	18.21%	-15.38%	0.03%
Cost of Sales	286.6	194.2	76.6	47.57%	153.70%	274.38%
Total Players Benefit Expenses	2027.0	1262.9	1200.0	60.51%	5.24%	68.92%
Total Employees Benefit Expenses	900.9	408.6	794.0	120.43%	-48.54%	13.46%
Matchday Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Sponsorship and advertising expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other operating expenses	3508.0	1701.2	1898.7	106.20%	-10.40%	84.76%
TOTAL OPERATING COSTS Gross of players Transfers (B)	6722.5	3566.9	3969.2	88.47%	-10.14%	69.37%
EBITDA Gross of Players transfers (A-B)	-3631.2	-951.7	-878.8	281.53%	8.30%	313.21%
Revenues from players loans	3.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	0.0	52.0	605.0	-100.00%	-91.40%	-100.00%
Other revenues from Player Trading	4.5	166.2	162.1	-97.12%	-3.67%	-97.22%
REVENUES FROM PLAYER TRADING	7.5	208.2	767.1	-96.40%	-72.86%	-99.02%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	0.0	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	0.0	0.0	0.0	0.00%	0.00%	0.00%
NET INCOME/LOSS FROM PLAYER TRADING	7.5	208.2	767.1	-96.40%	-72.86%	-99.02%
EBITDA net of Players transfer and Registration (A-B+C)	-3623.7	-743.5	-111.6	387.35%	566.06%	3146.08%
Amortization and Depreciation (D)	423.6	459.0	262.2	-7.71%	75.01%	61.52%
EBIT (A-B-C-D)	-4047.2	-1202.5	-373.9	236.57%	221.63%	982.50%
Interest Expenses (E)	92.2	272.6	211.8	-66.16%	28.67%	-56.46%
EBT (A-B-C-D-E)	-4139.5	-1475.1	-585.7	180.62%	151.84%	606.73%
Tax Income/(Expenses) (F)	-14.4	4.3	3.9	-434.12%	10.09%	-467.84%
Net Profit (Loss) (A-B-C-D-E-F)	-4125.0	-1479.4	-589.6	178.83%	150.90%	599.57%

Table 17: Teramo Calcio Income Statement

The income statement shows the level of the increases in costs during 2020. This could be considered as a rather paradoxical condition considering the blocking of the activities occurred in the time period. The most interesting item could be surely the

players’ salaries that registered an increase of 60%. The same year revenues increased only of 18% making impossible to deal with the parallel rising of costs. Player trading also suffered negative results with a decrease from 2020 and 2019 of 96%.

As already mentioned, the financial situation for Teramo Calcio was very difficult already in 2018: this club in two years has been able to increase their revenues by only 0,3% and at the same time to increase costs of 69% with a total net loss that started in 2018 with 589.600€ moving towards a -4.125.000€. From the analysis of these data, one could conclude that without a turnaround or without some external support, Teramo Calcio has scarce or no possibility to recover.

Also an overview of the dynamics described by the balance sheet (**table 18**) evidences increases in the debt level with increases in the short term liabilities that pushes NWC to move from a negative 449.500€ to a negative 835.500€. Moreover this condition has been accompanied by a decrease in NWC from football related activity.

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	263,9	296,7	114,5	(Cash & Short Term Investments)	88,7	407,0	607,8
Tax assets Short Term	25,1	3,9	5,4	Bank and other bank assets Short Term	26,7	828,4	1491,6
Inventories	3,1	0,0	0,0	Financial Debts Short Term	-9,5	-9,5	-8,0
Accrued income and prepaid expenses Short Term	256,1	40,0	60,0	NET FINANCIAL OBLIGATIONS Short Term	-71,4	411,9	875,8
(Account Payables from suppliers)	382,4	149,6	265,9				
(Account Payables to Tax Authorities Short Term)	521,2	454,0	581,5	(Investments Long Term)	0,0	0,0	0,0
(Other Account Payables and Short Term Liabilities)	480,1	32,3	338,3	Financial Debts versus Banks Long Term	29,1	126,7	143,9
(Accrued expenses and deferred income Short Term)	0,0	154,2	374,4	(Financial Fixed Assets)	502,2	0,0	0,0
NET WORKING CAPITAL	-835,5	-449,5	-353,2	Total provisions for risks and charges	178,7	8,9	23,3
				Severance Indemnity Reserves	24,3	20,9	6,7
Account receivables from player transfers	347,9	576,9	482,0	NET FINANCIAL OBLIGATIONS Long Term	-270,2	156,5	173,9
Account receivables from Group Entities	529,3	623,4	765,2				
(Loans/Acc. Pay to Group Entities)	252,5	299,6	271,0				
(Account Payables from player transfers)	0,0	0,0	0,0				
NET WORKING CAPITAL from football related activities	624,7	900,7	976,1	TOTAL NET FINANCIAL OBLIGATIONS	-341,6	568,3	1049,7
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	38,3	9,7	77,1				
Other Non-Current Assets	0,0	0,0	0,0	TOTAL EQUITY	-337,9	-328,9	-126,7
Other Intangible Assets	68,4	24,8	29,4				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	34,0	50,0	100,0				
Intangible Assets - Homegrown Players Capitalization Costs	864,1	690,1	881,5				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	315187	76214	137481				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	973,7	910,2	650,5				
(Other non current Account Payables and Short Term Liabilities)	184,7	0,0	0,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	-468,7	-211,8	300,1				
NET OPERATING ASSETS	-679,5	239,4	923,0	EMPLOYED CAPITAL	-679,5	239,4	923,0
CHECK	-	-	-				

Table 18 : Teramo Calcio Balance Sheet

8.2 The other sub-cluster teams

As a preliminary example of the dynamics this sub-cluster, some data about Fermana F. C. are reported in the following **tables**.

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	1169.4	915.3	303.3	(Cash & Short Term Investments)	0.9	6.9	5.8
Tax assets Short Term	20.6	3.6	8.5	Bank and other bank assets Short Term	14.5	39.6	49.5
Inventories	20.8	23.8	28.9	Financial Debts Short Term	121.6	2.3	120.0
Accrued income and prepaid expenses Short Term	75.3	89.7	286.7				
(Account Payables from suppliers)	210.2	151.9	123.9	NET FINANCIAL OBLIGATIONS Short Term	106.1	-44.2	64.8
(Account Payables to Tax Authorities Short Term)	338.1	464.0	279.6				
(Other Account Payables and Short Term Liabilities)	711.7	546.2	174.3	(Investments Long Term)	0.0	0.0	0.0
(Accrued expenses and deferred income Short Term)	24.0	10.0	0.0	Financial Debts versus Banks Long Term	0.0	0.0	0.0
				(Financial Fixed Assets)	0.3	3.8	0.3
NET WORKING CAPITAL	2.0	-139.7	49.6	Total provisions for risks and charges	0.0	0.0	0.0
				Severance Indemnity Reserves	2.6	12.8	3.9
Account receivables from player transfers	0.0	0.0	0.0				
Account receivables from Group Entities	84.7	0.0	0.0	NET FINANCIAL OBLIGATIONS Long Term	2.4	9.0	3.6
(Loans)Acc. Pay to Group Entities	24.1	98.5	1.5				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	60.6	-98.5	-1.5	TOTAL NET FINANCIAL OBLIGATIONS	108.5	-35.1	68.4
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	4.6	7.1	14.8				
Other Non-Current Assets	0.0	0.0	0.0	TOTAL EQUITY	143.4	118.4	22.1
Other Intangible Assets	231.0	88.2	4.3				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	234.1	100.0	10.0				
Intangible Assets - Homegrown Players Capitalization Costs	14.4	186.8	119.4				
Accrued income and prepaid expenses Long Term	0.0	30.0	18.2				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans)Acc. Pay to Group Entities Long Term	0	0	0				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	294.9	90.5	124.3				
(Other non current Account Payables and Short Term Liabilities)	0.0	0.0	0.0				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	189.2	321.5	42.3				
NET OPERATING ASSETS	251.8	83.3	90.5	EMPLOYED CAPITAL	251.8	83.3	90.5
CHECK	0.0	0.0	0.0				

Table 19: Fermana Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	188.4	201.1	169.0	-6.32%	18.99%	11.48%
Total Sponsors revenues	1184.4	1218.6	1333.4	-2.81%	-8.60%	-11.17%
Total TV rights	8.3	6.7	0.0	23.71%	0.00%	0.00%
Total Commercial	2.3	4.8	0.0	-52.35%	0.00%	0.00%
Federal Contributions	662.8	528.0	0.0	25.53%	0.00%	0.00%
Other Revenues	34.2	173.8	848.5	-80.31%	-79.52%	-95.97%
TOTAL REVENUES Gross of Players Transfers (A)	2080.4	2133.0	2350.8	-2.47%	-9.26%	-11.50%
Cost of Sales	108.0	90.9	148.1	18.82%	-38.66%	-27.11%
Total Players Benefit Expenses	433.8	538.9	911.4	-19.50%	-40.87%	-52.40%
Total Employees Benefit Expenses	408.3	395.8	342.9	3.15%	15.42%	19.06%
Matchday Expenses	164.1	130.7	133.1	25.63%	-1.82%	23.35%
Sponsorship and advertising expenses	1.1	1.3	1.4	-13.40%	-12.62%	-24.33%
Property Expenses	34.9	66.2	69.3	-47.28%	-4.54%	-49.67%
Other operating expenses	1137.6	861.7	527.2	32.01%	63.46%	116.79%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2287.8	2085.4	2133.5	9.70%	-2.25%	7.23%
EBITDA Gross of Players transfers (A-B)	-207.3	47.6	217.4	-535.36%	-78.09%	-195.38%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	240.2	147.0	0.0	63.42%	0.00%	0.00%
Other revenues from Player Trading	99.6	143.9	0.0	-30.76%	0.00%	0.00%
REVENUES FROM PLAYER TRADING	339.9	290.9	0.0	16.83%	0.00%	0.00%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	10.0	21.2	31.2	-52.74%	-32.12%	-67.92%
TOTAL COSTS FROM PLAYER TRADING	10.0	21.2	31.2	-52.74%	-32.12%	-67.92%
NET INCOME/LOSS FROM PLAYER TRADING	329.8	269.7	-31.2	22.30%	-963.24%	-1155.74%
EBITDA net of Players transfer and Registration (A-B+C)	122.5	317.3	186.1	-61.39%	70.50%	-34.17%
Amortization and Depreciation (D)	149.7	102.1	168.6	46.64%	-39.45%	-11.21%
EBIT (A-B-C-D)	-27.2	215.2	17.5	-112.64%	1131.86%	-255.74%
Interest Expenses (E)	2.0	15.8	3.7	-87.33%	322.45%	-46.47%
EBT (A-B-C-D-E)	-29.2	199.4	13.7	-114.65%	1352.19%	-312.70%
Tax Income/(Expenses) (F)	4.1	106.6	69.0	-96.12%	54.57%	-94.00%
Net Profit (Loss) (A-B-C-D-E-F)	-33.3	92.8	-55.2	-135.94%	-267.95%	-39.64%

Table 20: Fermana Income Statement

Fermana’s revenues are boosted mostly by sponsors and capital gains and this condition puts this team in a situation in which it is consequently more dependent on the income from these items. This means that with Covid-19 pandemic, if sponsors decide to reduce support, Fermana will be surely most affected than other clubs. In 2020, the reduction of just 2,9% of income from sponsors affected the whole income statement bringing the net profit to pass from 92.800€ in 2019 to a loss of 33.300€ in 2020.

This negative trend is also showed by the ratios; ROE moved from 0,78 in 2019 to -0,23 and ROIC from a 2,58 to -0,10. Differently from the teams in the Historical Top Clubs cluster, Fermana did not reduce costs, indeed they increased by almost 10% from 2019 to 2020.

From a balance sheet point of view, NWCs and NFO have registered a huge change during 2019 and 2020. The amount of account receivables increased sharply and a short term financial debts rise affected the change in NFO. Moreover during 2020 players’ rights registered a huge increase at the expenses of the homegrown players capitalized costs, meaning that a substantial number of young players moved directly to the first team.

Gubbio, Renate, Virtus Francavilla and Pistoiese show similar trends. Virtus Francavilla however had in 2020 the best results of these four teams with a Net Profit of 380.100€ (moving from a net loss of -381.500€). This positive result was mostly due to the impact of Capital Gains from players’ transfers (from 30.000€ to 1.170.000€ between 2019 and 2020): for this reason this club has been able to better deal with the impact of closings and reduction of revenues from matchday caused by Covid-19 (**table 21**).

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	162.5	80.5	146.3	101.87%	-44.96%	11.10%
Total Sponsors revenues	1000.1	1054.9	1067.7	-5.19%	-1.20%	-6.33%
Total TV rights	12.9	12.4	26.4	4.28%	-53.22%	-51.21%
Total Commercial	2.1	2.8	3.5	-26.19%	-19.75%	-40.76%
Federal Contributions	731.4	878.7	593.3	-16.77%	48.11%	23.28%
Other Revenues	104.6	36.6	10.7	186.12%	241.50%	877.10%
TOTAL REVENUES Gross of Players Transfers (A)	2013.6	2065.9	1847.9	-2.53%	11.79%	8.97%
Cost of Sales	116.9	64.1	84.5	82.44%	-24.15%	38.38%
Total Players Benefit Expenses	774.5	862.0	811.7	-10.15%	6.19%	-4.59%
Total Employees Benefit Expenses	563.7	630.3	538.3	-18.33%	28.23%	4.72%
Matchday Expenses	246.3	268.7	235.0	-8.36%	14.34%	4.79%
Sponsorship and advertising expenses	0.5	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	65.3	68.2	52.8	-4.22%	29.07%	23.62%
Other operating expenses	724.6	466.2	348.9	55.44%	33.53%	107.66%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2491.8	2419.4	2071.3	2.99%	16.81%	20.30%
EBITDA Gross of Players transfers (A-B)	-478.2	-353.5	-223.4	35.26%	58.27%	114.07%
Revenues from players loans	4.0	1.0	0.0	300.00%	9900.00%	39900.00%
Capital Gains from Players' Transfers	1170.0	30.0	500.0	3800.00%	-94.00%	134.00%
Other revenues from Player Trading	90.8	67.5	116.6	34.52%	-42.11%	-22.13%
REVENUES FROM PLAYER TRADING	1264.8	98.5	616.6	1184.06%	-84.03%	105.12%
Costs from players loans	3.5	13.5	10.0	-74.07%	35.00%	-65.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	9.5	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	13.0	13.5	10.0	-3.70%	35.00%	30.00%
NET INCOME/LOSS FROM PLAYER TRADING	1251.8	85.0	606.6	1372.71%	-85.99%	106.36%
EBITDA net of Players transfer and Registration (A-B+C)	773.6	-268.5	383.2	-388.09%	-170.07%	101.87%
Amortization and Depreciation (D)	69.9	45.2	39.4	54.45%	14.91%	77.47%
EBIT (A-B-C-D)	703.8	-313.8	343.9	-324.29%	-191.25%	104.66%
Interest Expenses (E)	5.4	7.5	4.7	-28.13%	60.82%	15.59%
EBT (A-B-C-D-E)	698.4	-321.3	339.2	-317.36%	-194.72%	105.89%
Tax Income/(Expenses) (F)	319.3	60.2	144.5	428.36%	-58.31%	120.25%
Net Profit (Loss) (A-B-C-D-E-F)	380.1	-381.5	194.7	-199.62%	-295.98%	95.23%

Table 21: Virtus Francavilla Income Statement

Pistoiese registered a rather linear trend during the period considered. Net profit remained stable mostly between 2019 and 2020, EBITDAs registered a physiological decline but remaining sustainable and in particular income from sponsors have had the most severe decrease regarding total revenues (-29%). In the balance sheet and looking at the ratio analysis this linear behavior is fully confirmed (**table 22**).

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	231,2	355,5	272,4	(Cash & Short Term Investments)	255,2	182,8	86,7
Tax assets Short Term	12,1	9,6	2,7	Bank and other bank assets Short Term	32,7	36,0	160,9
Inventories	0,0	0,0	0,0	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	19,6	99,4	114,5	NET FINANCIAL OBLIGATIONS Short Term	-222,5	-146,8	74,3
(Account Payables from suppliers)	213,4	185,9	125,5	(Investments Long Term)	0,0	0,0	0,0
(Account Payables to Tax Authorities Short Term)	176,5	274,1	203,1	Financial Debts versus Banks Long Term	35,8	67,4	26,3
(Other Account Payables and Short Term Liabilities)	26,0	186,0	234,1	(Financial Fixed Assets)	0,5	2,6	2,6
(Accrued expenses and deferred income Short Term)	65,4	79,2	46,8	Total provisions for risks and charges	0,0	0,0	0,0
NET WORKING CAPITAL	-218,4	-260,8	-219,9	Severance Indemnity Reserves	40,7	11,5	11,7
Account receivables from player transfers	156,0	156,5	264,2	NET FINANCIAL OBLIGATIONS Long Term	76,0	76,2	35,4
Account receivables from Group Entities	265,3	189,1	266,0				
(Loans/Acc. Pay to Group Entities)	150,3	119,4	81,2				
(Account Payables from player transfers)	0,0	9,0	9,0				
NET WORKING CAPITAL from football related activities	271,0	217,3	440,1	TOTAL NET FINANCIAL OBLIGATIONS	-146,5	-70,6	109,6
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	48,4	69,6	73,0	TOTAL EQUITY	308,9	300,3	295,2
Other Non-Current Assets	0,0	0,0	0,0				
Other Intangible Assets	126,1	298,5	346,5				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	0,0	0,0	0,0				
Intangible Assets - Homegrown Players Capitalization Costs	144,3	178,5	110,4				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	202,5	262,7	330,2				
(Other non current Account Payables and Short Term Liabilities)	6,5	10,7	15,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	109,7	273,2	184,6				
NET OPERATING ASSETS	162,4	229,7	404,8	EMPLOYED CAPITAL	162,4	229,7	404,8
CHECK	-	-	-				

Table 22: Pistoiese Balance Sheet

Also the ratio analysis confirms such average stability: ROE and ROIC moved only by 0,3% and 0,5%. Profit Margin and Asset Turnover remained almost the same as well.

The trends of Gubbio Calcio are similar to those of Pistoiese and Virtus Francavilla. Likewise to Virtus Francavilla, this club has been able to generate better results in 2020 rather than in 2018 and 2019. In this case the ratio analysis provides interesting contributions for the understanding of the financial situation of this football club (**table 23**).

Ratio Analysis			
GUBBIO CALCIO	2020	2019	2018
ROE (Net income/Equity)	-1,17	-4,37	-11,63
ROIC (EBIT/NOA)	0,54	-3,56	-1,963
Financial Leverage (3) (NOA/Equity)	0,354	0,602	4,3982
Financial Costs Ratio (EBT/EBIT)	-4,14	1,746	1,2613
Tax Ratio (Net Income/EBT)	1,488	1,163	1,0681
ROIC (EBIT/NOA)	0,54	-3,56	-1,963
Cost of Debt (Interest Expenses/Tot NFO)	-1,52	-4,01	0,6639
Financial Leverage (1) (Tot NFO/Equity)	-0,65	-0,4	3,3982
Tax Ratio (Net Income/EBT)	1,488	1,163	1,0681
Profit Margin (EBIT/Sales)	0,6%	-4,0%	-12,0%
Asset Turnover (Sales/NOA)	84,98	88,78	16,329
NFO	-48,2	-17,8	95,0
Financial Leverage (1) (Tot NFO/Equity)	-0,65	-0,4	3,3982
Financial Leverage (2) (Tot NFO/NOA)	-1,83	-0,66	0,7726
Financial Leverage (3) (NOA/Equity)	0,354	0,602	4,3982
NWC	-443,0	-399,7	-146,3
NWC from football related activity	117,7	241,7	184,4
REVENUES FROM PLAYER TRADING/Total Revenues	5,67%	3,60%	10,30%
COSTS FROM PLAYER TRADING/Total Costs	0,22%	0,19%	0,88%
EBITDA (net of player trading)/Net income	-2,7	-0,49	0,277
EBITDA (gross of player trading)/Net income	-1,21	-0,05	0,9228
Total Gate receipts/total revenues	4,8%	6,0%	7,3%
Total player benefit expense/total costs	28,6%	26,1%	27,4%
Matchday expenses/total costs	8,2%	7,7%	9,4%
(Players' rights + Homegrown players)/NFA	1,53	3,224	7,0227

Table 23: Ratio analysis for GubbioCalcio

ROE and ROIC have been rising during the Covid-19 Pandemic from a negative starting point in 2019. Notwithstanding these data, Covid has however impacted negatively on Gubbio Calcio financial statements, more precisely on the balance sheet. Furthermore NWC got worse reaching -443.000€ from -400.000€ in 2019, while, thanks to the increase in Cash and cash equivalents, total NFO touched -48.200€ in 2020.

Finally, Renate Calcio obtained positive results as well despite the pandemic (table 24):

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	38,7	45,4	74,7	-14,69%	-39,19%	-48,12%
Total Sponsors revenues	1067,1	1048,5	947,5	1,77%	10,66%	12,62%
Total TV rights	0,0	0,0	0,0	0,00%	0,00%	0,00%
Total Commercial	5,1	14,0	3,7	-63,24%	278,92%	39,28%
Federal Contributions	818,9	834,8	666,6	-1,90%	25,23%	22,85%
Other Revenues	321,9	377,0	323,6	-14,61%	16,51%	-0,52%
TOTAL REVENUES Gross of Players Transfers (A)	2251,9	2319,7	2016,1	-2,92%	15,06%	11,69%
Cost of Sales	153,6	173,9	103,0	-11,68%	68,83%	49,12%
Total Players Benefit Expenses	1100,7	1151,6	1013,4	-4,42%	13,64%	8,62%
Total Employees Benefit Expenses	323,6	325,2	289,6	-0,50%	12,29%	11,73%
Matchday Expenses	0,0	0,0	0,0	0,00%	0,00%	0,00%
Sponsorship and advertising expenses	0,0	0,0	0,0	0,00%	0,00%	0,00%
Property Expenses	48,5	61,2	60,1	-20,80%	1,94%	-19,27%
Other operating expenses	695,3	755,4	700,2	-7,96%	7,88%	-0,70%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2321,6	2467,3	2166,2	-5,90%	13,90%	7,18%
EBITDA Gross of Players transfers (A-B)	-69,8	-147,6	-150,1	-52,72%	-1,69%	-53,52%
Revenues from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Gains from Players' Transfers	344,3	254,5	205,7	35,31%	23,71%	67,40%
Other revenues from Player Trading	156,9	236,8	187,6	-33,74%	26,20%	-16,38%
REVENUES FROM PLAYER TRADING	501,2	491,3	393,3	2,03%	24,90%	27,43%
Costs from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Losses from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other Costs from Player Trading	58,3	68,5	10,0	-14,94%	585,00%	482,65%
TOTAL COSTS FROM PLAYER TRADING	58,3	68,5	10,0	-14,94%	585,00%	482,65%
NET INCOME/LOSS FROM PLAYER TRADING	443,0	422,8	383,3	4,78%	10,29%	15,56%
EBITDA net of Players transfer and Registration (A-B+C)	373,2	275,2	233,2	35,62%	18,00%	60,03%
Amortization and Depreciation (D)	282,9	228,7	189,9	23,68%	20,45%	48,97%
EBIT (A-B-C-D)	90,3	46,5	43,3	94,41%	7,27%	108,54%
Interest Expenses (E)	23,4	23,3	26,8	0,24%	-12,72%	-12,52%
EBT (A-B-C-D-E)	66,9	23,1	16,6	189,57%	39,58%	304,18%
Tax Income(Expenses) (F)	58,0	60,6	52,9	-4,24%	14,66%	9,80%
Net Profit (Loss) (A-B-C-D-E-F)	8,9	-37,5	-36,3	-123,60%	3,31%	-124,38%

Table 24: Renate Calcio Income Statement

Notwithstanding some positive trends the club reported about revenues between 2018 and 2019, in 2020 this club reported however a decrease in revenues mostly due to the gate receipts. On the other hand Renate's management worked efficiently in order to compensate the decreasing costs more proportionally than the decrease in revenues. Maintaining more or less stable the total players' transfers net of costs, the final result brought Renate Calcio to move from a net loss of 37.500€ in 2019 to a net profit of 8.900 in 2020.

In conclusion, this cluster encompasses some clubs that, in financial terms, could be placed on the average of the total clubs in Serie C championship during 2022. However economic and financial data evidence different performances for every single club of the cluster. Covid 19 has caused of number of consequences with a certain variability in their impact and course. Teramo Calcio suffered major damages caused by the pandemic, but, as already mentioned above, this club was in financial troubles already since 2018.

Fermana Calcio reported a decrease in performance too due to the pandemic but with more limited resonance than Teramo Calcio. Likewise to Teramo, this condition resulted from the inability of the management to reduce costs, also considering the physiological drop of revenues.

On the other hand, Gubbio, Renate and Virtus Francavilla reported better performances than 2019. Virtus Francavilla indeed was able to reach those results thanks to capital gains from players' transfer while Gubbio and Renate in reducing costs more proportionally to the decrease of revenues.

Finally Pistoiese, has been able to limit the financial consequences of the pandemic, obtaining results in line with the years before.

With these considerations in mind, one could conclude that probably the only team in the cluster requiring concrete financial intervention is Teramo. During the current year (2022) Teramo Calcio still have huge economic problems: at present Teramo's president, Davide Ciaccia is now looking for investors in order to find financial support and to solve this situation. Mr Ciaccia has also launched an appeal to the 'economic actors' of the territory of this city to join the project Teramo Calcio including that he will assure the subscription of Teramo to the next year championship. Considering the raw numbers, without new fundings, the president's project could be at a serious risk. (<https://www.emmelle.it/2022/04/24/video-ciaccia-garantisco-il-futuro-del-teramo-aspetto-spinelli-e-guidi-se-vuole-resta/>).

9 Cluster three: Small Clubs

This cluster includes those clubs characterized by few subscriptions revenues (on average less than 30.000€), no presences in Serie A and small-sized stadium. These clubs are also located in small cities in terms of population number.

The teams selected for this cluster are as follows:

- 1) Feralpisalò
- 2) Associazione Sportiva Giana Erminio
- 3) Olbia Calcio 1905 S.r.l.
- 4) Paganese Calcio 1926 S.r.l.
- 5) Fussball Club Südtirol

After a first data analysis, it has been possible to divide this cluster into two sub-groups. The former includes those clubs which have improved the quality of the financial performances (Feralpisalò and Fussball Club Südtirol) while the latter gathers those teams which showed greater difficulty in dealing with the Covid-19 pandemic (Giana Erminio, Olbia and Paganese).

In the sub-cluster 1, Sudtirol has performed better results and performances: this club has registered a substantial increase in revenues between 2019 and 2020 (tables 25, 26).

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	375,1	202,4	459,3	(Cash & Short Term Investments)	660,9	119,8	16,3
Tax assets Short Term	0,0	0,0	0,0	Bank and other bank assets Short Term	0,0	0,0	0,0
Inventories	0,0	0,0	0,0	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	5,4	6,1	8,9				
(Account Payables from suppliers)	0,0	0,0	0,0	NET FINANCIAL OBLIGATIONS Short Term	-660,9	-119,8	-16,9
(Account Payables to Tax Authorities Short Term)	0,0	0,0	0,0				
(Other Account Payables and Short Term Liabilities)	876,5	317,1	391,8	(Investments Long Term)	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	32,3	10,8	6,7	Financial Debts versus Banks Long Term	0,0	0,0	0,0
				(Financial Fixed Assets)	0,0	0,0	0,0
NET WORKING CAPITAL	-528,4	-119,4	69,7	Total provisions for risks and charges	185,9	22,3	51,7
				Severance Indemnity Reserves	13,9	9,2	18,1
Account receivables from player transfers	201,0	100,5	34,9				
Account receivables from Group Entities	121,0	119,9	213,3	NET FINANCIAL OBLIGATIONS Long Term	199,8	31,5	69,8
(Loans/Acc. Pay to Group Entities)	0,0	7,5	15,6				
(Account Payables from player transfers)	46,1	22,7	14,0				
NET WORKING CAPITAL from football related activities	275,9	190,1	218,5	TOTAL NET FINANCIAL OBLIGATIONS	-461,1	-88,3	52,9
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	145,5	176,7	197,2				
Other Non-Current Assets	0,0	0,0	0,0	TOTAL EQUITY	414,8	356,8	438,6
Other Intangible Assets	0,0	3,1	6,1				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	10,7	18,0	0,0				
Intangible Assets - Homegrown Players Capitalization Costs	0,0	0,0	0,0				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	50,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	0,0	0,0	0,0				
(Other non current Account Payables and Short Term Liabilities)	0,0	0,0	0,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	206,2	197,8	203,3				
NET OPERATING ASSETS	-46,3	268,5	491,5	EMPLOYED CAPITAL	-46,3	268,5	491,5
CHECK	-	-	-				

Table 25: Fussball Club Südtirol Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	123.8	116.0	173.6	6.70%	-33.15%	-28.68%
Total Sponsors revenues	2020.0	2072.8	1930.9	-2.55%	7.35%	4.61%
Total TV rights	0.0	8.7	14.3	-100.00%	-39.45%	-100.00%
Total Commercial	12.1	12.5	11.4	-3.07%	9.95%	6.57%
Federal Contributions	746.5	585.5	440.0	27.50%	33.06%	69.65%
Other Revenues	210.2	94.4	84.9	122.68%	11.21%	147.64%
TOTAL REVENUES Gross of Players Transfers (A)	3112.6	2889.9	2655.1	7.71%	8.84%	17.23%
Cost of Sales	169.9	219.3	349.6	-22.50%	-37.29%	-51.40%
Total Players Benefit Expenses	1552.4	1290.5	1024.3	4.80%	25.93%	32.03%
Total Employees Benefit Expenses	808.1	789.5	678.0	2.35%	16.78%	19.53%
Matchday Expenses	267.3	151.2	130.3	76.79%	16.01%	105.10%
Sponsorship and advertising expenses	20.8	19.1	17.5	8.77%	8.77%	18.32%
Property Expenses	63.6	38.6	117.7	64.74%	-67.20%	-45.96%
Other operating expenses	830.3	877.9	752.8	-5.42%	-16.61%	-10.29%
TOTAL OPERATING COSTS Gross of players Transfers (B)	3512.3	3386.0	3068.3	3.73%	10.95%	14.47%
EBITDA Gross of Players transfers (A-B)	-399.7	-496.1	-413.3	-19.43%	20.04%	-3.28%
Revenues from players loans	111.8	118.8	48.0	-5.89%	147.40%	132.81%
Capital Gains from Players' Transfers	968.0	87.0	162.5	1012.64%	-46.46%	495.69%
Other revenues from Player Trading	389.8	406.2	212.8	-4.04%	90.90%	83.20%
REVENUES FROM PLAYER TRADING	1469.6	612.0	423.3	140.13%	44.58%	247.18%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	1.0	0.0	-100.00%	0.00%	0.00%
Other Costs from Player Trading	218.1	107.3	95.4	103.33%	12.46%	128.67%
TOTAL COSTS FROM PLAYER TRADING	218.1	108.3	95.4	101.45%	13.51%	128.67%
NET INCOME/LOSS FROM PLAYER TRADING	1251.5	503.7	327.9	148.45%	53.61%	281.65%
EBITDA net of Players transfer and Registration (A-B+C)	851.8	7.6	-85.4	11086.76%	-108.92%	-1097.88%
Amortization and Depreciation (D)	556.9	67.3	33.4	727.80%	101.33%	1566.59%
EBIT (A-B-C-D)	294.9	-59.7	-118.8	-594.20%	-49.77%	-348.25%
Interest Expenses (E)	1.0	1.8	1.9	-48.46%	-4.79%	-50.93%
EBT (A-B-C-D-E)	293.9	-61.5	-120.7	-577.80%	-49.04%	-343.46%
Tax Income/(Expenses) (F)	288.3	72.8	45.7	296.10%	59.19%	530.54%
Net Profit (Loss) (A-B-C-D-E-F)	5.6	-134.3	-166.4	-104.20%	-19.31%	-103.39%

Table 26: Fussball Club Südtirol Income Statement

This positive trend was also boosted by a huge increase in revenues from player trading (+140% between 2020 and 2019) and through a substantial stability of costs. It is worth noticing on the other hand that Short Term Liabilities noticeably increased in 2020 (moving from 317.100€ to 876.500€ in 2020). Also total Net Financial Position long term registered a huge increase between 2019 and 2020 (from 31.500€ in 2019 to 199.800€ in 2020).

Feralpisalò has been able to obtain better results in 2020 than in 2019 as evidenced in the income statement (**table 27**):

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	78.6	162.3	128.9	-51.56%	25.92%	-39.00%
Total Sponsors revenues	5165.0	4763.7	3797.5	8.42%	25.44%	36.01%
Total TV rights	0.0	0.0	0.0	0.00%	0.00%	0.00%
Total Commercial	436.1	385.6	321.9	13.11%	19.76%	35.46%
Federal Contributions	537.8	525.3	515.8	2.39%	1.83%	4.27%
Other Revenues	38.7	56.4	377.1	-31.43%	-85.04%	-89.75%
TOTAL REVENUES Gross of Players Transfers (A)	6256.2	5893.3	5141.3	6.16%	14.63%	21.69%
Cost of Sales	1661.3	1729.7	1469.2	-3.95%	17.72%	13.07%
Total Players Benefit Expenses	2389.0	2397.1	2035.3	-0.34%	17.78%	17.38%
Total Employees Benefit Expenses	1545.0	1379.1	1344.3	12.03%	2.53%	14.93%
Matchday Expenses	35.0	61.1	44.9	-42.75%	36.14%	-22.06%
Sponsorship and advertising expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	429.7	430.9	382.8	-0.28%	12.56%	12.25%
Other operating expenses	144.9	89.7	220.0	61.53%	-59.21%	-34.12%
TOTAL OPERATING COSTS Gross of players Transfers (B)	6204.9	6087.5	5496.5	1.93%	10.75%	12.89%
EBITDA Gross of Players transfers (A-B)	51.4	-194.2	-355.2	-126.45%	-45.32%	-114.46%
Revenues from players loans	22.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	20.0	90.0	190.0	-77.78%	-52.63%	-69.47%
Other revenues from Player Trading	64.6	178.2	38.9	-63.72%	358.40%	66.23%
REVENUES FROM PLAYER TRADING	106.6	268.2	228.9	-60.24%	17.18%	-53.41%
Costs from players loans	10.4	15.7	33.0	-33.76%	-52.42%	-68.48%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	14.6	9.2	13.4	78.65%	-39.18%	8.66%
TOTAL COSTS FROM PLAYER TRADING	25.0	23.9	46.4	4.65%	-48.60%	-46.21%
NET INCOME/LOSS FROM PLAYER TRADING	81.7	244.3	182.5	-66.57%	33.91%	-55.24%
EBITDA net of Players transfer and Registration (A-B+I-C)	133.0	50.2	-172.7	165.21%	-129.05%	-177.04%
Amortization and Depreciation (D)	320.2	352.2	408.7	-9.09%	-13.83%	-21.66%
EBIT (A-B-C-D)	-187.1	-302.0	-581.3	-38.04%	-48.05%	-67.81%
Interest Expenses (E)	18.6	20.5	20.1	-9.16%	1.53%	-7.77%
EBT (A-B-C-D-E)	-205.7	-322.4	-601.5	-36.21%	-46.39%	-65.80%
Tax Income/(Expenses) (F)	147.7	146.8	118.8	0.60%	23.53%	24.27%
Net Profit (Loss) (A-B-C-D-E-F)	-353.4	-469.2	-720.3	-24.69%	-34.86%	-50.94%

Table 27: Feralpisalò Income Statement

Income from gate receipts halved in just one year due to Covid-19 but, thanks to the high dependency degree from sponsors and its stabilization in 2020, the effect of Covid pandemic has been more or less restrained. Even if, capital gains from players' transfer has decreased deeply and costs on the other hand rose, Feralpisalò EBITDA net of players transfer and Net income increased.

The sub-cluster 2, composed of Giana Erminio, Olbia and Paganese, on the contrary is connoted by the diffused presence of negative results and data in the time period considered with the worst financial results between 2018 and 2020, when compared to the other sub-cluster teams, which has been achieved by Olbia Calcio (**table 28**).

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	60.9	101.1	134.1	-39.78%	-24.65%	-54.62%
Total Sponsors revenues	814.4	1054.1	792.0	-22.74%	33.09%	2.83%
Total TV rights	8.2	8.8	15.1	-6.94%	-41.67%	-45.72%
Total Commercial	65.5	112.9	52.0	-42.05%	117.17%	25.85%
Federal Contributions	1490.7	1645.5	930.5	-9.41%	76.84%	60.20%
Other Revenues	99.2	480.5	535.3	-79.36%	-10.23%	-81.47%
TOTAL REVENUES Gross of Players Transfers (A)	2538.8	3402.9	2459.0	-25.39%	38.38%	3.24%
Cost of Sales	102.0	170.4	176.4	-40.15%	-3.39%	-42.18%
Total Players Benefit Expenses	1085.5	1256.5	1265.0	-13.61%	-0.67%	-14.19%
Total Employees Benefit Expenses	605.6	797.3	835.0	-24.04%	-4.51%	-27.47%
Matchday Expenses	742.9	868.3	784.9	-14.44%	10.62%	-5.35%
Sponsorship and advertising expenses	85.6	93.8	94.3	-8.71%	-0.52%	-9.18%
Property Expenses	67.8	52.0	5.5	30.38%	839.21%	1124.54%
Other operating expenses	135.7	-56.4	78.6	-340.61%	-171.75%	72.84%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2825.1	3182.0	3239.7	-11.21%	-1.78%	-12.79%
EBITDA Gross of Players transfers (A-B)	-286.4	221.0	-780.6	-229.59%	-128.31%	-63.32%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	3.1	0.0	1090.9	0.00%	-100.00%	-99.72%
Other revenues from Player Trading	407.7	257.8	257.8	58.11%	0.00%	58.11%
REVENUES FROM PLAYER TRADING	410.8	257.8	1348.7	59.32%	-80.88%	-69.54%
Costs from players loans	0.0	150.0	150.0	-100.00%	0.00%	-100.00%
Capital Losses from Players' Transfers	0.0	74.6	0.0	-100.00%	0.00%	0.00%
Other Costs from Player Trading	15.3	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	15.3	224.6	150.0	-93.19%	49.71%	-89.80%
NET INCOME/LOSS FROM PLAYER TRADING	395.5	33.3	1198.7	1088.75%	-97.22%	-67.01%
EBITDA net of Players transfer and Registration (A-B+C)	109.1	254.2	418.1	-57.08%	-39.19%	-73.90%
Amortization and Depreciation (D)	307.3	327.8	228.9	-6.23%	43.20%	34.27%
EBIT (A-B-C-D)	-198.2	-73.5	189.2	169.60%	-138.86%	-204.76%
Interest Expenses (E)	22.0	25.6	15.1	-13.99%	69.92%	46.15%
EBT (A-B-C-D-E)	-220.2	-99.1	174.1	122.21%	-156.91%	-226.45%
Tax Income/(Expenses) (F)	60.4	-5.6	172.9	-1180.93%	-103.23%	-65.08%
Net Profit (Loss) (A-B-C-D-E-F)	-280.6	-93.5	1.2	200.05%	-7593.27%	-22583.33%

Table 28: Olbia Calcio Income Statement

The income statement highlights that EBITDA net of players transfer between 2018 and 2020 decreased for 74% mostly due to the huge reduction on Income from player trading net of costs (-67%). The effect of Covid 19 pandemic is mainly focused in the reduction of revenues (lead by the decreasing between 2019 and 2020 in Income from gate receipts, sponsors and commercials) as well as in the abatement of costs which however are not able to compensate the reduction of revenues. In the balance sheet, NWC remained negative for the whole period but between 2019 and 2020 a huge reduction of Short Term Liabilities (moving from 1.500.000€ in 2019 to 541.000€ in 2020) can be reported.

Negative results between 2018 and 2020 were suffered by Paganese Calcio, but unlike Olbia Calcio, this club was not able to cut its short term liabilities (table 29).

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	505,8	263,9	434,2	(Cash & Short Term Investments)	57,0	80,6	12,9
Tax assets Short Term	18,2	22,7	11,3	Bank and other bank assets Short Term	0,0	0,0	0,0
Inventories	0,0	0,0	61,9	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	25,4	101,0	268,0				
(Account Payables from suppliers)	59,3	25,3	65,9	NET FINANCIAL OBLIGATIONS Short Term	-57,0	-80,6	-12,9
(Account Payables to Tax Authorities Short Term)	647,8	513,2	377,7				
(Other Account Payables and Short Term Liabilities)	626,1	381,7	525,8	(Investments Long Term)	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	0,0	0,0	288,0	Financial Debts versus Banks Long Term	0,0	0,0	0,0
				(Financial Fixed Assets)	0,0	0,0	0,0
NET WORKING CAPITAL	-783,8	-532,8	-482,1	Total provisions for risks and charges	0,0	0,0	0,0
				Severance Indemnity Reserves	15,4	13,8	11,8
Account receivables from player transfers	0,0	63,0	279,3				
Account receivables from Group Entities	594,0	208,8	189,5	NET FINANCIAL OBLIGATIONS Long Term	15,4	13,8	11,8
(Loans/Acc. Pay to Group Entities)	21,4	5,5	6,6				
(Account Payables from player transfers)	0,9	20,7	46,8				
NET WORKING CAPITAL from football related activities	571,7	245,6	385,3	TOTAL NET FINANCIAL OBLIGATIONS	-41,5	-66,8	-1,1
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	0,4	0,7	1,2				
Other Non-Current Assets	9,4	9,4	9,4	TOTAL EQUITY	32,5	69,7	54,4
Other Intangible Assets	622,2	750,0	880,5				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	0,2	100,0	3,8				
Intangible Assets - Homegrown Players Capitalization Costs	336,9	421,2	374,5				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0,0	0,0	0,0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	0,0	0,0	0,0				
(Other non current Account Payables and Short Term Liabilities)	766,1	931,2	118,4				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	203,1	290,1	150,0				
NET OPERATING ASSETS	-9,0	2,9	53,3	EMPLOYED CAPITAL	-9,0	2,9	53,3
CHECK	-	-	-				

Table 29: Paganese Calcio Balance Sheet

Even if NWC from football related activities performed better results (from 385.300€ in 2018 versus 571.700€ in 2020), Short Term Liabilities have registered a terrific increase in 2020, moving from 919.000€ in 2019 to 1.333.200 in 2020. It is important to evidence these data because they contribute in understanding that how risky and dangerous short term liabilities can be during the Covid-19 pandemic: they probably could have in the next future a disruptive effect in Serie C clubs financial statements.

A huge increase in this item between 2019 and 2020 could act as a sort “alarm bell” or “red alert” for a football club possibilities to maintain its financial stability. Moreover Paganese deeply suffered the impact of Covid-19 in the first half of 2020 mostly after the decrease in both of Sponsors and Federal Contributions.

Paganese Calcio has been selected in this review as a case to be put under the “magnifying glass” because it may provides some useful indications about the potential possibilities and capabilities of the club to positively deal with such issues. Maybe it is not useless to remind that in 2021, as a clear symptom of this situation, Paganese has been subscribed in Serie C very shortly before the beginning of the season.

Co.Vi.Soc. has highlighted a series of problems regarding the payment of players' contributions and the generally weak economic condition of this club, which could have prevented this club to fully met the requirements set by the federation as described at the beginning of this chapter). (<http://www.primativvu.it/serie-c-esclusioni-ripescaggi-riammissioni-27-luglio-2021/>) (table 30).

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	139.3	71.8	16.9	34.05%	-38.62%	19.12%
Total Sponsors revenues	583.5	632.6	696.3	-15.75%	16.34%	-1.99%
Total TV rights	0.0	0.0	0.0	0.00%	0.00%	0.00%
Total Commercial	0.6	0.7	0.5	-20.40%	48.41%	18.13%
Federal Contributions	977.0	1261.8	781.4	-22.57%	61.47%	25.03%
Other Revenues	0.0	268.0	308.0	-100.00%	-12.99%	-100.00%
TOTAL REVENUES Gross of Players Transfers (A)	1700.4	2294.9	1802.2	-25.91%	27.34%	-5.65%
Cost of Sales	284.7	439.9	217.5	-35.27%	102.25%	30.92%
Total Players Benefit Expenses	562.6	716.8	716.4	-21.40%	0.05%	-21.36%
Total Employees Benefit Expenses	212.4	279.5	236.2	-24.00%	18.29%	-10.09%
Matchday Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Sponsorship and advertising expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other operating expenses	763.7	855.0	632.7	-10.68%	35.15%	20.72%
TOTAL OPERATING COSTS Gross of players Transfers (B)	1823.5	2290.1	1801.8	-20.38%	27.10%	1.20%
EBITDA Gross of Players transfers (A-B)	-123.1	4.8	0.3	-2648.60%	1283.67%	-35364.18%
Revenues from players loans	10.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	5.0	0.0	0.0	0.00%	0.00%	0.00%
Other revenues from Player Trading	310.5	341.5	279.3	-9.09%	22.27%	11.15%
REVENUES FROM PLAYER TRADING	325.5	341.5	279.3	-4.70%	22.27%	16.53%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	0.0	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	0.0	0.0	0.0	0.00%	0.00%	0.00%
NET INCOME/LOSS FROM PLAYER TRADING	325.5	341.5	279.3	-4.70%	22.27%	16.53%
EBITDA net of Players transfer and Registration (A-B+C)	202.4	346.3	279.6	-41.56%	23.84%	-27.63%
Amortization and Depreciation (D)	206.8	289.0	257.2	-28.44%	12.38%	-19.59%
EBIT (A-B-C-D)	-4.5	57.3	22.4	-107.78%	155.34%	-119.87%
Interest Expenses (E)	5.1	11.2	4.4	-54.25%	157.03%	17.60%
EBT (A-B-C-D-E)	-9.6	46.1	18.1	-120.82%	154.93%	-153.07%
Tax Income/Expenses (F)	28.5	30.7	48.4	-7.43%	-36.49%	-41.21%
Net Profit (Loss) (A-B-C-D-E-F)	-38.1	15.3	-30.3	-348.53%	-150.45%	25.39%

Table 30: Paganese Calcio Income Statement

Even Giana Erminio reported downward trend in the period 2018-2020. These negative situation is evidenced also by examining some ratios as ROE that started with a incredibly negative 14,6 reaching -23,45 in 2020. These rather dramatic data are confirmed also from the variation of EBITDA in 3 years -26% between 2018 and 2020 but also the Net Loss that reached more than 1 million with an increase of 19% in 2018 (-859.000€). Covid 19 pandemic effect could be also “diagnosed “ looking at the negative variations between 2019 and 2020 of income from stadium and commercials (-46% and -27%

respectively). In the balance sheet this negative trend is confirmed with a worsening of NWC in the timeframe considered (table31).

DATA REPORTED IN (000)	2020	2019	2018	Delta 20/19	Delta 19/18	Delta 20/18
Total Gate Receipts	64.4	119.6	116.6	-46.16%	2.59%	-44.77%
Total Sponsors revenues	126.6	147.2	152.4	-14.00%	-3.43%	-16.95%
Total TV rights	0.0	8.7	13.5	-100.00%	-35.86%	-100.00%
Total Commercial	22.6	31.0	23.5	-27.20%	31.70%	-4.12%
Federal Contributions	811.7	560.1	396.1	44.93%	41.39%	104.93%
Other Revenues	244.1	217.4	167.8	12.32%	29.56%	45.51%
TOTAL REVENUES Gross of Players Transfers (A)	1269.4	1083.9	869.9	17.12%	24.59%	45.92%
Cost of Sales	75.7	89.1	92.7	-15.07%	-3.87%	-18.36%
Total Players Benefit Expenses	691.3	768.2	710.9	-10.01%	8.06%	-2.76%
Total Employees Benefit Expenses	382.1	370.5	239.2	3.15%	54.91%	59.79%
Matchday Expenses	186.2	198.5	164.7	-6.20%	20.48%	13.01%
Sponsorship and advertising expenses	92.4	66.1	66.4	39.83%	-0.49%	39.15%
Property Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other operating expenses	109.8	21.2	101.8	418.98%	-79.23%	7.79%
TOTAL OPERATING COSTS Gross of players Transfers (B)	1812.1	1784.9	1611.0	1.52%	10.80%	12.48%
EBITDA Gross of Players transfers (A-B)	-542.7	-701.1	-741.1	-22.59%	-5.40%	-26.77%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	5.0	0.0	150.0	0.00%	-100.00%	-96.66%
Other revenues from Player Trading	0.0	0.0	0.0	0.00%	0.00%	0.00%
REVENUES FROM PLAYER TRADING	5.0	0.0	150.0	0.00%	-100.00%	-96.66%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	0.0	10.9	0.0	-100.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	0.0	10.9	0.0	-100.00%	0.00%	0.00%
NET INCOME/LOSS FROM PLAYER TRADING	5.0	-10.9	150.0	-145.92%	-107.27%	-96.66%
EBITDA net of Players transfer and Registration (A-B+C)	-537.7	-712.0	-591.1	-24.48%	20.45%	-9.03%
Amortization and Depreciation (D)	274.7	260.5	235.2	5.42%	10.76%	16.76%
EBIT (A-B-C-D)	-812.3	-972.5	-826.3	-16.47%	17.69%	-1.69%
Interest Expenses (E)	0.0	0.1	0.0	-61.73%	0.00%	0.00%
EBT (A-B-C-D-E)	-812.4	-972.6	-826.3	-16.47%	17.70%	-1.69%
Tax Income(Expenses) (F)	208.7	6.4	32.7	3146.30%	-80.36%	537.61%
Net Profit (Loss) (A-B-C-D-E-F)	-1021.0	-979.0	-859.0	4.29%	13.97%	18.86%

Table 31: Giana Erminio Income Statement

In conclusion, a review of data and information about this cluster may evidence many similarities with the dynamics which characterize also the other two clusters. Nonetheless some peculiar specific differences could be identified.

Of course, in every cluster each club has dealt quite differently from each other to the Covid-19 effects, as reported in each financial statements, thanks to the action of a number of management and financial variables as well as different economic past history. Even if the most common effect of Covid 19 has been mostly embodied by a remarkable cuts in revenues (non matches, no revenues), some clubs have shown better management capabilities in dealing with the peculiar issues generated by the situation (such as Sudtiroi): the increase of short term debt could however modify the scenario very rapidly. Other

clubs suffered a deeper impact from Covid-19 due to the implications the pandemic provoked in economic, financial and social terms.

The common feature in this cluster surely is represented by the general financial instability during the timeframe considered as well as the diffused weakness of these clubs to deal with the short-medium (not to say long) term implications of the pandemic with their own resources and strength. Considering also that this weakness finds its foundation in a time period placed well before the Covid-19 crisis, probably without a support from the “above” of any kind these clubs will face some very difficult seasons in the near future.

10. Discussion and concluding comments

The research presented in this paper was aimed to the understanding of the action of an unpredictable and unexpected event of a very peculiar nature such as the Covid 19 pandemic on a particular business sector: the Italian Serie C League, one of the lowest level in the professional football league system.

The sudden breakout of the pandemic due to the COVID-19 impacted almost everything around the football world, posing severe and concrete both financial and reputational threats. The football world was already facing economic disturbances during 2019, but the sudden breakout converted the economic disturbances into an economic disaster above all for small clubs.

While those at the top of the football chain may be able to ride out the financial effects of the coronavirus pandemic, clubs and players down the Italian Professional Football Leagues and below are preparing for seismic changes to both the sport and the livelihoods of those who rely on it.

The limited dimension of the target groups and the procedures adopted in this survey as well as the limited reference timeframe in this study, surely do not allow rigorous

conclusions to be extended and generalized to a wider scenario. These considerations require further investigations and validations according to more rigorous procedures. This survey however offered the occasion to think about the modalities through which these peculiar business entities have somewhat managed (being more or less prepared for) such a long-term disturbance. The peculiarity of such enterprises is essentially focused on the fact that the crisis and the risk of collapse of these clubs may involve significant implications upon the economic and social life of many towns and small cities in Italy being these teams deeply linked to local communities and economies.

The financial performance of football clubs thus becomes an essential element to ensure the solvency and viability of the club over time. It may become also the main concern that affects any club, where the importance of control will surely increase in the new post-COVID scenario, which will cause major financial performance problems for clubs after large drops in economic results.

An extremely difficult financial situation is likely to be a common trait among the clubs encompassed in the clusters considered in the present survey after suffering declines in their financial performance, declaring losses due to poor performance.

The present analysis is therefore directed to turn a spotlight in particular on a sector that very rarely rises to the fore of the media and, the public perception about these issues is therefore rather poor because the attention has turned straight to the Serie A and Serie B championships. For these Leagues, billions of euros in TV income have been surely at stake during the most acute moments of the pandemic (and they will be at risk again in case of eventual new acute health emergencies may emerge in the foreseeable future). Nonetheless they can survive with behind-closed-doors matches beamed worldwide while lower league clubs need the physical presence of their supporters.

No matches, no revenues: it evidences how the Italian Serie C football teams highly rely on matchday revenues. Football stadiums without fans could be a potential

fixture for the foreseeable future, due to the coronavirus mutations. That could be a further headache for smaller Italian clubs, who mainly rely on ticket sales for revenue. While those at the top of the football chain may be able to ride out the storm, the financial effects of the pandemic are thus starker for those below the Serie A.

As evidenced by the data shown in this study, weaker revenues have severe impact both on bigger and smaller Serie C teams considered in the sample. So far, so obvious because this interrelation can be intuitively inferred. Yet the analysis of the financial data carried out in this study not only confirms such statements but also it highlights how, for a large number of the clubs involved in the survey, severe financial troubles before 2019 suddenly turned into the worst financial crisis they have faced.

Football can't survive for too long without supporters, with no fans on the terraces and this is a critical problem for these small clubs also considering that, among the effects of a long pandemic, also the tendency of the public to go to the stadium could have changed, as happened in other sectors connected to the show business.

Moreover this study has demonstrated the impact also of income from Federations for each team considered. **Figure 4** depicts how much Serie C clubs rely on these kind on Revenues. As it could be seen data regarding this particular income statement's item varies between 10% and 60% of total revenues. This means that clubs that rely more on it have less sources of revenues than others and this could have a peculiar effect. On one hand it means that with Covid-19 closings teams particularly dependent on income from federations could survive mainly with a continuity of these supports. On the other hand clubs that do not have high percentages of this income on total revenues could suffer even more from Covid-19 pandemic effects due to the dependence from the other revenues' items (for example: sponsors, matchday subscriptions, etc.).

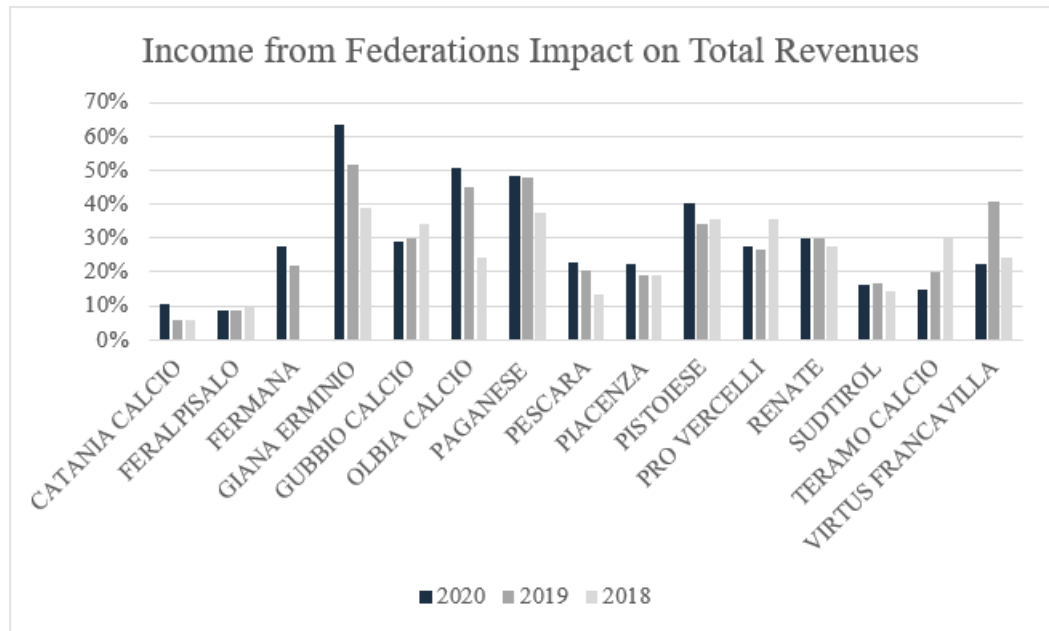


Figure 4

The severe financial distress resulting from the analysis of these data stimulates further considerations. With so many debts and so little revenues there is not really a queue of people willing to buy football clubs or invest massively in such business for an eventual financial recovery. Similarly, capital markets, banks, are unlikely be very motivated to lend money to football clubs of these sizes.

In addition, sports competitiveness can be seriously affected by the losses suffered by the club, which could make it impossible to attract talent in players, as well as make it difficult to plan new investments in infrastructures.

As mentioned above, the aim of the present study is essentially to turn a spotlight, but it absolutely shone the light on the fragility of football's finances of the Italian Serie C clubs also considering all the economic/financial issues in the lower leagues have only been magnified by the coronavirus outbreak.

This structural fragility can be evidenced by the data regarding the financial sustainability of Serie C clubs through some considerations related to an analysis of the

EBIT/Total Revenues ratio (also called Operating Margin). This approach involves an evaluation of the sustainability considering only the "upper part" of the Income Statement, not including the payment of interest and taxes. The analysis has been implemented following the arrangement made so far into three clusters. EBIT/Revenues or operating margin is an important measure of a company's overall profitability from operations being the ratio of operating profits to the revenue of a company or business segment. Expressed as a percentage, the operating margin shows the amount of revenue from operations created by each euro of sales after accounting for the direct costs involved in earning those revenue. If these percentages are very low or even negative, the operational activity is unable to be efficient in production: therefore it tends to decrease the economic sustainability of the company, especially if it is perpetrated over time (**table 32**).

CLUSTER 1	2020	2019	2018
Catania Calcio	-229,80%	-92,98%	-77,00%
Delfino Pescara	20,67%	-4,33%	21,19%
Piacenza	-7,53%	-28,59%	-8,22%
Pro Vercelli	-12,41%	-58,49%	1,89%
CLUSTER 2	2020	2019	2018
Gubbio Calcio	0,60%	-3,86%	-10,78%
Fermana Calcio	-1,12%	8,88%	0,74%
Renate Calcio	3,28%	1,65%	1,80%
Pistoiese	2,96%	2,85%	2,37%
Teramo Calcio	-130,60%	-42,59%	-9,69%
Virtus Francavilla	21,47%	-14,50%	13,95%
CLUSTER 3	2020	2019	2018
Feralpisalò	-2,94%	-4,90%	-10,83%
Giana Erminio	-63,75%	-89,73%	-81,02%
Olbia Calcio	-6,72%	-2,01%	4,97%
Paganese	-0,13%	1,25%	0,62%
Suedtirolo Calcio	6,43%	-1,70%	-3,86%

Table 32: Operating Margin Analysis

As can be observed in the table concerning the analysis of the operating margin, these results confirm a widespread instability in terms of economic sustainability. In

cluster 1 (Historical Top Clubs) 4 out of 5 teams reveal negative operating margins for at least two years (3 out of 5 when considering a time period of three years). Pescara is the only club having a slightly more positive situation than the others. As already mentioned, Pescara is a peculiar case because this team played in Serie B in the three years considered being relegated to Serie C in the 2021/2022 championship. Pescara is likely to show better management performances in 2020 thanks to the relevant impact of capital gains from players' trading, which is rather uncommon in the sample considered. Finally, the negative 229.80% value for Catania Calcio could be useful in order to anticipate what will then happen: the bankruptcy of the club

Cluster 2, on the other hand, as reported in the individual balance sheet analysis, is likely to show more stable data with the exception of Teramo Calcio which, as already cited, has recently suffered problems in registering for the championship. However, the sustainability “issue” still remains open. Apart from Virtus Francavilla which, also in this case thanks to a positive management of capital gains from players' trading, no club in the cluster seem to be sound enough to cope with future closures or Covid waves (Operating Margin < 5%).

Cluster 3 reveal trends and results comparable to Cluster 1.

Furthermore, this negative trend could also be amplified by a forecast regarding revenue components. The vulnerability in revenues to potential further new waves of Covid 19 pandemic or new closures and lockdowns highly depends on two critical items: stadium revenues (tickets and season tickets) and revenues from sponsorship. In this uncertain scenario, sponsors may be not incline to sign new contracts of greater or equal volume compared to those before the pandemic. Considering also a general reduction in the numbers of spectators on the stands, the risk of a limited visibility may push sponsors to find different investments strategies.

The impacts of these two items on total revenues divided by cluster are shown in **Figures 5, 6, 7.**

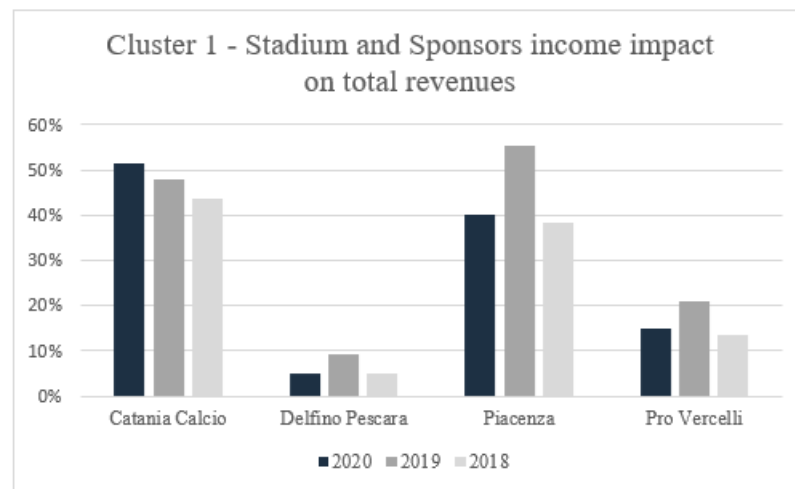


Figure 5

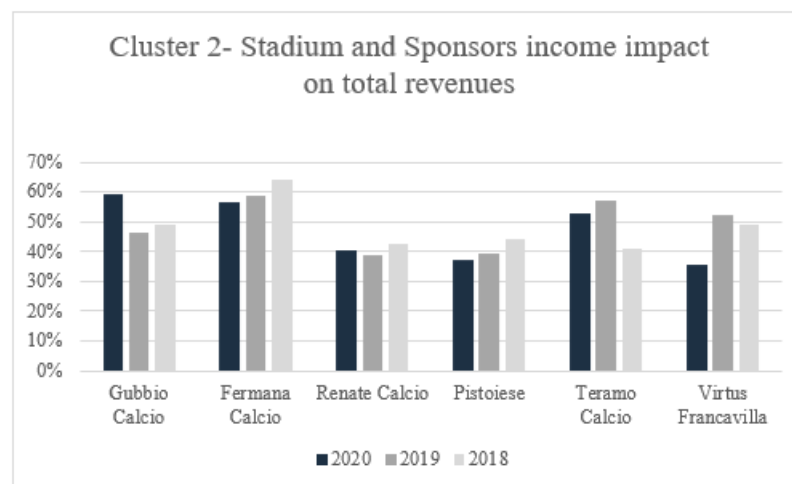


Figure 6

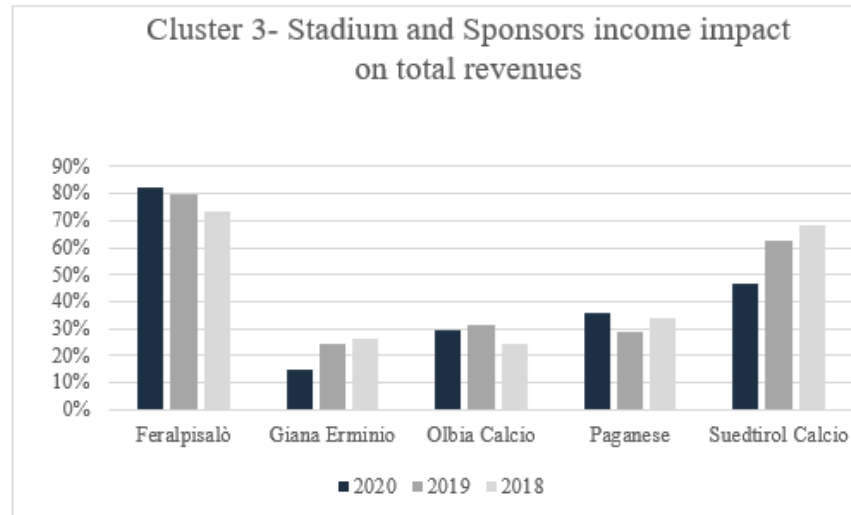


Figure 7

The percentages shown in this table, point out a fluctuation from a minimum of 14.84% to a maximum of 82.41% (excluding Pescara due to its capital gains). This implies that these clubs receive a major part of the revenues deriving from these two items. On the other hand, more emphasis on these items implies that the corresponding risk of worsening economic sustainability may grow. It means that, being the capital gains frequently not so significant, in the future the survival of these teams could depend even more on the revenues deriving from the F.I.G.C. or government subsidies. If these trends are confirmed, this dependence could even further increase in the near future. The effects of this form of subsidies may be controversial (Public funding vs entrepreneurial responsibility) with the risk of not promoting improvements in corporate financial performance, of stimulating a rent-seeking behavior of clubs and moral hazards. The subsidy issue looks like a real “minefield” and cannot be discussed here. Nonetheless, the problem of maintaining financial viability above all for teams located in weak-drawing markets remains a major one for football professional leagues. As evidenced from the table above, many clubs clearly operate on the border between viability and non-viability and their survival may depend on explicit or implicit public subsidies: beyond the financial implications, the risk

of a diffused collapse of these clubs with a domino effect would not be without significant social costs.

In conclusion, since revenues will tend to decrease in case of new closures, also costs will follow the same trend. This correlation may explain just a fraction of this phenomenon but it will contribute to limit the damage in terms of sustainability.

Another critical topic is related to the impact of players' salaries on total costs (figure 8):

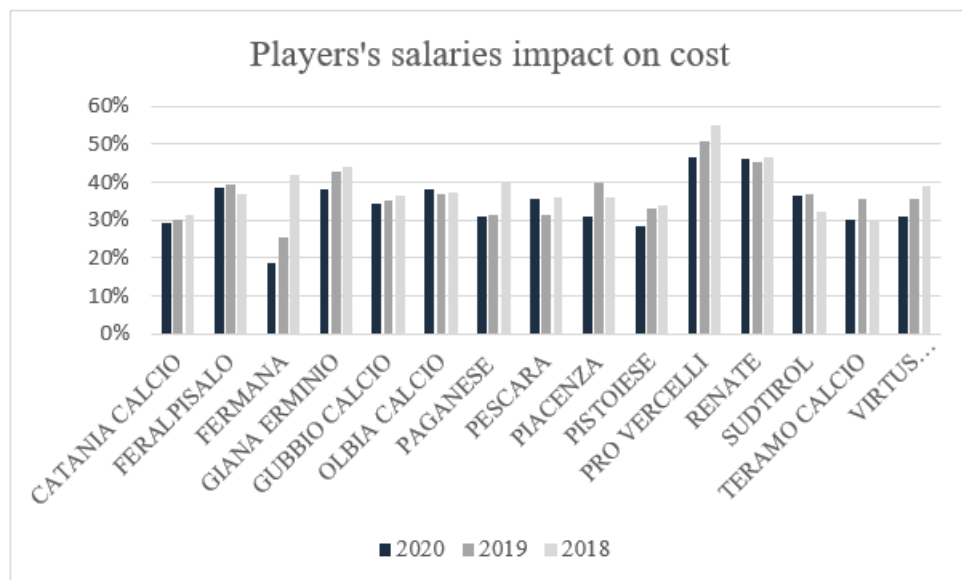


Figure 8

This table provides a general overview of the costs for the wages of the players which represent on average about 30% of the total costs. Establishing the more or less appropriateness of this value is a rather difficult and complex task but the sport competitiveness of a football team highly depends on this kind of investments. But if revenues decrease, salaries should decrease as well. This means that if all the teams were equally impacted by the Covid 19 pandemic, one could think that salaries would decrease accordingly without influencing the competitiveness of the championship. This is a static

theory. But in the real dynamic world, the actual factor that "makes the difference" is the different financial/economic situation in which each team faced the pandemic at its beginning in 2020. Therefore the different starting financial conditions highly contributed in determining those different management performances. An eventual polarization in this field together with future increase pushes in "monopolistic" pressures (from a sporting point of view), will accentuate those differences in the squad compositions were already in action well before the pandemic.

Finding a correlation between one club's history/size/non economic factors and financial performances could be a rather misleading task because of the action an extremely wide range of variables and factors. Yet one could state that big clubs (and in this case also considering historical top clubs) could suffer not only for their bigger and heavier financial structure and needs but also due to their "trademark" and fame. On the other hand small teams in Cluster 3 have a limited capability to be self-sufficient being linked to a more restricted scenario, less resources and weaker financial structure. Clubs in Cluster 2, except for Teramo Calcio, are likely to show more stable trends showing also better capabilities in managing their short term operating structure, but always considering a structural risk of future financial instability due to Covid-19 Pandemic effects.

Looking at these tables and sheets, one concluding question may arise: why are things so bad and how did it get to this stage? A first possible reply could be that it has been that bad for at least 10 years making this crisis probably the biggest ever challenge to professional football in Italy as a whole.

The upheaval caused by the spread of COVID-19 is having a devastating effect on small clubs and the data presented in this survey are alarming. They suggest the economic fallout from COVID-19 is (and will get) worse for small clubs and their employees before it gets better. Furthermore the results suggest that the pandemic had already caused massive financial distress among these teams rather immediately after its onset. Together

with the widespread financial fragility of many clubs included in the survey, these results also highlight a considerable heterogeneity inside the clusters in how these clubs are sensitive to the crisis.

Taking into consideration that also the crisis duration and its fluctuations in terms of intensity peaks play a central role in the total potential impact, the longer-term repercussions of the pandemic have been however laid bare and clubs lower down the pyramid have to be extremely proactive and think up innovative ways to keep up some level of cash flow.

In conclusion, it is important to remind that Covid 19 pandemic has moved so far along different waves according to different virus mutations, creating a highly uncertain scenario (further aggravated by the ongoing war in Ukraine) whose impacts and implications are still largely unknown in the mid-long run.

Doing business in these risky and uncertain times with a not yet definitively solved pandemic and the implications of a war, is not an easy task in particular for small football clubs which had to lower down on their cost or to take additional debts or declare bankruptcy. Doing business in these risky and uncertain times with a not yet definitively solved pandemic and the implications of a war, is not an easy task in particular for these clubs. They are likely to be rather structurally more vulnerable to crises: however little is still known about how they have dealt (and are still dealing) during long crisis as the COVID-19 pandemic.

The present study, having in mind the methodological precautions mentioned above, thus offered the opportunity to evaluate business trends, logics and dynamics occurring in a peculiar and specific economic environment subjected to a severe stress in terms of the losses generated, and in the generation of income organically through the activity of football and related activities.

In particular it has been aimed to provide some contributes to the understanding of the economic impact of Covid-19 on the Italian Serie C Championship to be considered as a real “small business ecosystem”.

During the timeframe considered in the present analysis, Covid-19 pandemic and its consequences appeared as an extraordinary event for which no operative remedy of any kind (financial, technical, managerial) had been prepared nor was it possible to arrange at that time quick responses to a similar event. Therefore one further result that may emerge from this study consists in having focused on some situations that can be considered as examples, bad/good practices that may perhaps be useful as lessons for dealing with any similar stressful financial situations in the future.

ANNEXES: clubs’ balance sheets and income statements – own reformulation

Calcio Catania S.p.A.

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	1201,4	2340,4	2568,9	(Cash & Short Term Investments)	0,7	1,1	0,1
Tax assets Short Term	1574,2	844,1	65,4	Bank and other bank assets Short Term	4,6	5,3	18,8
Inventories	0,0	0,0	0,0	Financial Debts Short Term	2045,6	1199,3	708,5
Accrued income and prepaid expenses Short Term	5,0	39,2	45,0				
(Account Payables from suppliers)	5109,8	5847,2	3394,5	NET FINANCIAL OBLIGATIONS Short Term	2041,4	1192,8	689,6
(Account Payables to Tax Authorities Short Term)	6107,5	6890,1	1920,2				
(Other Account Payables and Short Term Liabilities)	0,0	0,0	0,0	(Investments Long Term)	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	140,9	117,6	50,4	Financial Debts versus Banks Long Term	24248,0	24881,7	25365,2
				(Financial Fixed Assets)	12,9	12,9	12,9
NET WORKING CAPITAL	-9576,6	-9631,3	-2685,8	Total provisions for risks and charges	2845,1	712,5	3044,9
Account receivables from player transfers	354,1	0,0	827,5	Severance Indemnity Reserves	213,9	251,1	237,2
Account receivables from Group Entities	302,8	0,0	147,5				
(Loans/Acc. Pay to Group Entities)	20,4	0,0	163,9	NET FINANCIAL OBLIGATIONS Long Term	27294,1	25832,4	28694,4
(Account Payables from player transfers)	724,2	0,0	982,9				
NET WORKING CAPITAL from football related activities	-87,8	0,0	-171,8	TOTAL NET FINANCIAL OBLIGATIONS	29335,6	27025,2	29384,0
Receivables Long Term	95,6	170,4	166,5				
Tangible Fixed Assets	41336,0	42628,3	38937,1				
Other Non-Current Assets	16,4	45,4	103,7	TOTAL EQUITY	-7529,6	324,5	-1247,3
Other Intangible Assets	5716,7	5950,0	6163,3				
Tax assets Long Term	0,0	238,8	1863,9				
Intangible Assets - Players' rights	15,6	23,4	31,3				
Intangible Assets - Homegrown Players Capitalization Costs	436,3	546,5	737,3				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	350,0	0,0				
Account receivables from Group Entities Long Term	0,0	50,4	46,0				
(Loans/Acc. Pay to Group Entities Long Term)	5000	0	437047				
(Account Payables from player transfers Long Term)	768,1	0,0	423,7				
(Account Payables from suppliers Long Term)	5120,0	3612,5	3718,7				
(Account Payables to Tax Authorities Long Term)	10126,2	8282,6	10470,3				
(Other non current Account Payables and Short Term Liabilities)	0,0	0,0	0,0				
(Accrued expenses and deferred income Long Term)	1127,0	1127,0	1219,0				
NET FIXED ASSETS	30470,4	36981,1	30994,3				
NET OPERATING ASSETS	21806,0	27349,7	28136,7	EMPLOYED CAPITAL	21806,0	27349,7	28136,7
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	790,6	1515,4	1657,1	-47,83%	-8,55%	-52,29%
Total Sponsors revenues	1035,1	1844,7	1205,9	-43,88%	52,97%	-14,16%
Total TV rights	17,2	64,3	54,2	-73,28%	18,47%	-68,34%
Total Commercial	17,2	38,3	44,9	-55,15%	-14,58%	-61,63%
Federal Contributions	373,4	398,2	376,9	-6,23%	5,66%	-0,92%
Other Revenues	708,9	1601,6	3000,7	-55,74%	-45,62%	-76,37%
TOTAL REVENUES Gross of Players Transfers (A)	2942,4	5462,5	6339,7	-46,13%	-13,84%	-53,59%
Cost of Sales	297,8	913,6	797,4	-67,40%	14,58%	-62,65%
Total Players Benefit Expenses	2798,7	3420,7	2983,6	-18,18%	14,65%	-6,20%
Total Sponsors Benefit Expenses	1242,4	1294,9	1487,8	-4,06%	-12,97%	-16,50%
Matchday Expenses	399,9	583,6	557,7	-31,48%	4,64%	-28,30%
Sponsorship and advertising expenses	17,3	17,9	67,8	-3,57%	-73,62%	-74,56%
Property Expenses	339,5	538,0	297,7	-36,88%	80,68%	14,04%
Other operating expenses	4397,1	4525,6	3017,6	-2,84%	49,98%	45,72%
TOTAL OPERATING COSTS Gross of players Transfers (B)	9492,6	11294,2	9209,6	-15,95%	22,64%	3,07%
EBITDA Gross of Players transfers (A-B)	-6550,2	-5831,7	-2869,9	12,32%	103,20%	128,24%
Revenues from players loans	80,0	0,0	7,5	0,00%	-100,00%	966,67%
Capital Gains from Players' Transfers	300,0	1170,0	25,0	-74,36%	4580,00%	1100,00%
Other revenues from Player Trading	232,7	363,7	180,9	-36,01%	100,93%	28,61%
REVENUES FROM PLAYER TRADING	612,7	1533,7	213,4	-60,05%	618,57%	187,07%
Costs from players loans	0,0	0,0	8,5	0,00%	-100,00%	-100,00%
Capital Losses from Players' Transfers	0,0	2,0	0,2	-100,00%	1150,00%	-100,00%
Other Costs from Player Trading	33,6	45,4	305,0	-26,16%	-85,10%	-89,00%
TOTAL COSTS FROM PLAYER TRADING	33,6	47,4	313,6	-29,27%	-84,88%	-89,30%
NET INCOME/LOSS FROM PLAYER TRADING	579,2	1486,2	-100,2	-61,03%	-1583,00%	-677,90%
EBITDA net of Players transfer and Registration (A-B+C)	-5971,0	-4345,5	-2970,1	37,41%	46,31%	101,04%
Amortization and Depreciation (D)	2198,5	2159,7	2075,9	1,79%	4,04%	5,90%
EBIT (A-B-C-D)	-8169,5	-6505,2	-5046,0	25,58%	28,92%	61,90%
Interest Expenses (E)	1032,0	947,8	1054,0	8,88%	-10,08%	-2,09%
EBT (A-B-C-D-E)	-9201,5	-7453,0	-6100,1	23,46%	22,18%	50,84%
Tax Income/(Expenses) (F)	-740,9	8,3	-112,1	-9060,58%	-107,37%	560,69%
Net Profit (Loss) (A-B-C-D-E-F)	-8460,7	-7461,3	-5987,9	13,39%	24,61%	41,30%

Income Statement

Feralpisalò

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	1068.9	75.6	308.8	(Cash & Short Term Investments)	207.1	78.5	18.0
Tax assets Short Term	13.8	5.1	40.7	Bank and other bank assets Short Term	22.2	91.3	388.8
Inventories	90.2	83.9	48.3	Financial Debts Short Term	0.0	0.0	0.0
Accrued income and prepaid expenses Short Term	3.3	6.0	7.3	NET FINANCIAL OBLIGATIONS Short Term	-184.9	12.8	370.8
(Account Payables from suppliers)	408.4	555.0	345.6				
(Account Payables to Tax Authorities Short Term)	522.0	376.0	284.8	(Investments Long Term)	4.7	6.3	6.4
(Other Account Payables and Short Term Liabilities)	488.4	424.9	436.7	Financial Debts versus Banks Long Term	233.8	233.8	267.7
(Accrued expenses and deferred income Short Term)	50.1	15.1	17.0	(Financial Fixed Assets)	0.0	0.0	0.0
NET WORKING CAPITAL	-292.6	-560.3	-679.0	Total provisions for risks and charges	0.0	0.0	56.4
Account receivables from player transfers	0.0	0.0	0.0	Severance Indemnity Reserves	52.7	30.9	13.3
Account receivables from Group Entities	84.7	0.0	20.0	NET FINANCIAL OBLIGATIONS Long Term	281.7	258.5	331.0
(Loans)Acc. Pay to Group Entities	57.3	23.0	25.9				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	27.4	-23.0	-5.8	TOTAL NET FINANCIAL OBLIGATIONS	96.8	271.3	701.8
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	250.2	188.8	202.4	TOTAL EQUITY	143.4	-41.3	-378.7
Other Non-Current Assets	0.0	0.0	0.0				
Other Intangible Assets	400.0	358.1	324.7				
Tax assets Long Term	23.5	23.5	20.8				
Intangible Assets - Players' rights	38.6	9.2	18.3				
Intangible Assets - Homegrown Players Capitalization Costs	188.8	372.1	612.7				
Accrued income and prepaid expenses Long Term	0.0	0.0	0.0				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans)Acc. Pay to Group Entities Long Term	0.0	0.0	0.0				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	165.9	0.0	0.0				
(Other non current Account Payables and Short Term Liabilities)	229.8	138.4	171.0				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	505.3	813.3	1008.0				
NET OPERATING ASSETS	240.2	230.0	323.1	EMPLOYED CAPITAL	240.2	230.0	323.1
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 20/19	Delta 19/18	Delta 20/18
Total Gate Receipts	78.6	162.3	128.9	-51.56%	25.32%	-39.00%
Total Sponsors revenues	5165.0	4763.7	3797.5	8.42%	25.44%	36.01%
Total TV rights	0.0	0.0	0.0	0.00%	0.00%	0.00%
Total Commercial	436.1	385.6	321.9	13.11%	19.76%	35.46%
Federal Contributions	537.8	525.3	515.8	2.39%	1.83%	4.27%
Other Revenues	38.7	56.4	377.1	-31.43%	-95.04%	-89.75%
TOTAL REVENUES Gross of Players Transfers (A)	6256.2	5893.3	5141.3	6.16%	14.63%	21.69%
Cost of Sales	1661.3	1729.7	1469.2	-3.95%	17.72%	13.07%
Total Players Benefit Expenses	2389.0	2397.1	2035.3	-0.34%	17.78%	17.38%
Total Employees Benefit Expenses	1545.0	1379.1	1344.3	12.03%	2.59%	14.93%
Matchday Expenses	35.0	61.1	44.9	-42.75%	36.14%	-22.06%
Sponsorship and advertising expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	429.7	430.9	382.8	-0.28%	12.56%	12.25%
Other operating expenses	144.9	89.7	220.0	61.53%	-59.21%	-34.12%
TOTAL OPERATING COSTS Gross of players Transfers (B)	6204.9	6087.5	5496.5	1.93%	10.75%	12.89%
EBITDA Gross of Players transfers (A-B)	51.4	-194.2	-355.2	-126.45%	-45.32%	-114.46%
Revenues from players loans	22.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	20.0	90.0	190.0	-77.78%	-52.63%	-89.47%
Other revenues from Player Trading	64.6	78.2	38.9	-63.72%	358.40%	66.23%
REVENUES FROM PLAYER TRADING	106.6	268.2	228.9	-60.24%	17.18%	-53.41%
Costs from players loans	10.4	15.7	33.0	-33.76%	-52.42%	-68.48%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	14.6	8.2	13.4	79.65%	-39.18%	8.85%
TOTAL COSTS FROM PLAYER TRADING	25.0	23.9	46.4	4.65%	-48.60%	-46.21%
NET INCOME/LOSS FROM PLAYER TRADING	81.7	244.3	182.5	-66.57%	33.91%	-55.24%
EBITDA net of Players transfer and Registration (A-B+C)	133.0	50.2	-172.7	165.21%	-129.05%	-177.04%
Amortization and Depreciation (D)	320.2	352.2	408.7	-9.09%	-13.83%	-21.66%
EBIT (A-B-C-D)	-187.1	-302.0	-581.3	-38.04%	-48.05%	-67.81%
Interest Expenses (E)	18.6	20.5	20.1	-9.16%	1.53%	-7.77%
EBT (A-B-C-D-E)	-205.7	-322.4	-601.5	-36.21%	-46.39%	-65.80%
Tax Income(Expenses) (F)	147.7	146.8	118.8	0.60%	23.53%	24.27%
Net Profit (Loss) (A-B-C-D-E-F)	-353.4	-469.2	-720.3	-24.69%	-34.86%	-50.94%

Income Statement

Fermana F.C. s.r.l.

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	163.4	95.3	303.3	(Cash & Short Term Investments)	0.9	6.9	5.8
Tax assets Short Term	20.6	3.6	8.5	Bank and other bank assets Short Term	14.5	39.6	49.5
Inventories	20.8	23.8	28.9	Financial Debts Short Term	121.6	2.3	120.8
Accrued income and prepaid expenses Short Term	75.3	89.7	286.7	NET FINANCIAL OBLIGATIONS Short Term	106.1	-44.2	64.8
(Account Payables from suppliers)	210.2	151.9	123.9	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	338.1	464.0	279.6	Financial Debts versus Banks Long Term	0.0	0.0	0.0
(Other Account Payables and Short Term Liabilities)	711.7	546.2	174.3	(Financial Fixed Assets)	0.3	3.8	0.3
(Accrued expenses and deferred income Short Term)	24.0	10.0	0.0	Total provisions for risks and charges	0.0	0.0	0.0
NET WORKING CAPITAL	2.0	-139.7	49.6	Severance Indemnity Reserves	2.6	12.8	3.9
Account receivables from player transfers	0.0	0.0	0.0	NET FINANCIAL OBLIGATIONS Long Term	2.4	9.0	3.6
Account receivables from Group Entities	84.7	0.0	0.0				
(Loans/Acc. Pay to Group Entities)	24.1	98.5	1.5				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	60.6	-98.5	-1.5	TOTAL NET FINANCIAL OBLIGATIONS	108.5	-35.1	68.4
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	4.6	7.1	14.8				
Other Non-Current Assets	0.0	0.0	0.0	TOTAL EQUITY	143.4	118.4	22.1
Other Intangible Assets	231.0	88.2	4.3				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	234.1	100.0	10.0				
Intangible Assets - Homegrown Players Capitalization Costs	14.4	186.8	119.4				
Accrued income and prepaid expenses Long Term	0.0	30.0	18.2				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	294.9	90.5	124.3				
(Other non current Account Payables and Short Term Liabilities)	0.0	0.0	0.0				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	189.2	321.5	42.3				
NET OPERATING ASSETS	251.8	83.3	90.5	EMPLOYED CAPITAL	251.8	83.3	90.5
CHECK	0.0	0.0	0.0				

Balance sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 20/19	Delta 19/18	Delta 20/18
Total Gate Receipts	188.4	201.1	163.0	-6.32%	18.93%	11.48%
Total Sponsors revenues	184.4	128.6	133.4	-2.81%	-8.60%	-11.17%
Total TV rights	8.3	6.7	0.0	23.71%	0.00%	0.00%
Total Commercial	2.3	4.8	0.0	-52.35%	0.00%	0.00%
Federal Contributions	662.8	528.0	0.0	25.53%	0.00%	0.00%
Other Revenues	34.2	173.8	848.5	-80.31%	-79.52%	-95.97%
TOTAL REVENUES Gross of Players Transfers (A)	2080.4	2133.0	2350.8	-2.47%	-9.26%	-11.50%
Cost of Sales	108.0	90.9	148.1	18.82%	-38.66%	-27.11%
Total Players Benefit Expenses	433.8	538.9	911.4	-19.50%	-40.87%	-52.40%
Total Employees Benefit Expenses	408.3	395.8	342.9	3.15%	15.42%	19.06%
Matchday Expenses	164.1	130.7	133.1	25.63%	-1.82%	23.35%
Sponsorship and advertising expenses	1.1	1.3	1.4	-13.40%	-12.62%	-24.33%
Property Expenses	34.9	66.2	69.3	-47.28%	-4.54%	-49.67%
Other operating expenses	1137.6	861.7	527.2	32.01%	63.46%	115.79%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2287.8	2085.4	2133.5	9.70%	-2.25%	7.23%
EBITDA Gross of Players transfers (A-B)	-207.3	47.6	217.4	-535.36%	-78.09%	-195.38%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	240.2	147.0	0.0	63.42%	0.00%	0.00%
Other revenues from Player Trading	99.6	143.9	0.0	-30.76%	0.00%	0.00%
REVENUES FROM PLAYER TRADING	339.9	290.9	0.0	16.83%	0.00%	0.00%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	10.0	21.2	31.2	-52.74%	-32.12%	-67.92%
TOTAL COSTS FROM PLAYER TRADING	10.0	21.2	31.2	-52.74%	-32.12%	-67.92%
NET INCOME/LOSS FROM PLAYER TRADING	329.8	269.7	-31.2	22.30%	-963.24%	-1155.74%
EBITDA net of Players transfer and Registration (A-B+C)	122.5	317.3	186.1	-61.39%	70.50%	-34.17%
Amortization and Depreciation (D)	149.7	102.1	168.6	46.64%	-39.45%	-11.21%
EBIT (A-B-C-D)	-27.2	215.2	17.5	-112.64%	1131.86%	-255.74%
Interest Expenses (E)	2.0	15.8	3.7	-87.33%	322.45%	-46.47%
EBT (A-B-C-D-E)	-29.2	199.4	13.7	-114.65%	1352.19%	-312.70%
Tax Income/(Expenses) (F)	4.1	106.6	69.0	-96.12%	54.57%	-94.00%
Net Profit (Loss) (A-B-C-D-E-F)	-33.3	92.8	-55.2	-135.94%	-267.95%	-39.64%

Income Statement

Associazione Sportiva Giana Erminio

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	217,0	48,5	35,8	(Cash & Short Term Investments)	638,4	140,6	125,9
Tax assets Short Term	810	257,9	239,4	Bank and other bank assets Short Term	0,0	0,0	0,0
Inventories	0,0	0,0	0,0	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	0,0	0,0	0,2	NET FINANCIAL OBLIGATIONS Short Term	-638,4	-140,6	-125,9
(Account Payables from suppliers)	99,4	94,5	85,8				
(Account Payables to Tax Authorities Short Term)	49,9	16,2	12,4	(Investments Long Term)	0,0	0,0	0,0
(Other Account Payables and Short Term Liabilities)	1900,0	1576,9	1733,2	Financial Debts versus Banks Long Term	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	6,3	6,3	6,3	(Financial Fixed Assets)	30,0	30,0	30,0
NET WORKING CAPITAL	-1757,6	-1387,4	-1502,3	Total provisions for risks and charges	0,0	0,0	0,0
Account receivables from player transfers	19,7	25,0	0,0	Severance Indemnity Reserves	0,0	0,3	0,0
Account receivables from Group Entities	0,0	0,0	0,0	NET FINANCIAL OBLIGATIONS Long Term	-30,0	-29,7	-30,0
(Loans/Acc. Pay to Group Entities)	0,0	0,0	0,0				
(Account Payables from player transfers)	0,0	0,0	0,0				
NET WORKING CAPITAL from football related activities	19,7	25,0	0,0	TOTAL NET FINANCIAL OBLIGATIONS	-668,4	-170,3	-155,9
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	96,3	120,3	100,6				
Other Non-Current Assets	0,0	0,0	0,0	TOTAL EQUITY	43,5	109,6	58,6
Other Intangible Assets	801,2	918,7	1016,0				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	14,5	3,8	23,0				
Intangible Assets - Homegrown Players Capitalization Costs	196,7	194,6	201,0				
Accrued income and prepaid expenses Long Term	4,2	64,4	64,4				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	0,0	0,0	0,0				
(Other non current Account Payables and Short Term Liabilities)	0,0	0,0	0,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	1113,0	1301,8	1405,0				
NET OPERATING ASSETS	-624,9	-60,7	-97,3	EMPLOYED CAPITAL	-624,9	-60,7	-97,3
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	64,4	119,6	116,6	-46,16%	2,59%	-44,77%
Total Sponsors revenues	126,6	147,2	152,4	-14,00%	-3,43%	-16,35%
Total TV rights	0,0	8,7	13,5	-100,00%	-35,86%	-100,00%
Total Commercial	22,6	31,0	23,5	-27,20%	31,70%	-4,12%
Federal Contributions	811,7	560,1	396,1	44,93%	41,39%	104,33%
Other Revenues	244,1	217,4	167,8	12,32%	29,56%	45,51%
TOTAL REVENUES Gross of Players Transfers (A)	1269,4	1083,9	869,9	17,12%	24,53%	45,92%
Cost of Sales	75,7	89,1	92,7	-15,07%	-3,87%	-18,36%
Total Players Benefit Expenses	691,3	768,2	710,9	-10,01%	8,06%	-2,76%
Total Employees Benefit Expenses	382,1	370,5	239,2	3,15%	54,91%	59,79%
Matchday Expenses	186,2	198,5	164,7	-6,20%	20,48%	13,01%
Sponsorship and advertising expenses	92,4	66,1	66,4	39,83%	-0,49%	39,15%
Property Expenses	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other operating expenses	109,8	21,2	101,8	418,98%	-79,23%	7,73%
TOTAL OPERATING COSTS Gross of players Transfers (B)	1812,1	1784,9	1611,0	1,52%	10,80%	12,48%
EBITDA Gross of Players transfers (A-B)	-542,7	-701,1	-741,1	-22,59%	-5,40%	-26,77%
Revenues from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Gains from Players' Transfers	5,0	0,0	150,0	0,00%	-100,00%	-96,66%
Other revenues from Player Trading	0,0	0,0	0,0	0,00%	0,00%	0,00%
REVENUES FROM PLAYER TRADING	5,0	0,0	150,0	0,00%	-100,00%	-96,66%
Costs from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Losses from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other Costs from Player Trading	0,0	10,9	0,0	-100,00%	0,00%	0,00%
TOTAL COSTS FROM PLAYER TRADING	0,0	10,9	0,0	-100,00%	0,00%	0,00%
NET INCOME/LOSS FROM PLAYER TRADING	5,0	-10,9	150,0	-145,92%	-107,27%	-96,66%
EBITDA net of Players transfer and Registration (A-B+C)	-537,7	-712,0	-591,1	-24,48%	20,45%	-9,03%
Amortization and Depreciation (D)	274,7	260,5	235,2	5,42%	10,76%	16,76%
EBIT (A-B-C-D)	-812,3	-972,5	-826,3	-16,47%	17,69%	-1,69%
Interest Expenses (E)	0,0	0,1	0,0	-61,73%	0,00%	0,00%
EBT (A-B-C-D-E)	-812,4	-972,6	-826,3	-16,47%	17,70%	-1,69%
Tax Income/(Expenses) (F)	208,7	6,4	32,7	3146,30%	-80,36%	537,61%
Net Profit (Loss) (A-B-C-D-E-F)	-1021,0	-979,0	-859,0	4,29%	13,97%	18,86%

Income Statement

A.S.Gubbio 1910

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	419.0	291.7	337.5	(Cash & Short Term Investments)	63.3	40.7	45.5
Tax assets Short Term	0.0	0.0	0.0	Bank and other bank assets Short Term	0.0	9.8	126.8
Inventories	25.2	30.2	48.7	Financial Debts Short Term	0.0	0.0	0.0
Accrued income and prepaid expenses Short Term	159.3	264.1	450.8				
(Account Payables from suppliers)	138.2	141.1	179.3	NET FINANCIAL OBLIGATIONS Short Term	-63.3	-30.9	81.3
(Account Payables to Tax Authorities Short Term)	809.4	796.5	810.7				
(Other Account Payables and Short Term Liabilities)	99.0	48.1	53.3	(Investments Long Term)	0.0	0.0	0.0
(Accrued expenses and deferred income Short Term)	0.0	0.0	0.0	Financial Debts versus Banks Long Term	0.0	0.0	0.0
NET WORKING CAPITAL	-443.0	-399.7	-146.3	(Financial Fixed Assets)	0.9	0.9	0.9
				Total provisions for risks and charges	0.0	0.0	0.0
Account receivables from player transfers	2.5	178.0	130.0	Severance Indemnity Reserves	16.0	13.9	14.6
Account receivables from Group Entities	215.8	182.4	174.9	NET FINANCIAL OBLIGATIONS Long Term	15.1	13.0	13.7
(Loans/Acc. Pay to Group Entities)	100.6	118.8	120.4				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	117.7	241.7	184.4	TOTAL NET FINANCIAL OBLIGATIONS	-48.2	-17.8	95.0
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	3.3	0.4	0.8				
Other Non-Current Assets	0.0	0.0	0.0	TOTAL EQUITY	74.6	44.8	27.9
Other Intangible Assets	557.3	674.6	765.1				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	0.0	0.0	0.0				
Intangible Assets - Homegrown Players Capitalization Costs	538.2	596.5	595.2				
Accrued income and prepaid expenses Long Term	0.0	0.0	0.0				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0.0	0.0	0.0				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	412.7	782.7	968.6				
(Other non current Account Payables and Short Term Liabilities)	201.3	0.0	0.0				
(Accrued expenses and deferred income Long Term)	132.4	303.8	307.8				
NET FIXED ASSETS	351.7	185.0	84.8				
NET OPERATING ASSETS	26.4	27.0	122.9	EMPLOYED CAPITAL	26.4	27.0	122.9
CHECK	-	-	-				

Balance sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	114.8	147.9	164.4	-22.41%	-10.01%	-30.17%
Total Sponsors revenues	1287.9	1009.0	928.9	27.64%	8.63%	38.66%
Total TV rights	0.0	11.5	14.7	-100.00%	-21.43%	-100.00%
Total Commercial	82.6	72.6	39.1	13.76%	85.75%	111.31%
Federal Contributions	691.4	740.7	760.2	-6.66%	-2.56%	-9.05%
Other Revenues	64.8	411.4	99.8	-84.26%	312.12%	-35.13%
TOTAL REVENUES Gross of Players Transfers (A)	2241.5	2393.2	2007.0	-6.34%	19.25%	11.68%
Cost of Sales	113.9	155.4	197.5	-26.72%	-21.31%	-42.34%
Total Players Benefit Expenses	735.5	839.3	843.9	-12.37%	-0.54%	-12.84%
Total Employees Benefit Expenses	612.1	623.1	637.7	-1.75%	-2.30%	-4.02%
Matchday Expenses	176.1	183.3	219.6	-3.90%	-16.54%	-19.80%
Sponsorship and advertising expenses	51.8	54.7	56.1	-5.25%	-2.43%	-7.55%
Property Expenses	9.8	2.6	4.0	277.67%	-34.60%	146.98%
Other operating expenses	436.2	524.4	348.2	-16.82%	50.62%	25.28%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2135.5	2382.7	2306.9	-10.38%	3.29%	-7.43%
EBITDA Gross of Players transfers (A-B)	106.0	10.5	-299.9	909.97%	-103.50%	-135.35%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	0.0	0.0	100.4	0.00%	-100.00%	-100.00%
Other revenues from Player Trading	134.9	89.4	130.0	50.84%	-31.23%	3.73%
REVENUES FROM PLAYER TRADING	134.9	89.4	230.4	50.84%	-61.20%	-41.47%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	4.8	4.5	20.5	5.56%	-78.05%	-76.83%
Other Costs from Player Trading	0.0	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	4.8	4.5	20.5	5.56%	-78.05%	-76.83%
NET INCOME/LOSS FROM PLAYER TRADING	130.1	84.9	209.9	53.24%	-59.55%	-38.02%
EBITDA net of Players transfer and Registration (A-B+C)	236.1	95.4	-90.0	147.52%	-205.95%	-362.24%
Amortization and Depreciation (D)	221.9	191.3	151.2	16.01%	26.50%	46.75%
EBIT (A-B-C-D)	14.2	-95.9	-241.3	-114.85%	-60.26%	-105.90%
Interest Expenses (E)	73.1	71.5	63.0	2.24%	13.44%	15.98%
EBT (A-B-C-D-E)	-58.9	-167.4	-304.3	-64.82%	-44.99%	-80.65%
Tax Income(Expenses) (F)	28.7	28.4	20.7	1.27%	36.74%	38.49%
Net Profit (Loss) (A-B-C-D-E-F)	-87.6	-195.7	-325.0	-55.25%	-39.78%	-73.05%

Income Statement

Olbia Calcio 1905

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	733.1	733.0	454.1	(Cash & Short Term Investments)	212.5	50.7	120.5
Tax assets Short Term	20.0	18.5	17.4	Bank and other bank assets Short Term	0.0	0.0	0.0
Inventories	15.7	67.5	38.2	Financial Debts Short Term	0.0	0.0	0.0
Accrued income and prepaid expenses Short Term	98.1	97.6	232.6	NET FINANCIAL OBLIGATIONS Short Term	-212.5	-50.7	-120.5
(Account Payables from suppliers)	390.6	367.7	252.4	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	200.9	39.8	82.3	Financial Debts versus Banks Long Term	0.0	0.0	0.0
(Other Account Payables and Short Term Liabilities)	541.4	1502.2	938.7	(Financial Fixed Assets)	0.0	0.0	0.0
(Accrued expenses and deferred income Short Term)	0.0	0.0	31.4	Total provisions for risks and charges	21.1	21.1	161.4
NET WORKING CAPITAL	-255.1	-992.3	-502.4	Severance Indemnity Reserves	75.7	31.2	28.7
Account receivables from player transfers	0.0	0.0	0.0	NET FINANCIAL OBLIGATIONS Long Term	96.8	52.3	190.1
Account receivables from Group Entities	89.7	131.9	250.6				
(Loans/Acc. Pay to Group Entities)	4.2	2.2	2.3				
(Account Payables from player transfers)	3.5	2.5	2.6				
NET WORKING CAPITAL from football related activities	82.0	127.3	245.6	TOTAL NET FINANCIAL OBLIGATIONS	-115.7	1.5	69.6
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	60.0	97.9	56.8				
Other Non-Current Assets	2.1	2.1	102.1	TOTAL EQUITY	-256.1	24.5	118.0
Other Intangible Assets	22.7	12.2	13.9				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	15.4	163.8	343.6				
Intangible Assets - Homegrown Players Capitalization Costs	406.8	624.3	528.5				
Accrued income and prepaid expenses Long Term	0.0	0.0	0.0				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	82.6	82.8	89.7				
(Other non current Account Payables and Short Term Liabilities)	723.1	-53.6	510.8				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	-198.8	891.0	444.3				
NET OPERATING ASSETS	-371.8	26.0	187.6	EMPLOYED CAPITAL	-371.8	26.0	187.6
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	60.9	101.1	134.1	-39.78%	-24.65%	-54.62%
Total Sponsors revenues	814.4	1054.1	792.0	-22.74%	33.09%	2.83%
Total TV rights	8.2	8.8	15.1	-6.94%	-41.67%	-45.72%
Total Commercial	65.5	112.9	52.0	-42.05%	117.17%	25.85%
Federal Contributions	1490.7	1645.5	930.5	-9.41%	76.84%	60.20%
Other Revenues	99.2	480.5	535.3	-79.36%	-10.23%	-81.47%
TOTAL REVENUES Gross of Players Transfers (A)	2538.8	3402.9	2459.0	-25.39%	38.38%	3.24%
Cost of Sales	102.0	170.4	176.4	-40.15%	-3.39%	-42.18%
Total Players Benefit Expenses	1096.5	1286.5	1265.0	-13.61%	-0.87%	-14.19%
Total Employees Benefit Expenses	605.6	797.3	835.0	-24.04%	-4.51%	-27.47%
Matchday Expenses	742.9	868.3	784.9	-14.44%	10.62%	-5.35%
Sponsorship and advertising expenses	85.6	93.8	94.3	-8.71%	-0.52%	-9.18%
Property Expenses	67.8	52.0	5.5	30.38%	839.21%	1124.54%
Other operating expenses	135.7	-56.4	78.6	-340.61%	-171.75%	72.64%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2825.1	3182.0	3239.7	-11.21%	-1.78%	-12.79%
EBITDA Gross of Players transfers (A-B)	-286.4	221.0	-780.6	-229.59%	-128.31%	-63.32%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	3.1	0.0	1090.9	0.00%	-100.00%	-99.72%
Other revenues from Player Trading	407.7	257.8	257.8	58.11%	0.00%	58.11%
REVENUES FROM PLAYER TRADING	410.8	257.8	1348.7	59.32%	-80.88%	-69.54%
Costs from players loans	0.0	150.0	150.0	-100.00%	0.00%	-100.00%
Capital Losses from Players' Transfers	0.0	74.6	0.0	-100.00%	0.00%	0.00%
Other Costs from Player Trading	15.3	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	15.3	224.6	150.0	-93.19%	49.71%	-89.80%
NET INCOME/LOSS FROM PLAYER TRADING	395.5	33.3	1198.7	1088.75%	-97.22%	-67.01%
EBITDA net of Players transfer and Registration (A-B+C)	109.1	254.2	418.1	-57.08%	-39.19%	-73.90%
Amortization and Depreciation (D)	307.3	327.8	228.9	-6.23%	43.20%	34.27%
EBIT (A-B-C-D)	-198.2	-73.5	189.2	169.60%	-138.86%	-204.76%
Interest Expenses (E)	22.0	25.6	15.1	-13.99%	69.92%	46.15%
EBT (A-B-C-D-E)	-220.2	-99.1	174.1	122.21%	-156.91%	-226.45%
Tax Income/(Expenses) (F)	60.4	-5.6	172.9	-180.93%	-103.23%	-65.08%
Net Profit (Loss) (A-B-C-D-E-F)	-280.6	-93.5	1.2	200.05%	-7593.27%	-22583.33%

Income Statement

Paganese Calcio 1926

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	505,8	263,9	434,2	(Cash & Short Term Investments)	57,0	80,6	12,9
Tax assets Short Term	18,2	22,7	11,3	Bank and other bank assets Short Term	0,0	0,0	0,0
Inventories	0,0	0,0	61,9	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	25,4	101,0	268,0				
(Account Payables from suppliers)	59,3	25,3	65,9	NET FINANCIAL OBLIGATIONS Short Term	-57,0	-80,6	-12,9
(Account Payables to Tax Authorities Short Term)	647,8	513,2	377,7				
(Other Account Payables and Short Term Liabilities)	626,1	381,7	525,8	(Investments Long Term)	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	0,0	0,0	288,0	Financial Debts versus Banks Long Term	0,0	0,0	0,0
				(Financial Fixed Assets)	0,0	0,0	0,0
NET WORKING CAPITAL	-783,8	-532,8	-482,1	Total provisions for risks and charges	0,0	0,0	0,0
				Severance Indemnity Reserves	15,4	13,8	11,8
Account receivables from player transfers	0,0	63,0	279,3				
Account receivables from Group Entities	594,0	208,8	159,5	NET FINANCIAL OBLIGATIONS Long Term	15,4	13,8	11,8
(Loans/Acc. Pay to Group Entities)	214	5,5	6,6				
(Account Payables from player transfers)	0,9	20,7	46,8				
NET WORKING CAPITAL from football related activities	571,7	245,6	385,3	TOTAL NET FINANCIAL OBLIGATIONS	-41,5	-66,8	-1,1
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	0,4	0,7	1,2				
Other Non-Current Assets	9,4	9,4	9,4	TOTAL EQUITY	32,5	69,7	54,4
Other Intangible Assets	622,2	750,0	880,5				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	0,2	100,0	3,8				
Intangible Assets - Homegrown Players Capitalization Costs	336,9	421,2	374,5				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	0,0	0,0	0,0				
(Other non current Account Payables and Short Term Liabilities)	766,1	991,2	1119,4				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	203,1	290,1	150,0				
NET OPERATING ASSETS	-9,0	2,9	53,3	EMPLOYED CAPITAL	-9,0	2,9	53,3
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	139,3	71,8	116,9	94,06%	-38,62%	19,12%
Total Sponsors revenues	583,5	692,6	595,3	-15,75%	16,34%	-1,99%
Total TV rights	0,0	0,0	0,0	0,00%	0,00%	0,00%
Total Commercial	0,6	0,7	0,5	-20,40%	48,41%	18,13%
Federal Contributions	977,0	1261,8	781,4	-22,57%	61,47%	25,03%
Other Revenues	0,0	268,0	308,0	-100,00%	-12,99%	-100,00%
TOTAL REVENUES Gross of Players Transfers (A)	1700,4	2294,9	1802,2	-25,91%	27,34%	-5,65%
Cost of Sales	284,7	439,9	217,5	-35,27%	102,25%	30,92%
Total Players Benefit Expenses	562,6	715,8	715,4	-21,40%	0,05%	-21,36%
Total Employees Benefit Expenses	212,4	279,5	236,2	-24,00%	18,29%	-10,09%
Matchday Expenses	0,0	0,0	0,0	0,00%	0,00%	0,00%
Sponsorship and advertising expenses	0,0	0,0	0,0	0,00%	0,00%	0,00%
Property Expenses	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other operating expenses	763,7	895,0	632,7	-10,68%	35,15%	20,72%
TOTAL OPERATING COSTS Gross of players Transfers (B)	1823,5	2290,1	1801,8	-20,38%	27,10%	1,20%
EBITDA Gross of Players transfers (A-B)	-123,1	4,8	0,3	-2648,60%	1283,67%	-35364,18%
Revenues from players loans	10,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Gains from Players' Transfers	5,0	0,0	0,0	0,00%	0,00%	0,00%
Other revenues from Player Trading	310,5	341,5	279,3	-9,09%	22,27%	11,15%
REVENUES FROM PLAYER TRADING	325,5	341,5	279,3	-4,70%	22,27%	16,53%
Costs from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Losses from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other Costs from Player Trading	0,0	0,0	0,0	0,00%	0,00%	0,00%
TOTAL COSTS FROM PLAYER TRADING	0,0	0,0	0,0	0,00%	0,00%	0,00%
NET INCOME/LOSS FROM PLAYER TRADING	325,5	341,5	279,3	-4,70%	22,27%	16,53%
EBITDA net of Players transfer and Registration (A-B+C)	202,4	346,3	279,6	-41,56%	23,84%	-27,63%
Amortization and Depreciation (D)	206,8	289,0	257,2	-28,44%	12,38%	-19,59%
EBIT (A-B-C-D)	-4,5	57,3	22,4	-107,78%	155,34%	-119,87%
Interest Expenses (E)	5,1	11,2	4,4	-54,25%	157,03%	17,60%
EBT (A-B-C-D-E)	-9,6	46,1	18,1	-120,82%	154,93%	-153,07%
Tax Income(Expenses) (F)	28,5	30,7	48,4	-7,43%	-36,49%	-41,21%
Net Profit (Loss) (A-B-C-D-E-F)	-38,1	15,3	-30,3	-348,53%	-150,45%	25,39%

Income Statement

Delfino Pescara 1936

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	2393.0	738.7	1935.3	(Cash & Short Term Investments)	531.1	31.8	86.4
Tax assets Short Term	0.0	200.0	910.5	Bank and other bank assets Short Term	3895.6	4080.5	3323.2
Inventories	67.1	23.4	31.3	Financial Debts Short Term	175.8	187.7	1463.6
Accrued income and prepaid expenses Short Term	1067.8	146.1	275.7	NET FINANCIAL OBLIGATIONS Short Term	3540.0	4216.5	5300.4
(Account Payables from suppliers)	2140.5	2205.8	1957.7	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	4955.7	3929.5	5608.7	Financial Debts versus Banks Long Term	1171.1	480.7	570.2
(Other Account Payables and Short Term Liabilities)	2224.7	1162.0	1191.6	(Financial Fixed Assets)	137.0	227.3	564.3
(Accrued expenses and deferred income Short Term)	1239.3	155.4	144.0	Total provisions for risks and charges	137.5	502.5	462.8
NET WORKING CAPITAL	-6432.4	-6278.4	-5689.1	Severance Indemnity Reserves	107.2	92.1	76.6
Account receivables from player transfers	2270.8	3788.5	3648.9	NET FINANCIAL OBLIGATIONS Long Term	1278.8	848.0	545.3
Account receivables from Group Entities	948.0	804.6	917.2				
(Loans/Acc. Pay to Group Entities)	166.5	151.0	102.2				
(Account Payables from player transfers)	1246.5	824.0	960.7				
NET WORKING CAPITAL from football related activities	1805.8	3618.1	3503.2	TOTAL NET FINANCIAL OBLIGATIONS	4818.9	5064.5	5845.7
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	1356.4	318.8	390.3				
Other Non-Current Assets	1095.8	1194.6	695.8	TOTAL EQUITY	7632.8	5021.5	5642.0
Other Intangible Assets	3538.5	3234.2	3775.2				
Tax assets Long Term	0.0	675.3	0.0				
Intangible Assets - Players' rights	12847.8	9539.1	11348.9				
Intangible Assets - Homegrown Players Capitalization Costs	3349.0	3602.5	3525.2				
Accrued income and prepaid expenses Long Term	754.8	320.9	521.2				
Account receivables from players Long Term	3126.3	4850.0	1550.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0.0	0.0	0.0				
(Account Payables from player transfers Long Term)	175.0	2300.0	535.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	6064.8	5917.9	6719.2				
(Other non current Account Payables and Short Term Liabilities)	1992.2	1972.5	0.0				
(Accrued expenses and deferred income Long Term)	758.4	798.7	838.9				
NET FIXED ASSETS	17078.2	12746.3	13673.6				
NET OPERATING ASSETS	12451.6	10086.0	11487.7	EMPLOYED CAPITAL	12451.6	10086.0	11487.7
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	531.4	1004.6	1088.9	-47.11%	-7.74%	-51.20%
Total Sponsors revenues	737.0	1317.8	882.0	-44.07%	49.40%	-16.44%
Total TV rights	1404.9	1788.9	1470.7	-21.47%	21.63%	-4.48%
Total Commercial	1209.6	1522.8	1974.7	-20.57%	-22.88%	-38.74%
Federal Contributions	5638.2	5161.6	5416.0	9.23%	-4.70%	4.10%
Other Revenues	1761.7	1601.0	11570.6	10.04%	-86.16%	-84.77%
TOTAL REVENUES Gross of Players Transfers (A)	11282.7	12396.7	22402.9	-8.99%	-44.66%	-49.64%
Cost of Sales	3377.8	4879.2	5216.0	-30.77%	-6.46%	-35.24%
Total Players Benefit Expenses	4814.9	6439.9	8343.8	-25.23%	-22.82%	-42.29%
Total Employees Benefit Expenses	2741.4	3507.8	5090.3	-21.85%	-31.09%	-46.14%
Matchday Expenses	328.1	476.8	634.4	-31.19%	-24.85%	-48.29%
Sponsorship and advertising expenses	821.4	980.0	469.1	-16.19%	108.90%	75.09%
Property Expenses	316.4	459.2	370.0	-31.10%	24.11%	-14.48%
Other operating expenses	639.6	1764.7	1740.7	-63.76%	1.38%	-63.26%
TOTAL OPERATING COSTS Gross of players Transfers (B)	13039.6	18507.7	21864.3	-29.54%	-15.35%	-40.36%
EBITDA Gross of Players transfers (A-B)	-1756.9	-6110.9	538.7	-71.25%	-1234.43%	-426.15%
Revenues from players loans	0.0	808.5	725.0	-100.00%	11.52%	-100.00%
Capital Gains from Players' Transfers	7514.5	10022.7	15815.7	-25.03%	-36.63%	-52.49%
Other revenues from Player Trading	6101.5	2124.8	1517.8	187.16%	39.99%	301.99%
REVENUES FROM PLAYER TRADING	13616.0	12956.0	18058.5	5.09%	-28.26%	-24.60%
Costs from players loans	9.0	76.0	7.0	-88.16%	985.71%	28.57%
Capital Losses from Players' Transfers	130.5	118.3	991.9	10.26%	-88.07%	-86.85%
Other Costs from Player Trading	338.0	1763.2	234.7	498.28%	14.63%	
TOTAL COSTS FROM PLAYER TRADING	477.5	1957.6	1293.6	-75.61%	51.33%	-63.09%
NET INCOME/LOSS FROM PLAYER TRADING	13138.5	10998.4	16764.9	19.46%	-34.40%	-21.63%
EBITDA net of Players transfer and Registration (A-B+C)	11381.7	4887.5	17303.6	132.87%	-71.75%	-34.22%
Amortization and Depreciation (D)	6235.1	5985.6	8731.7	4.17%	-31.45%	-28.59%
EBIT (A-B-C-D)	5146.5	-1098.1	8571.9	568.69%	-112.81%	-39.96%
Interest Expenses (E)	1503.3	1260.7	1172.1	19.24%	7.57%	28.26%
EBT (A-B-C-D-E)	3643.2	-2358.8	7399.8	254.45%	-131.88%	-50.77%
Tax Income/(Expenses) (F)	1032.0	261.6	2757.9	294.45%	-90.51%	-62.58%
Net Profit (Loss) (A-B-C-D-E-F)	2611.3	-2620.4	4642.0	199.65%	-156.45%	-43.75%

Income Statement

Piacenza Calcio 1919

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	224,9	153,8	376,2	(Cash & Short Term Investments)	125,0	47,9	73,5
Tax assets Short Term	61,9	71,2	20,7	Bank and other bank assets Short Term	0,0	4,4	0,0
Inventories	134,5	151,6	150,0	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	108,7	86,7	30,0	NET FINANCIAL OBLIGATIONS Short Term	-125,0	-43,5	-73,5
(Account Payables from suppliers)	318,3	351,1	232,9	(Investments Long Term)	0,0	0,0	0,0
(Account Payables to Tax Authorities Short Term)	145,4	261,2	311,2	Financial Debts versus Banks Long Term	0,0	0,0	0,0
(Other Account Payables and Short Term Liabilities)	81,5	236,0	208,6	(Financial Fixed Assets)	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	11,7	3,0	113,2	Total provisions for risks and charges	86,2	16,7	16,7
NET WORKING CAPITAL	-27,5	-388,0	-289,0	Severance Indemnity Reserves	15,4	4,5	4,5
Account receivables from player transfers	20,0	107,8	7,3	NET FINANCIAL OBLIGATIONS Long Term	101,6	21,2	20,2
Account receivables from Group Entities	0,0	0,0	18,9				
(Loans/Acc. Pay to Group Entities)	0,0	0,0	10,0				
(Account Payables from player transfers)	0,0	0,0	0,0				
NET WORKING CAPITAL from football related activities	20,0	107,8	16,2	TOTAL NET FINANCIAL OBLIGATIONS	-23,4	-22,4	-53,3
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	57,9	34,3	44,1	TOTAL EQUITY	159,8	-165,8	-18,1
Other Non-Current Assets	11,2	8,9	17,6				
Other Intangible Assets	3,2	28,7	86,7				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	8,9	0,0	0,0				
Intangible Assets - Homegrown Players Capitalization Costs	0,0	0,0	0,0				
Accrued income and prepaid expenses Long Term	2,7	6,0	7,1				
Account receivables from players Long Term	70,0	80,0	225,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	22500				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	6,6	62,5	175,8				
(Other non current Account Payables and Short Term Liabilities)	3,3	3,3	-19,2				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	143,9	92,0	201,4				
NET OPERATING ASSETS	136,4	-188,2	-71,4	EMPLOYED CAPITAL	136,4	-188,2	-71,4
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	265,0	418,1	356,9	-36,61%	17,15%	-25,74%
Total Sponsors revenues	934,2	1134,6	761,9	-17,66%	48,92%	22,62%
Total TV rights	9,5	10,0	14,1	-5,09%	-28,95%	-32,56%
Total Commercial	111,9	380,9	369,9	-70,63%	2,97%	-69,76%
Federal Contributions	664,7	529,1	559,4	25,63%	-5,41%	18,83%
Other Revenues	636,1	83,4	45,1	662,44%	84,96%	1310,24%
TOTAL REVENUES Gross of Players Transfers (A)	2621,4	2556,1	2107,2	2,55%	21,30%	24,40%
Cost of Sales	939,1	1023,6	995,5	-8,26%	2,83%	-5,66%
Total Players Benefit Expenses	978,7	1419,3	1116,9	-31,04%	27,08%	-12,37%
Total Employees Benefit Expenses	599,7	627,0	475,5	-4,36%	31,88%	26,13%
Matchday Expenses	63,4	69,5	49,3	-8,68%	-79,83%	-81,58%
Sponsorship and advertising expenses	28,6	44,6	45,7	-35,79%	-2,30%	-37,27%
Property Expenses	259,0	300,0	344,5	-13,65%	-12,91%	-24,80%
Other operating expenses	225,4	45,1	28,4	400,11%	58,51%	692,72%
TOTAL OPERATING COSTS Gross of players Transfers (B)	3094,1	3529,1	3055,7	-12,33%	15,49%	1,26%
EBITDA Gross of Players transfers (A-B)	-472,7	-973,0	-948,5	-51,42%	2,59%	-50,16%
Revenues from players loans	175,0	7,8	30,0	2137,85%	-73,93%	483,33%
Capital Gains from Players' Transfers	0,0	111,4	650,7	-100,00%	-82,89%	-100,00%
Other revenues from Player Trading	182,1	133,0	133,5	36,88%	-0,32%	36,44%
REVENUES FROM PLAYER TRADING	357,1	252,2	814,1	41,58%	-69,02%	-56,14%
Costs from players loans	9,5	13,0	12,6	-26,92%	3,59%	-24,30%
Capital Losses from Players' Transfers	25,4	11,0	0,0	130,26%		
Other Costs from Player Trading	36,8	3,3	24,9	1032,12%	-86,95%	47,72%
TOTAL COSTS FROM PLAYER TRADING	71,7	27,3	37,5	162,79%	-27,15%	91,45%
NET INCOME/LOSS FROM PLAYER TRADING	285,4	224,9	776,7	26,88%	-71,04%	-63,26%
EBITDA net of Players transfer and Registration (A-B+C)	-187,3	-748,1	-171,8	-74,96%	335,48%	9,03%
Amortization and Depreciation (D)	36,9	54,8	68,4	-32,69%	-19,92%	-46,10%
EBIT (A-B-C-D)	-224,1	-802,9	-240,2	-72,08%	234,29%	-6,67%
Interest Expenses (E)	-0,1	0,1	1,3	-177,37%	-89,72%	-107,95%
EBT (A-B-C-D-E)	-224,0	-803,0	-241,5	-72,10%	232,51%	-7,23%
Tax Income/(Expenses) (F)	53,8	53,8	58,9	0,00%	-8,56%	-8,56%
Net Profit (Loss) (A-B-C-D-E-F)	-277,9	-856,8	-300,4	-67,57%	185,25%	-7,49%

Income Statement

Unione Sportiva Pistoiese 1921

DATA REPORTED IN ('000)	2020	2019	2018		2020	2019	2018
Other Account receivables	231,2	355,5	272,4	(Cash & Short Term Investments)	255,2	182,8	96,7
Tax assets Short Term	12,1	9,5	2,7	Bank and other bank assets Short Term	32,7	36,0	180,9
Inventories	0,0	0,0	0,0	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	19,6	99,4	114,5	NET FINANCIAL OBLIGATIONS Short Term	-222,5	-146,8	74,3
(Account Payables from suppliers)	213,4	185,9	125,5	(Investments Long Term)	0,0	0,0	0,0
(Account Payables to Tax Authorities Short Term)	176,5	274,1	203,1	Financial Debts versus Banks Long Term	35,8	67,4	26,3
(Other Account Payables and Short Term Liabilities)	26,0	186,0	234,1	(Financial Fixed Assets)	0,5	2,6	2,6
(Accrued expenses and deferred income Short Term)	65,4	79,2	46,8	Total provisions for risks and charges	0,0	0,0	0,0
NET WORKING CAPITAL	-218,4	-260,8	-219,9	Severance Indemnity Reserves	40,7	11,5	11,7
Account receivables from player transfers	156,0	156,5	264,2	NET FINANCIAL OBLIGATIONS Long Term	76,0	76,2	35,4
Account receivables from Group Entities	265,3	189,1	266,0				
(Loans/Acc. Pay to Group Entities)	150,3	119,4	81,2				
(Account Payables from player transfers)	0,0	9,0	9,0				
NET WORKING CAPITAL from football related activities	271,0	217,3	440,1	TOTAL NET FINANCIAL OBLIGATIONS	-146,5	-70,6	109,6
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	48,4	69,6	73,0				
Other Non-Current Assets	0,0	0,0	0,0	TOTAL EQUITY	308,9	300,3	295,2
Other Intangible Assets	126,1	298,5	346,5				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	0,0	0,0	0,0				
Intangible Assets - Homegrown Players Capitalization Costs	144,3	178,5	110,4				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	202,5	262,7	330,2				
(Other non current Account Payables and Short Term Liabilities)	6,5	10,7	15,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	109,7	273,2	184,6				
NET OPERATING ASSETS	162,4	229,7	404,8	EMPLOYED CAPITAL	162,4	229,7	404,8
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN ('000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	176,4	163,5	247,5	7,91%	-33,96%	-28,73%
Total Sponsors revenues	731,7	1032,1	893,1	-29,10%	15,56%	-18,07%
Total TV rights	0,0	0,0	0,0	0,00%	0,00%	0,00%
Total Commercial	3,4	4,9	1,4	-29,35%	243,18%	142,47%
Federal Contributions	985,4	1044,1	914,6	-5,62%	14,16%	7,74%
Other Revenues	160,1	248,8	252,7	-35,65%	-154%	-36,64%
TOTAL REVENUES Gross of Players Transfers (A)	2057,0	2493,3	2309,3	-17,50%	7,97%	-10,92%
Cost of Sales	102,9	180,4	107,1	-45,93%	77,68%	-3,92%
Total Players Benefit Expenses	604,4	890,3	766,8	-32,12%	16,12%	-21,86%
Total Employees Benefit Expenses	514,8	604,2	255,6	-14,78%	136,38%	101,43%
Matchday Expenses	662,1	684,5	554,7	-0,36%	19,80%	19,36%
Sponsorship and advertising expenses	15,1	10,8	10,7	20,81%	1,33%	22,41%
Property Expenses	64,4	61,9	61,0	3,98%	1,57%	5,61%
Other operating expenses	179,7	259,3	513,3	-30,70%	-49,49%	-65,00%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2141,4	2681,4	2269,1	-20,14%	18,17%	-5,63%
EBITDA Gross of Players transfers (A-B)	-84,3	-188,1	40,2	-55,16%	-568,40%	-310,01%
Revenues from players loans	42,8	15,2	5,4	181,01%	181,26%	690,36%
Capital Gains from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other revenues from Player Trading	342,3	532,9	264,2	-35,77%	101,68%	29,54%
REVENUES FROM PLAYER TRADING	385,0	548,1	269,6	-29,75%	103,28%	42,81%
Costs from players loans	0,0	0,0	16,5	0,00%	-100,00%	-100,00%
Capital Losses from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	#DIV/0!
Other Costs from Player Trading	0,0	9,0	8,3	-100,00%	9,09%	-100,00%
TOTAL COSTS FROM PLAYER TRADING	0,0	9,0	24,8	-100,00%	-63,64%	-100,00%
NET INCOME/LOSS FROM PLAYER TRADING	385,0	539,1	244,9	-28,57%	120,15%	57,25%
EBITDA net of Players transfer and Registration (A-B+C)	300,7	351,0	285,0	-14,33%	23,15%	5,51%
Amortization and Depreciation (D)	228,5	264,3	223,8	-13,55%	18,10%	2,10%
EBIT (A-B-C-D)	72,2	86,7	61,2	-16,69%	41,59%	17,96%
Interest Expenses (E)	25,9	28,6	22,3	-9,44%	27,98%	15,89%
EBT (A-B-C-D-E)	46,3	58,1	38,9	-20,25%	49,42%	19,15%
Tax Income(Expenses) (F)	37,8	52,9	47,9	-28,61%	10,46%	-21,14%
Net Profit (Loss) (A-B-C-D-E-F)	8,6	5,2	-9,0	65,28%	-157,29%	-194,68%

Income Statement

Football Club Pro Vercelli 1892

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	84.2	85.9	165.7	(Cash & Short Term Investments)	343.1	304.4	334.5
Tax assets Short Term	28.6	180.0	141.5	Bank and other bank assets Short Term	0.0	0.0	67.5
Inventories	23.5	37.5	49.7	Financial Debts Short Term	0.0	0.0	0.0
Accrued income and prepaid expenses Short Term	3.3	38.3	20.8				
(Account Payables from suppliers)	498.6	1141.3	1045.2	NET FINANCIAL OBLIGATIONS Short Term	-343.1	-304.4	-267.1
(Account Payables to Tax Authorities Short Term)	285.9	285.9	285.9				
(Other Account Payables and Short Term Liabilities)	2032.4	3491.3	4278.4	(Investments Long Term)	0.0	0.0	0.0
Accrued expenses and deferred income Short Term	26.8	708.2	772.5	Financial Debts versus Banks Long Term	0.0	0.0	0.0
				(Financial Fixed Assets)	0.0	0.0	0.0
NET WORKING CAPITAL	-2704.1	-5347.1	-6004.3	Total provisions for risks and charges	6.5	6.5	6.5
				Severance Indemnity Reserves	27.8	44.9	76.0
Account receivables from player transfers	857.4	2108.4	2321.0				
Account receivables from Group Entities	240.1	44.8	459.6	NET FINANCIAL OBLIGATIONS Long Term	34.3	51.4	82.4
(Loans/Acc. Pay to Group Entities)	10.9	0.0	45.4				
(Account Payables from player transfers)	464.2	1428.4	1423.1				
NET WORKING CAPITAL from football related activities	622.4	724.8	1312.1	TOTAL NET FINANCIAL OBLIGATIONS	-308.8	-253.1	-184.6
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	22.9	40.9	60.8				
Other Non-Current Assets	0.0	0.0	0.0	TOTAL EQUITY	-425.1	-1548.4	20.6
Other Intangible Assets	2242.6	2453.6	2652.4				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	2178.9	3679.3	4932.5				
Intangible Assets - Homegrown Players Capitalization Costs	46.6	77.4	108.1				
Accrued income and prepaid expenses Long Term	11.8	44.1	141.3				
Account receivables from players Long Term	900.0	300.0	1033.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0.0	300.0	1000.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	423.4	274.5	0.0				
(Other non current Account Payables and Short Term Liabilities)	0.0	0.0	0.0				
Accrued expenses and deferred income Long Term	3631.6	3200.0	3399.9				
NET FIXED ASSETS	1347.8	2820.8	4528.1				
NET OPERATING ASSETS	-733.8	-1801.5	-164.1	EMPLOYED CAPITAL	-733.8	-1801.5	-164.1
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	116.6	191.5	370.9	-39.14%	-48.36%	-69.57%
Total Sponsors revenues	549.5	791.7	1292.4	-30.71%	-38.74%	-57.56%
Total TV rights	0.0	9.5	1125.5	-100.00%	-99.16%	-100.00%
Total Commercial	29.0	28.9	28.9	0.28%	0.00%	0.28%
Federal Contributions	1238.6	1248.5	4374.8	-0.79%	-71.46%	-71.63%
Other Revenues	166.6	406.3	241.0	-61.35%	68.19%	-36.00%
TOTAL REVENUES Gross of Players Transfers (A)	2089.3	2675.4	7433.5	-21.91%	-64.01%	-71.89%
Cost of Sales	124.7	133.7	220.8	-6.75%	-39.43%	-43.52%
Total Players Benefit Expenses	1451.8	2805.4	5259.3	-48.25%	-46.66%	-72.40%
Total Employees Benefit Expenses	375.7	772.7	1138.5	-51.38%	-32.13%	-67.00%
Matchday Expenses	328.1	471.7	893.5	-30.44%	-47.21%	-63.28%
Sponsorship and advertising expenses	392.6	849.3	1022.1	-53.77%	-16.91%	-61.59%
Property Expenses	62.2	80.3	160.0	-22.52%	-49.83%	-61.13%
Other operating expenses	223.6	329.7	607.6	-32.18%	-45.73%	-63.20%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2958.7	5442.8	9301.9	-45.64%	-41.49%	-68.19%
EBITDA Gross of Players transfers (A-B)	-869.4	-2767.4	-1868.3	-68.58%	48.12%	-53.47%
Revenues from players loans	1650.8	529.8	735.0	211.62%	-27.93%	124.60%
Capital Gains from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other revenues from Player Trading	742.6	1514.9	4141.0	-50.98%	-63.42%	-82.07%
REVENUES FROM PLAYER TRADING	2393.4	2044.6	4876.0	17.06%	-58.07%	-50.91%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	1.3	3.4	2.2	-60.76%	56.90%	-38.44%
Other Costs from Player Trading	163.0	83.0	228.8	96.39%	-63.73%	-28.77%
TOTAL COSTS FROM PLAYER TRADING	164.3	86.4	231.0	90.20%	-62.60%	-28.86%
NET INCOME/LOSS FROM PLAYER TRADING	2229.1	1958.2	4645.0	13.83%	-57.84%	-52.01%
EBITDA net of Players transfer and Registration (A-B+C)	1359.6	-809.2	2776.6	-268.02%	-129.14%	-51.03%
Amortization and Depreciation (D)	1915.8	1951.6	2543.8	-1.83%	-23.28%	-24.69%
EBIT (A-B-C-D)	-556.2	-2760.8	232.8	-79.85%	-1285.92%	-338.91%
Interest Expenses (E)	37.3	12.8	15.0	190.24%	-14.17%	149.12%
EBT (A-B-C-D-E)	-593.5	-2773.6	217.8	-78.60%	-1373.30%	-372.44%
Tax Income(Expenses) (F)	31.6	37.2	272.2	-14.98%	-86.34%	-88.39%
Net Profit (Loss) (A-B-C-D-E-F)	-625.1	-2810.8	-54.3	-77.76%	5071.96%	1050.12%

Income Statement

Associazione Calcio Renate

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	357.8	417.7	185.7	(Cash & Short Term Investments)	262.5	202.7	90.6
Tax assets Short Term	8.5	18.3	5.7	Bank and other bank assets Short Term	904.4	951.6	983.5
Inventories	10.8	12.5	0.0	Financial Debts Short Term	0.0	0.0	0.0
Accrued income and prepaid expenses Short Term	2.7	87.4	128.4	NET FINANCIAL OBLIGATIONS Short Term	641.8	748.9	892.9
(Account Payables from suppliers)	18.9	89.8	82.3	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	128.9	23.3	27.0	Financial Debts versus Banks Long Term	0.0	0.0	0.0
(Other Account Payables and Short Term Liabilities)	93.8	109.7	92.4	(Financial Fixed Assets)	0.0	0.0	0.0
(Accrued expenses and deferred income Short Term)	21.2	0.0	27.6	Total provisions for risks and charges	0.0	0.0	0.0
NET WORKING CAPITAL	116.9	313.1	90.5	Severance Indemnity Reserves	41.3	14.3	16.8
Account receivables from player transfers	0.0	0.0	268.1	NET FINANCIAL OBLIGATIONS Long Term	41.3	14.3	16.8
Account receivables from Group Entities	214.7	173.8	171.7				
(Loans)Acc. Pay to Group Entities	0.2	6.4	0.0				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	214.5	167.3	439.8	TOTAL NET FINANCIAL OBLIGATIONS	683.1	763.2	909.7
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	32.6	32.8	13.1				
Other Non-Current Assets	0.0	0.0	0.0	TOTAL EQUITY	321.7	312.8	80.3
Other Intangible Assets	146.5	349.9	271.9				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	10.0	0.0	0.0				
Intangible Assets - Homegrown Players Capitalization Costs	484.3	212.9	174.7				
Accrued income and prepaid expenses Long Term	0.0	0.0	0.0				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans)Acc. Pay to Group Entities Long Term	0.0	0.0	0.0				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	0.0	0.0	0.0				
(Other non current Account Payables and Short Term Liabilities)	0.0	0.0	0.0				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	673.4	595.6	459.7				
NET OPERATING ASSETS	1004.8	1076.0	990.1	EMPLOYED CAPITAL	1004.8	1076.0	990.1
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	38.7	45.4	74.7	-14.69%	-39.19%	-48.12%
Total Sponsors revenues	1067.1	1048.5	947.5	1.77%	10.66%	12.62%
Total TV rights	0.0	0.0	0.0	0.00%	0.00%	0.00%
Total Commercial	5.1	14.0	3.7	-63.24%	278.92%	39.28%
Federal Contributions	818.9	834.8	666.6	-1.90%	25.23%	22.85%
Other Revenues	321.9	377.0	323.6	-14.61%	15.51%	-0.52%
TOTAL REVENUES Gross of Players Transfers (A)	2251.9	2319.7	2016.1	-2.92%	15.06%	11.69%
Cost of Sales	153.6	173.9	103.0	-11.68%	68.83%	49.12%
Total Players Benefit Expenses	1100.7	1151.6	1013.4	-4.42%	13.64%	8.62%
Total Employees Benefit Expenses	323.6	325.2	289.6	-0.50%	12.29%	11.73%
Matchday Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Sponsorship and advertising expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	48.5	61.2	60.1	-20.80%	1.94%	-19.27%
Other operating expenses	695.3	755.4	700.2	-7.96%	7.88%	-0.70%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2321.6	2467.3	2166.2	-5.90%	13.90%	7.18%
EBITDA Gross of Players transfers (A-B)	-69.8	-147.6	-150.1	-52.72%	-1.69%	-53.52%
Revenues from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	344.3	254.5	205.7	35.31%	23.71%	67.40%
Other revenues from Player Trading	156.9	236.8	187.6	-33.74%	26.20%	-16.38%
REVENUES FROM PLAYER TRADING	501.2	491.3	393.3	2.03%	24.90%	27.43%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	58.3	68.5	10.0	-14.94%	585.00%	482.65%
TOTAL COSTS FROM PLAYER TRADING	58.3	68.5	10.0	-14.94%	585.00%	482.65%
NET INCOME/LOSS FROM PLAYER TRADING	443.0	422.8	383.3	4.78%	10.29%	15.56%
EBITDA net of Players transfer and Registration (A-B+C)	373.2	275.2	233.2	35.62%	18.00%	60.03%
Amortization and Depreciation (D)	282.9	228.7	189.9	23.68%	20.45%	48.97%
EBIT (A-B-C-D)	90.3	46.5	43.3	94.41%	7.27%	108.54%
Interest Expenses (E)	23.4	23.3	26.8	0.24%	-12.72%	-12.52%
EBT (A-B-C-D-E)	66.9	23.1	16.6	189.57%	39.58%	304.18%
Tax Income(Expenses) (F)	58.0	60.6	52.9	-4.24%	14.66%	9.80%
Net Profit (Loss) (A-B-C-D-E-F)	8.9	-37.5	-36.3	-123.60%	3.31%	-124.38%

Income Statement

Fussball Club Sudtiroi

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	375,1	202,4	459,3	(Cash & Short Term Investments)	660,9	119,8	16,9
Tax assets Short Term	0,0	0,0	0,0	Bank and other bank assets Short Term	0,0	0,0	0,0
Inventories	0,0	0,0	0,0	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	5,4	6,1	8,9				
(Account Payables from suppliers)	0,0	0,0	0,0	NET FINANCIAL OBLIGATIONS Short Term	-660,9	-119,8	-16,9
(Account Payables to Tax Authorities Short Term)	0,0	0,0	0,0				
(Other Account Payables and Short Term Liabilities)	876,5	317,1	391,8	(Investments Long Term)	0,0	0,0	0,0
(Accrued expenses and deferred income Short Term)	32,3	10,8	6,7	Financial Debts versus Banks Long Term	0,0	0,0	0,0
				(Financial Fixed Assets)	0,0	0,0	0,0
NET WORKING CAPITAL	-528,4	-119,4	69,7	Total provisions for risks and charges	185,9	22,3	51,7
Account receivables from player transfers	201,0	100,5	34,9	Severance Indemnity Reserves	13,9	9,2	18,1
Account receivables from Group Entities	121,0	119,9	213,3	NET FINANCIAL OBLIGATIONS Long Term	199,8	31,5	69,8
(Loans/Acc. Pay to Group Entities)	0,0	7,5	15,6				
(Account Payables from player transfers)	46,1	22,7	14,0				
NET WORKING CAPITAL from football related activities	275,9	190,1	218,5	TOTAL NET FINANCIAL OBLIGATIONS	-461,1	-88,3	52,9
Receivables Long Term	0,0	0,0	0,0				
Tangible Fixed Assets	145,5	176,7	197,2				
Other Non-Current Assets	0,0	0,0	0,0	TOTAL EQUITY	414,8	356,8	438,6
Other Intangible Assets	0,0	3,1	6,1				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	10,7	18,0	0,0				
Intangible Assets - Homegrown Players Capitalization Costs	0,0	0,0	0,0				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	50,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	0,0	0,0	0,0				
(Other non current Account Payables and Short Term Liabilities)	0,0	0,0	0,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	206,2	197,8	203,3				
NET OPERATING ASSETS	-46,3	268,5	491,5	EMPLOYED CAPITAL	-46,3	268,5	491,5
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 20/18
Total Gate Receipts	123,8	116,0	173,6	6,70%	-33,15%	-28,68%
Total Sponsors revenues	2020,0	2072,8	1930,9	-2,55%	7,35%	4,61%
Total TV rights	0,0	8,7	14,3	-100,00%	-39,45%	-100,00%
Total Commercial	12,1	12,5	11,4	-3,07%	9,95%	6,57%
Federal Contributions	746,5	585,5	440,0	27,50%	33,06%	69,65%
Other Revenues	210,2	94,4	84,9	122,68%	11,21%	147,64%
TOTAL REVENUES Gross of Players Transfers (A)	3112,6	2889,9	2655,1	7,71%	8,84%	17,23%
Cost of Sales	169,9	219,3	349,6	-22,50%	-37,29%	-51,40%
Total Players Benefit Expenses	1352,4	1290,5	1024,3	4,80%	25,99%	32,03%
Total Employees Benefit Expenses	808,1	789,5	676,0	2,35%	16,78%	19,53%
Matchday Expenses	267,3	151,2	130,3	76,79%	16,01%	105,10%
Sponsorship and advertising expenses	20,8	19,1	17,5	8,77%	8,77%	18,32%
Property Expenses	63,6	38,6	117,7	64,74%	-67,20%	-45,96%
Other operating expenses	830,3	877,9	752,8	-5,42%	16,61%	10,29%
TOTAL OPERATING COSTS Gross of players Transfers (B)	3512,3	3386,0	3068,3	3,73%	10,35%	14,47%
EBITDA Gross of Players transfers (A-B)	-399,7	-496,1	-413,3	-19,43%	20,04%	-3,28%
Revenues from players loans	111,8	118,8	48,0	-5,89%	147,40%	132,81%
Capital Gains from Players' Transfers	968,0	87,0	162,5	1012,64%	-46,46%	495,69%
Other revenues from Player Trading	389,8	405,2	212,8	-4,04%	90,90%	83,20%
REVENUES FROM PLAYER TRADING	1469,6	612,0	423,3	140,13%	44,58%	247,18%
Costs from players loans	0,0	0,0	0,0	0,00%	0,00%	0,00%
Capital Losses from Players' Transfers	0,0	1,0	0,0	-100,00%	0,00%	0,00%
Other Costs from Player Trading	218,1	107,3	95,4	103,33%	12,46%	128,67%
TOTAL COSTS FROM PLAYER TRADING	218,1	108,3	95,4	101,45%	13,51%	128,67%
NET INCOME/LOSS FROM PLAYER TRADING	1251,5	503,7	327,9	148,45%	53,61%	281,65%
EBITDA net of Players transfer and Registration (A-B+C)	851,8	7,6	-85,4	11086,76%	-108,92%	-1097,88%
Amortization and Depreciation (D)	556,9	67,3	33,4	727,80%	101,33%	1566,59%
EBIT (A-B-C-D)	294,9	-59,7	-118,8	-594,20%	-49,77%	-348,25%
Interest Expenses (E)	1,0	1,8	1,9	-48,46%	-4,79%	-50,93%
EBT (A-B-C-D-E)	293,9	-61,5	-120,7	-577,80%	-49,04%	-343,46%
Tax Income(Expenses) (F)	288,3	72,8	45,7	296,10%	59,19%	530,54%
Net Profit (Loss) (A-B-C-D-E-F)	5,6	-134,3	-166,4	-104,20%	-19,31%	-103,39%

Income Statement

Società Sportiva Teramo Calcio

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	263.9	236.7	1141.5	(Cash & Short Term Investments)	88.7	407.0	607.8
Tax assets Short Term	25.1	3.9	5.4	Bank and other bank assets Short Term	26.7	628.4	1491.6
Inventories	3.1	0.0	0.0	Financial Debts Short Term	-9.5	-9.5	-8.0
Accrued income and prepaid expenses Short Term	256.1	40.0	60.0	NET FINANCIAL OBLIGATIONS Short Term	-71.4	411.9	875.8
(Account Payables from suppliers)	382.4	149.6	265.9	(Investments Long Term)	0.0	0.0	0.0
(Account Payables to Tax Authorities Short Term)	521.2	454.0	581.5	Financial Debts versus Banks Long Term	29.1	126.7	143.9
(Other Account Payables and Short Term Liabilities)	480.1	32.3	338.3	(Financial Fixed Assets)	502.2	0.0	0.0
(Accrued expenses and deferred income Short Term)	0.0	154.2	374.4	Total provisions for risks and charges	178.7	8.9	23.3
NET WORKING CAPITAL	-835.5	-449.5	-353.2	Severance Indemnity Reserves	24.3	20.9	6.7
Account receivables from player transfers	347.9	576.9	482.0	NET FINANCIAL OBLIGATIONS Long Term	-270.2	156.5	173.9
Account receivables from Group Entities	529.3	623.4	765.2				
(Loans/Acc. Pay to Group Entities)	252.5	299.6	271.0				
(Account Payables from player transfers)	0.0	0.0	0.0				
NET WORKING CAPITAL from football related activities	624.7	900.7	976.1	TOTAL NET FINANCIAL OBLIGATIONS	-341.6	568.3	1049.7
Receivables Long Term	0.0	0.0	0.0				
Tangible Fixed Assets	38.3	9.7	77.1	TOTAL EQUITY	-337.9	-328.9	-126.7
Other Non-Current Assets	0.0	0.0	0.0				
Other Intangible Assets	68.4	24.8	29.4				
Tax assets Long Term	0.0	0.0	0.0				
Intangible Assets - Players' rights	34.0	50.0	100.0				
Intangible Assets - Homegrown Players Capitalization Costs	864.1	690.1	881.5				
Accrued income and prepaid expenses Long Term	0.0	0.0	0.0				
Account receivables from players Long Term	0.0	0.0	0.0				
Account receivables from Group Entities Long Term	0.0	0.0	0.0				
(Loans/Acc. Pay to Group Entities Long Term)	375.67	762.14	1374.81				
(Account Payables from player transfers Long Term)	0.0	0.0	0.0				
(Account Payables from suppliers Long Term)	0.0	0.0	0.0				
(Account Payables to Tax Authorities Long Term)	973.7	910.2	650.5				
(Other non current Account Payables and Short Term Liabilities)	184.7	0.0	0.0				
(Accrued expenses and deferred income Long Term)	0.0	0.0	0.0				
NET FIXED ASSETS	-468.7	-211.8	300.1				
NET OPERATING ASSETS	-679.5	239.4	923.0	EMPLOYED CAPITAL	-679.5	239.4	923.0
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	375.1	223.1	211.6	63.74%	8.25%	77.26%
Total Sponsors revenues	1253.3	1382.2	1357.8	-9.30%	1.80%	-7.26%
Total TV rights	0.0	0.0	0.0	0.00%	0.00%	0.00%
Total Commercial	5.7	0.6	1.6	912.81%	-63.74%	267.23%
Federal Contributions	456.9	598.5	1157.5	-18.19%	-51.75%	-60.52%
Other Revenues	994.3	444.8	361.9	123.56%	22.91%	174.77%
TOTAL REVENUES Gross of Players Transfers (A)	3091.4	2615.2	3090.4	18.21%	-15.38%	0.03%
Cost of Sales	286.6	194.2	76.6	47.57%	153.70%	274.38%
Total Players Benefit Expenses	2027.0	1262.9	1200.0	60.51%	5.24%	68.92%
Total Employees Benefit Expenses	900.9	408.6	794.0	120.43%	-48.54%	13.46%
Matchday Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Sponsorship and advertising expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Property Expenses	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other operating expenses	3508.0	1701.2	1698.7	106.20%	-10.40%	84.76%
TOTAL OPERATING COSTS Gross of players Transfers (B)	6722.5	3566.9	3969.2	88.47%	-10.14%	69.37%
EBITDA Gross of Players transfers (A-B)	-3631.2	-951.7	-878.8	281.53%	8.30%	313.21%
Revenues from players loans	3.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Gains from Players' Transfers	0.0	52.0	605.0	-100.00%	-91.40%	-100.00%
Other revenues from Player Trading	4.5	156.2	162.1	-97.12%	-3.67%	-97.22%
REVENUES FROM PLAYER TRADING	7.5	208.2	767.1	-96.40%	-72.86%	-99.02%
Costs from players loans	0.0	0.0	0.0	0.00%	0.00%	0.00%
Capital Losses from Players' Transfers	0.0	0.0	0.0	0.00%	0.00%	0.00%
Other Costs from Player Trading	0.0	0.0	0.0	0.00%	0.00%	0.00%
TOTAL COSTS FROM PLAYER TRADING	0.0	0.0	0.0	0.00%	0.00%	0.00%
NET INCOME/LOSS FROM PLAYER TRADING	7.5	208.2	767.1	-96.40%	-72.86%	-99.02%
EBITDA net of Players transfer and Registration (A-B+C)	-3623.7	-743.5	-111.6	387.35%	566.06%	3146.08%
Amortization and Depreciation (D)	423.6	459.0	262.2	-7.71%	75.01%	61.52%
EBIT (A-B-C-D)	-4047.2	-1202.5	-373.9	236.57%	221.63%	982.50%
Interest Expenses (E)	92.2	272.6	211.8	-66.16%	28.67%	-56.46%
EBT (A-B-C-D-E)	-4139.5	-1475.1	-585.7	180.62%	151.84%	606.73%
Tax Income/Expenses (F)	-14.4	4.3	3.9	-434.12%	10.09%	-467.84%
Net Profit (Loss) (A-B-C-D-E-F)	-4125.0	-1479.4	-589.6	178.83%	150.90%	599.57%

Income Statement

Virtus Francavilla Calcio

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables	1158,9	380,0	608,6	(Cash & Short Term Investments)	307,9	214	67,9
Tax assets Short Term	30,9	15,7	5,2	Bank and other bank assets Short Term	0,0	51,3	0,9
Inventories	1,4	1,9	2,6	Financial Debts Short Term	0,0	0,0	0,0
Accrued income and prepaid expenses Short Term	234,6	299,4	30,8				
(Account Payables from suppliers)	218,2	100,2	59,9	NET FINANCIAL OBLIGATIONS Short Term	-307,9	29,9	-67,0
(Account Payables to Tax Authorities Short Term)	408,9	302,7	161,1				
(Other Account Payables and Short Term Liabilities)	307,4	263,7	256,5	(Investments Long Term)	0,3	0,7	1,0
(Accrued expenses and deferred income Short Term)	90,9	33,3	29,4	Financial Debts versus Banks Long Term			
				(Financial Fixed Assets)	0,0	0,0	0,0
NET WORKING CAPITAL	400,5	-3,0	140,3	Total provisions for risks and charges	290,2	67,8	76,9
				Severance Indemnity Reserves	7,4	3,9	1,0
Account receivables from player transfers	7,1	14,8	20,2				
Account receivables from Group Entities	10,5	15,7	5,2	NET FINANCIAL OBLIGATIONS Long Term	331,1	92,2	76,8
(Loans/Acc. Pay to Group Entities)	8,0	1,2	1,2				
(Account Payables from player transfers)	0,0	0,0	0,0				
NET WORKING CAPITAL from football related activities	9,6	29,3	24,2	TOTAL NET FINANCIAL OBLIGATIONS	23,2	122,1	9,8
Receivables Long Term	4,8	3,3	1,9				
Tangible Fixed Assets	6,3	15,7	27,8				
Other Non-Current Assets	0,0	0,0	0,0	TOTAL EQUITY	269,5	-110,6	271,0
Other Intangible Assets	53,0	64,7	63,9				
Tax assets Long Term	0,0	0,0	0,0				
Intangible Assets - Players' rights	22,8	22,8	22,8				
Intangible Assets - Homegrown Players Capitalization Costs	0,0	0,0	0,0				
Accrued income and prepaid expenses Long Term	0,0	0,0	0,0				
Account receivables from players Long Term	0,0	0,0	0,0				
Account receivables from Group Entities Long Term	0,0	0,0	0,0				
(Loans/Acc. Pay to Group Entities Long Term)	0	0	0				
(Account Payables from player transfers Long Term)	0,0	0,0	0,0				
(Account Payables from suppliers Long Term)	0,0	0,0	0,0				
(Account Payables to Tax Authorities Long Term)	204,3	121,3	0,0				
(Other non current Account Payables and Short Term Liabilities)	0,0	0,0	0,0				
(Accrued expenses and deferred income Long Term)	0,0	0,0	0,0				
NET FIXED ASSETS	-117,4	-14,8	116,3				
NET OPERATING ASSETS	292,7	11,5	280,8	EMPLOYED CAPITAL	292,7	11,5	280,8
CHECK	-	-	-				

Balance Sheet

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 1918	Delta 2018
Total Gate Receipts	162,5	80,5	146,3	101,87%	-44,96%	11,10%
Total Sponsors revenues	1000,1	1054,9	1067,7	-5,19%	-1,20%	-6,33%
Total TV rights	12,9	12,4	26,4	4,28%	-53,22%	-51,21%
Total Commercial	2,1	2,8	3,5	-26,19%	-19,75%	-40,76%
Federal Contributions	731,4	878,7	593,3	-16,77%	48,11%	23,28%
Other Revenues	104,6	36,6	10,7	186,12%	241,50%	877,10%
TOTAL REVENUES Gross of Players Transfers (A)	2013,6	2065,9	1847,9	-2,53%	11,79%	8,97%
Cost of Sales	116,9	64,1	84,5	82,44%	-24,15%	38,38%
Total Players Benefit Expenses	774,5	862,0	811,7	-10,15%	6,19%	-4,59%
Total Employees Benefit Expenses	563,7	690,3	538,3	-18,33%	28,23%	4,72%
Matchday Expenses	246,3	268,7	235,0	-8,36%	14,34%	4,79%
Sponsorship and advertising expenses	0,5	0,0	0,0	0,00%	0,00%	0,00%
Property Expenses	65,3	68,2	52,8	-4,22%	29,07%	23,62%
Other operating expenses	724,6	466,2	348,9	55,44%	33,59%	107,66%
TOTAL OPERATING COSTS Gross of players Transfers (B)	2491,8	2419,4	2071,3	2,99%	16,81%	20,30%
EBITDA Gross of Players transfers (A-B)	-478,2	-353,5	-223,4	35,26%	58,27%	114,07%
Revenues from players loans	4,0	1,0	0,0	300,00%	9900,00%	39900,00%
Capital Gains from Players' Transfers	1170,0	30,0	500,0	3800,00%	-94,00%	134,00%
Other revenues from Player Trading	90,8	67,5	116,6	34,52%	-42,11%	-22,13%
REVENUES FROM PLAYER TRADING	1264,8	98,5	616,6	1184,06%	-84,03%	105,12%
Costs from players loans	3,5	13,5	10,0	-74,07%	35,00%	-65,00%
Capital Losses from Players' Transfers	0,0	0,0	0,0	0,00%	0,00%	0,00%
Other Costs from Player Trading	9,5	0,0	0,0	0,00%	0,00%	0,00%
TOTAL COSTS FROM PLAYER TRADING	13,0	13,5	10,0	-3,70%	35,00%	30,00%
NET INCOME/LOSS FROM PLAYER TRADING	1251,8	85,0	606,6	1372,71%	-85,99%	106,36%
EBITDA net of Players transfer and Registration (A-B+C)	773,6	-268,5	383,2	-388,09%	-170,07%	101,87%
Amortization and Depreciation (D)	69,9	45,2	39,4	54,45%	14,91%	77,47%
EBIT (A-B-C-D)	703,8	-313,8	343,9	-324,29%	-191,25%	104,66%
Interest Expenses (E)	5,4	7,5	4,7	-28,13%	60,82%	15,59%
EBT (A-B-C-D-E)	698,4	-321,3	339,2	-317,36%	-194,72%	105,89%
Tax Income(Expenses) (F)	318,3	60,2	144,5	428,36%	-58,31%	120,25%
Net Profit (Loss) (A-B-C-D-E-F)	380,1	-381,5	194,7	-199,62%	-295,98%	95,23%

Income Statement

References

1. (<https://www.gazzetta.it/Calcio/17-02-2019/surreale-cuneo-pro-piacenza-7-finisce-20-0-3201483375840.shtml>)
2. Bacci G. (2006) “Storia del calcio italiano dalle origini ai giorni nostri”, Eco Editore
3. Camera dei deputati, Servizio Studi, documentazione e Ricerche, (2006) “Le società sportive”, <http://documenti.camera.it/leg15/dossier/testi/CU0039.htm>
4. Carta, M. (2005). “La disciplina normativa delle società di calcio: un quadro di sintesi”. *Analisi Giuridica dell'Economia*, 4(2), 301-312.
5. Clemente di San Luca, G. (2007). “Dei limiti all'autonomia dell'ordinamento sportivo. Riflessioni intorno a calcio e diritto”. *Diritto pubblico*, 13(1), 33-66.
6. Demuro, I., & Frosini, T. E. (Eds.). (2009). *Calcio professionistico e diritto* (Vol. 18). Giuffrè Editore.
7. Formula 1 (2020), “Formula 1 and Zoom announce first virtual Paddock Club Partnership”, Formula 1, 16 July 2020
8. Gazzola P., Grechi D., Pavione E., Ossola P., (2019) “Corporate Governance in the Football Industry: The Italian Case”, preceeding of the Conference: STRATEGICA 2019. Upscaling Digital Transformation in Business and Economics, Bucarest (RO) https://www.researchgate.net/publication/339146326_Corporate_Governance_in_the_Football_Industry_The_Italian_Case
9. Grabowski, A. (2021). “Impact of COVID-19 Pandemic and Lockdown on the Activities of European Football Companies”. *European Research Studies Journal*, 24(Special 3), 645-654. https://www.researchgate.net/profile/Artur-Grabowski/publication/355217654_Impact_of_COVID-19_Pandemic_and_Lockdown_on_the_Activities_of_European_Football_Companies/links/61691ed08ad119749b1f28e4/Impact-of-COVID-19-Pandemic-and-Lockdown-on-the-Activities-of-European-Football-Companies.pdf
10. Gravina G. (2016) “Il bilancio d'esercizio e l'analisi delle performance nelle società di calcio professionistiche. Esperienza nazionale e internazionale”. FrancoAngeli
11. Grix, J., Brannagan, P. M., Grimes, H., & Neville, R. (2021). “The impact of Covid-19 on sport”. *International journal of sport policy and politics*, 13(1), 1-12.

- https://www.researchgate.net/profile/Jonathan-Grix/publication/347211813_The_impact_of_Covid-19_on_sport/links/5ffd8130299bf140888cb4f0/The-impact-of-Covid-19-on-sport.pdf
12. Hammerschmidt, J., Durst, S., Kraus, S., & Puumalainen, K. (2021). “Professional football clubs and empirical evidence from the COVID-19 crisis: Time for sport entrepreneurship?”. *Technological Forecasting and Social Change*, 165, 120572. <https://www.sciencedirect.com/science/article/pii/S0040162521000044>
 13. Horky, T. (2021). “No sports, no spectators—no media, no money? The importance of spectators and broadcasting for professional sports during COVID-19”. *Soccer & Society*, 22(1-2), 96-102. - https://d1wqtxts1xzle7.cloudfront.net/64815656/No_sports_no_spectators_no_media_no_money-with-cover-page-v2.pdf?Expires=1650203615&Signature=KFOyVDascZQvcgfhkB77gr3Cf3CFzj9I4UzUbaOULvK5Ar3UBbHdKSmVELB0EPSfORGakYYlhD6FUQ1dEaXK20ixp8gS9T9qRIYxXApNPgzk21psfXfo-B~V6Jkj1yP0JihxvM~Gh1cHN7xSkPS7aGPKhnZ-1DcT15veDmg~WDZY~pY4oar1epBs3CeIHC1VQLCdJFisFaXjoq0OxGJzeitOVwf--8gthcKJkHymAwNNV9A09bR46sLAv-fGbOYAoa7-IYY0Z8iai2sTSrBWCOCqhXz~iD0fiSZuSFoTF6XdplI0ZLzHqdacebqwJLTcDSr18QW5vkeXgEYec3iMQ_&Key-Pair-Id=APKAJLOHF5GGSLRBV4ZA
 14. <https://www.calcioefinanza.it/2022/04/10/serie-c-club-falliti/>
 15. <https://www.figc.it/it/federazione/norme/norme-organizzative-interne/>
 16. <https://www.gazzetta.it/Calcio/17-02-2019/surreale-cuneo-pro-piacenza-7-finisce-20-0-3201483375840.shtml>
 17. <https://www.lega-pro.com/>
 18. Kelham A. (2020), Virtual Advertising Cutting Through The Regulation. Proposing A Way Forward, Lewis Silkin, 27 September 2020
 19. Malagò, G., & Sanguigni, V. (2022). La corporate governance delle società di calcio professionistiche: un'analisi sul campo. *La corporate governance delle società di calcio professionistiche*, 1-135.
 20. O. Rehn, (202), *FIFA COVID-19 Relief Plan achieving right impact*, 16 September 2020
 21. Pedersen, P. M., Ruihley, B. J., & Li, B. (2021). *Sport and the pandemic*. New York, NY: Routledge, (<https://s3-euw1-ap-pe-df-pch-content-store-p.s3.eu-west-1.amazonaws.com/9781003105916/46dc7063-5c2f-4bd1-b115-0629994618b0/preview.pdf>)

22. Plumley, D., Wilson, R., & Ramchandani, G. (2017). “Towards a model for measuring holistic performance of professional football clubs”. *Soccer & Society*, 18(1), 16–29.
<https://doi.org/10.1080/14660970.2014.980737> [Taylor & Francis Online], [Google Scholar]
23. PWC (2021) “Report Calcio”
<https://www.pwc.com/it/it/publications/reportcalcio/2021/doc/reportcalcio-2021-ita.pdf>
24. Sors, F., Grassi, M., Agostini, T., & Murgia, M. (2021). “The sound of silence in association football: Home advantage and referee bias decrease in matches played without spectators”. *European journal of sport science*, 21(12), 1597-1605. -
https://www.researchgate.net/profile/Fabrizio-Sors/publication/345674122_The_sound_of_silence_in_association_football_Home_advantage_and_referee_bias_decrease_in_matches_played_without_spectators/links/5fe75b06afdccdc80747bb/The-sound-of-silence-in-association-football-Home-advantage-and-referee-bias-decrease-in-matches-played-without-spectators.pdf
25. Szczepkowski, J. (2021). “Building and maintaining the relationship with football fans during COVID-19”. *Journal of Physical Education and Sport*, 21, 1270-1275.
<https://efsupit.ro/images/stories/aprilie2021/Art%20161.pdf>

Database sitography

1. Orbis Bureau Van Dijk:

<https://orbis.bvdinfo.com/version-202255/Orbis/1/Companies/Search>

2. AIDA: <https://aida.bvdinfo.com/>

No matches, no revenues: the financial impact of Covid-19 on the Italian Serie C Football Clubs

Summary

1. Aims and Scope

The Covid-19 pandemic has created an highly uncertain scenario (further aggravated by the ongoing war in Ukraine) whose impacts and implications are still largely unknown in the medium-long run. Dramatic consequences in human, social and health data are accompanied by severe impacts in production and business terms: the global football industry is no exception. The football industry at world level is presently dealing with many interrelated dimensions and several questions: how to effectively and efficiently back up and running competitions with the risk of eventual new surge in infections? How to define, design and implement extensive global health and safety standards capable to guarantee an adequate degree of predictability and stability? How to manage and ensure the return of fans to stadiums as an essential step for a sector restoring with the risk of future lockdowns?

These questions hide concrete challenge for the football industry as a whole but it is maybe something more than a challenge for the football lower leagues' clubs which are in general more financial fragile and more vulnerable to external market shocks: it's a question of survival. Major attention of the general public, research and media in Italy has been biased on the Serie A teams indeed, and perhaps little attention has been paid to what occurred, during the years of the pandemic, to the football clubs in the lower leagues.

The research presented in this paper was aimed to the understanding of the action of an unpredictable and unexpected event of a very peculiar nature such as the Covid 19

pandemic on a particular business sector: the Italian Serie C League clubs, one of the lowest level in the professional football league system. This League highly suffered the consequences for Covid-19 during the period 2020/2021 making the future prospects of the teams involved extremely uncertain: their current weakness makes them particularly fragile in case of an eventual future new aggravation of the pandemic.

2. The legal framework

Since 1981, with Act no. 91 (“rules on relations between clubs and professional sportsmen”) a specific legal framework sets the discipline of professional sports clubs regulating the relationships between companies and professional (sports) workers. It establishes that the performance for consideration of the professional sportsman is subjected to a subordinate employment relationship: it deals also with the form and organization of professional clubs. The express identification of the types of companies that can be used to exercise sporting activity in general, and football in particular, at a professional level are followed by some provisions which, by derogating from the common company regulations, render the football clubs companies under special law rather than "anomalous" enterprises.

During the years, the further evolution of the operative scenario was re-oriented in the light of the sentence of the Court of Justice of the European Communities of 1995, the so-called Bosman judgment which inspired the Act no. 586/1996, in order to allow the football companies to acquire financial resources and risk capital from the market. Moreover the introduction in September 2009 of the rules on the so-called “financial fair play” drove to the adoption of stricter discipline, rationality and responsibility, in the financial management of football clubs (even if this discipline is mainly applied to medium/big clubs rather to Serie C teams).

In addition to the common corporate discipline and the Italian civil law, professional football clubs are subject to the regulations of the Italian Football Federation (F.I.G.C.). Clubs must be affiliated to F.I.G.C. to participate in sports competitions and therefore to carry out their social activity. Therefore, federal norms and regulations are supplementary to the corporate discipline.

The statute of the F.I.G.C. and the Internal Organizational Rules of the Federation (N.O.I.F.) define also a series of norms and obligations for the affiliated clubs intended which determine forms of control over these clubs. Football clubs' financial statements are subjected to the controls and related provisions of the F.I.G.C. This control and the related inspection activities are undertaken by Co.Vi.So.C. (Supervisory Commission on Professional Football Clubs), a F.I.G.C. technical body. The Football clubs' financial statements form and structure are comparable and similar to every other commercial firm. Nonetheless, the peculiar characteristics of sporting activity, the competitive environment in which they operate, the particular pyramidal mechanisms within the operative context where public/private bodies exert a supervision on football clubs as well as the socio-economic dynamics of a local environment for the Serie C clubs, determine the emergence of a completely original business model.

This peculiar business environment shows relevant implications according many points of view because football clubs are subject to a double faceted legal, financial and control scenario which affects also those norms and regulations related to the financial statements. The football business in Italy is thus under the action of two interconnected but separated (and well distinct) levels:

- The legal level resulting from the Italian and international civil law and its accounting standards (OIC, IAS/IFRS)

- The “sporting” level resulting from the Italian (FIGC, CONI, etc.) and the European sport associations’ rules (UEFA, FIFA, etc.) which are developed to guarantee the regular professional activity.

Additional elements are becoming a critical part of sustainable managerial strategies at global level such as the recent changes in corporate governance aimed to improve the disclosure reporting among stakeholders and corporate social responsibility (CSR). Similarly, within this context, the Financial fair play (FFP) introduced by UEFA in 2009 to improve the overall financial health of European football clubs (to prevent them from spending more than they earn in revenues thus preventing clubs from getting into financial trouble that could affect their long-term survival) is playing a relevant role.

This legal framework acted as a critical tool to render professional football clubs real business enterprises like any other company with the same economic, financial and equity dynamics. However, the particular characteristics of sporting activity, the competitive environment in which they operate, the socio-economic dynamics of a local environment for the Serie C clubs, determine the emergence of a completely original business model.

3. The business model analysis

The football business shows some peculiar features because even if sharing almost the same level of costs of any other commercial/financial sector, a football club detains certain peculiarities in the relations between profits and the concept of “result”. Achieving positive results on the playground and in the financial statements is not always the same. High investments with the aim to achieve results in the matches may scale up becoming losses being frequently unable to repay the initial costs. This boomerang effect is often caused by among others some elements:

- high fixed costs (stadium, player’s salaries, staff, etc.)

- high volatility in revenues (for instance number of subscriptions, tickets and season tickets can vary year by year or, after relegation the lower football league, availability of less contributions, etc.).

This leads very often to financial distress, inflating large amount of debt (frequently short term) and risk of dealing with huge losses in the short-medium run.

Given the multilevel implications and the magnitude of the football game phenomenon, special emphasis should be paid upon the economic and financial grounds of companies' reports under a sort of global/international perspective.

Some key-issues can be placed at the base of this approach:

- the growth of the football clubs' revenues;
- the transfer fees paid by football clubs to recruit new players which have increased significantly over the past few years;
- the need to overcoming the comparability problems of European firms' financial statements.

These issues clearly evidence that football business has reached in these recent years a global scale with a high degree of interconnection among clubs at international level. This is the reason why EU has launched over the years a harmonization, convergence and standardization process which aims to reduce the differences in accounting practices by issuing specific directives. The stage of standardization was initiated to further adopt appropriate acts to improve the comparability of listed companies' financial statements.

The presence of two different and distinct dimensions (OIC and IAS/IFRS) under which football business in subjected in Italy doesn't imply that each clubs has to redact two different financial statements. Nonetheless F.I.G.C. has developed two tools:

- the Accounting Recommendations (Raccomandazioni Contabili);
- the Unified Chart of Accounts (Piano dei Conti Unificato).

These tools are directed to improve accounting harmonization and transparency in football business as well as the convergence of the budgeting process of the Italian football clubs. They provide detailed information and instructions for a correct balance sheet or income statement arrangement: each item and field are clearly identified and linked to the appropriate class.

4. Analytical approach

Serie C involves 60 teams, privately associated and affiliated with the Italian Football Federation (F.I.G.C.), engaging professional players. The championship is divided into three distinct group stages on a geographical basis made up of 20 teams each.

The present survey is based on data referred to a sample of 15 football clubs in the Italian Serie C Championship collected for the periods involving the seasons 2018-2019, 2019-2020 and 2020-2021.

The primary data sources for this study are the financial statements and related annual reports which have been filed by the selected clubs of the Italian Serie C League. The reported accounting data has been “smoothed” by a two stage process. First, in some cases data in the annual reports were not fully available and/or some accounts are missing. In a second stage, it was quite evident that the financial data reported does not provide valid comparative data either for the same club between seasons or with other clubs.

To reduce the proportion of such inconsistencies, it is assumed to exclude from the survey those clubs with incomplete or missing data considering for the analysis only those clubs which close their financial statements on 31/06, thus excluding those closing their financial statements on 31/12. This because of a majority of Italian Serie C clubs to close their statements on June. Moreover it has been decided to consider only teams that have been played in Serie C in the timeframe considered in the analysis, 2018-2020, with the only exception of Delfino Pescara. This team was included in order to analyze a 2022 Serie C club that were in Serie B for the whole timeframe.

The sample for the present survey therefore results of 15 teams (25% of the total population).

These clubs have been organized within three clusters:

- Historical top clubs
- Medium clubs
- Small clubs

In order to achieve a more precise and detailed work, the previous financial statements' reclassifications have been adopted as a precondition for the calculation of these further ratios and for the estimation of some important parameters.

The Balance Sheet scheme that will be used to perform the cluster analysis will be developed as follows:

DATA REPORTED IN (000)	2020	2019	2018		2020	2019	2018
Other Account receivables				(Cash & Short Term Investments)			
Tax assets Short Term				Bank and other bank assets Short Term			
Inventories				Financial Debts Short Term			
Accrued income and prepaid expenses Short Term							
(Account Payables from suppliers)				NET FINANCIAL OBLIGATIONS Short Term			
(Account Payables to Tax Authorities Short Term)							
(Other Account Payables and Short Term Liabilities)				(Investments Long Term)			
(Accrued expenses and deferred income Short Term)				Financial Debts versus Banks Long Term			
				(Financial Fixed Assets)			
NET WORKING CAPITAL				Total provisions for risks and charges			
				Severance Indemnity Reserves			
Account receivables from player transfers							
Account receivables from Group Entities				NET FINANCIAL OBLIGATIONS Long Term			
(Loans/Acc. Pay to Group Entities)							
(Account Payables from player transfers)							
NET WORKING CAPITAL from football related activities				TOTAL NET FINANCIAL OBLIGATIONS			
Receivables Long Term							
Tangible Fixed Assets							
Other Non-Current Assets				TOTAL EQUITY			
Other Intangible Assets							
Tax assets Long Term							
Intangible Assets - Players' rights							
Intangible Assets - Homegrown Players Capitalization Costs							
Accrued income and prepaid expenses Long Term							
Account receivables from players Long Term							
Account receivables from Group Entities Long Term							
(Loans/Acc. Pay to Group Entities Long Term)							
(Account Payables from player transfers Long Term)							
(Account Payables from suppliers Long Term)							
(Account Payables to Tax Authorities Long Term)							
(Other non current Account Payables and Short Term Liabilities)							
(Accrued expenses and deferred income Long Term)							
NET FIXED ASSETS							
NET OPERATING ASSETS				EMPLOYED CAPITAL			
CHECK							

Data, reported in thousands, has been divided into (for the left side):

- The Net Working Capital (NWC)
- The Net Working Capital (NWC) from football related activities as reported before,
- The Net Fixed Assets (NFA) as the difference between Operating Assets and Operating Liabilities Long Term (Intangibles, Tangible Fixed Assets, etc.).

To complete the left side of the sheet Net Operating Assets or NOA is included.

NOA results from:

$$\text{NOA} = \text{NWCs} + \text{NFA}$$

The right side of the sheet includes:

- the Short Term Net Financial Positions reported as Short Term Net Financial Obligations (NFO ST)
- the Long Term Net Financial Positions reported as Long Term Net Financial Obligations (NFO LT)

- the total amount of NFO (as the sum of NFO ST and LT)
- the Shareholders' Equity (SE)

The Employed Capital (EC) results from:

$$EC = \text{NFOs} + \text{SE}$$

It is important to remind also that:

$$\text{NOA} = \text{EC}$$

This reclassification (and this also is adopted to the Income Statement) was based on the remodeling of the balance sheets (OIC structure) as reported in the Orbis and A.I.D.A. portals integrated with the balance sheet information for the three years of the reference time period for the various teams selected (2018-2020).

The reclassification of the Income Statement was carried out in order to have a clear structure of organized items capable to achieve a sound distinction among soccer clubs' items and to calculate economic indicators useful for explaining the incidence of those items on the various tranches of the Income Statement.

The model adopted therefore is based on the following scheme:

DATA REPORTED IN (000)	2020	2019	2018	Delta 2019	Delta 19/18	Delta 2018
Total Gate Receipts						
Total Sponsors revenues						
Total TV rights						
Total Commercial						
Federal Contributions						
Other Revenues						
TOTAL REVENUES Gross of Players Transfers (A)						
Cost of Sales						
Total Players Benefit Expenses						
Total Employees Benefit Expenses						
Matchday Expenses						
Sponsorship and advertising expenses						
Property Expenses						
Other operating expenses						
TOTAL OPERATING COSTS Gross of players Transfers (B)						
EBITDA Gross of Players transfers (A-B)						
Revenues from players loans						
Capital Gains from Players' Transfers						
Other revenues from Player Trading						
REVENUES FROM PLAYER TRADING						
Costs from players loans						
Capital Losses from Players' Transfers						
Other Costs from Player Trading						
TOTAL COSTS FROM PLAYER TRADING						
NET INCOME/LOSS FROM PLAYER TRADING						
EBITDA net of Players transfer and Registration (A-B+C)						
Amortization and Depreciation (D)						
EBIT (A-B-C-D)						
Interest Expenses (E)						
EBT (A-B-C-D-E)						
Tax Income(Expenses) (F)						
Net Profit (Loss) (A-B-C-D-E-F)						

The EBITDA analysis is surely one of the most important indicator for the description of the wealth of a commercial as well as a football club firm.

It is important to note that two different EBITDAs have been highlighted:

- a "classic" one: given by the difference between revenues and the sum of Cost Of Goods Sold (COGS) plus Selling General & Administrative Expenses (SG&A);
- an *EBITDA net of players transfer and registration*, given by adding to the classic EBITDA the difference between revenues from player trading (capital gains from players' trading, etc.) and costs from player trading (capital losses from players' trading, etc.).

5. Discussion

Four main sources are at the base of the football clubs' revenues:

- matchday;
- commercial;

- capital gains from player’s transfer (“Plusvalenze”)
- broadcasting.

The traditional streams of income for Serie C clubs have dramatically decreased together with other sources such as merchandising, food and beverages.

Two main key issues can be placed at the base of the Covid-19 crisis of the Italian Serie C clubs:

- the zeroing in the tickets and season tickets sales at the box offices (due to the lockdowns and other restrictions for the presence of spectators during the matches);
- the collapse of sponsorships.

These two factors produced relevant budget and economic consequences. The partial reopening to 15% of the capacity of up to 1,000 provided some help in particular to small clubs but in certain circumstances created rather paradoxical effects for the big ones: opening the stadium for a match appeared more expensive than the relative revenue.

It’s quite evident that the Serie C clubs are extremely more dependent on matchday and sponsorship revenues than their Serie A/Serie B counterparts: the former have a more limited role within pay-TV networks than the latter.

The data shown in this study confirm that weaker revenues have the biggest impact on those at the bottom. So far, so obvious because this interrelation can be intuitively inferred. Yet the analysis of the financial data carried out in this study not only confirms such statements but also it highlights the width and the extent of such emergency evidencing how, for a large number of the clubs involved in the survey, severe financial troubles before 2019 suddenly turned into the worst financial crisis they have faced.

This structural fragility can be proved by the data regarding the financial sustainability of Serie C clubs through some considerations related to an analysis of the EBIT/Total

Revenues ratio (also called Operating Margin). The results from the analysis of the operating margin confirm a widespread instability in terms of economic sustainability.

The study reveals that the vulnerability in stadium revenues (tickets and season tickets) and revenues from sponsorship remarkably exposes these clubs to the adverse consequences of potential further new waves of Covid 19 pandemic or new closures and lockdowns. In this uncertain scenario, sponsors may be not incline to sign new contracts of greater or equal volume compared to those before the pandemic. Considering also a general reduction in the numbers of spectators on the stands, the risk of a limited visibility may push sponsors to find different investments strategies.

Football therefore can't survive for too long without supporters, with no fans on the terraces: and this is a critical problem for these small clubs also considering that, among the effects of a long pandemic, also the tendency of the public to go to the stadium could have changed, as happened in other sectors connected to the show business.

Considering that these clubs receive a major part of the revenues deriving from these two items a raising emphasison these items implies that the corresponding raising in the risk of worsening economic sustainability may grow. It means that, being the capital gains frequently not so significant, in the future the survival of these teams could depend even more on the revenues deriving from the F.I.G.C. or government subsidies. If these trends will be confirmed, this dependence could even further increase in the near future.

The data presented provide also a general overview of the costs for the wages of the players which represent on average about 30% of the total costs. Establishing the more or less appropriateness of this value is a rather difficult and complex task but the sport competitiveness of a football team highly depends on this kind of investments. As a consequence of that, the severe reduction of liquidity, due to less revenues, have had a huge impact also on players transfer market, causing a direct effect also on capital gains related to it ("Plusvalenze"). This factor plays a critical role in order to increase the

positive part of the income statement of a football team, but as it has shown in the various income statements, capital gains from Players’ trading was not impacting on the Serie C clubs’ revenues. Data shown that more stable Serie C clubs were the ones with the higher levels of Capital Gains from Players’ trading.

The severe financial distress resulting from the analysis of these data stimulates further considerations. With so many debts and so little revenues there couldn’t be really a queue of people willing to buy football clubs or invest massively in such business for an eventual financial recovery. Similarly, capital markets, banks, are unlikely be very motivated to lend money to football clubs of these sizes.

Finding a correlation between one club’s history/size/non economic factors and financial performances could be a rather misleading task because of the action an extremely wide range of variables and factors. Yet one could state that big clubs (and in this case also considering historical top clubs) could suffer not only for their bigger and heavier financial structure and needs but also due to their “trademark” and fame. On the other hand small teams in Cluster 3 (small teams) have a limited capability to be self-sufficient being linked to a more restricted scenario, less resources and weaker financial structure. Clubs in Cluster 2, except for Teramo Calcio, are likely to show more stable trends showing also better capabilities in managing their short term operating structure, but always considering a structural risk of future financial instability due to Covid-19 Pandemic effects.

6. Concluding comments

The research presented in this paper is aimed to the understanding of the action of an unpredictable and unexpected event of a very peculiar nature such as the Covid 19 pandemic on a particular business sector: the Italian Serie C League, one of the lowest level in the professional football league system.

This survey offered the occasion to think about the modalities through which these peculiar business entities have somewhat managed (being more or less prepared for) such a long-term disturbance. The peculiarity of such enterprises is essentially focused on the fact that the crisis and the risk of collapse of these clubs may involve significant implications upon the economic and social life of many towns and small cities in Italy being these teams deeply linked to local communities and economies. In particular it has been aimed to provide some contributes to the understanding of the economic impact of Covid-19 on the Italian Serie C Championship to be considered as a real “small business ecosystem”.

The present analysis is therefore directed to turn a spotlight in particular on a sector that very rarely rises to the fore of the media and the public perception about these issues is therefore rather poor because the attention has turned straight to the Serie A and Serie B championships. For these Leagues, billions of euros in TV income have been surely at stake during the most acute moments of the pandemic (and they will be at risk again in case of eventual new acute health emergencies may emerge in the foreseeable future). Nonetheless they could survive with behind-closed-doors matches beamed worldwide while lower league clubs need the physical presence of their supporters.

No matches, no revenues: it evidences how the Italian Serie C football teams highly rely on matchday revenues. Football stadiums without fans could be a potential fixture for the foreseeable future, due to the coronavirus mutations. That’s could be a further headache for smaller Italian clubs, who mainly rely on ticket sales for revenue. While those at the top of the football chain may be able to ride out the storm, the financial effects of the pandemic are thus starker for those below the Serie A.

During the time frame considered in the present analysis, Covid-19 pandemic and its consequences appeared as an extraordinary event for which no operative remedy of any kind (financial, technical, managerial) had been prepared nor was it possible to arrange at that time quick responses to a similar event. Therefore one further result that may emerge

from this study consists in having focused on some situations that can be considered as examples, bad/good practices that may perhaps be useful as lessons for dealing with any similar stressful financial situations in the future.