

**Middlesbrough Football Club Foundation
(Limited by Guarantee)**

Annual Report and Financial Statements
for the Year Ended 31 August 2023

"Charity Commissioners Copy"
Registered Charity Number: 1059418

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Statement of Accounts
for the Year Ended 31 August 2023

	Page
Report of the Trustees	1 – 11
Report of the Independent Auditors	12 – 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Accounts	18 - 27

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

The Trustees submit their report and the audited financial statements of Middlesbrough Football Club Foundation ('the Foundation') for the year ended 31 August 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

The Directors of the Foundation are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end are shown on page 8.

OBJECTIVES AND ACTIVITIES

The Board of Directors decide the strategic direction of the Foundation and the day to day decisions are made by the Senior Management of the Foundation.

The Foundation's main aims are:

- To encourage and advance the education of children and adults within the community with the purpose of promoting a healthy lifestyle and improving their condition of life.
- To promote community involvement in healthy recreation by providing facilities for the playing of football and other sports capable of improving physical health to such persons who have need for such improvement and to encourage and advance the education of such persons in order to allow them to develop to the best of their abilities, both physically and otherwise.

ACHIEVEMENT AND PERFORMANCE

Throughout the year ending 31 August 2023 the Foundation continued to deliver its 2019-24 strategy to Inspire Confidence, Inspire Hope. Delivery focused on the four themes of Education and Employability, Social Inclusion and Community Cohesion, Health and Wellbeing and Sports and Physical Activity. Programme delivery remained consistent providing a wide range of activities across multiple locations in both schools and community. Two new programmes were added, Active Through Football and Warm Spaces. The latter was the Foundation's response and support to the cost-of-living crisis. The start of 2023 was a successful one for the Foundation in partnership with Middlesbrough Football Club, receiving a number of local and national awards; Sport and Recreation Alliance Youth Development Award for our Premier League programmes, Tees Business Community Champions and Diversity Awards and the EFL Diversity Award for our joint dementia work.

The fundraising and events programme for the Foundation continued to grow and deliver our most successful year yet, with the continuation of our key events of the Foundation Dinner and Flizz Friday, but with the addition of more mass participation events such as the new Memory Walk, Roary's Big Week and Middlesbrough College Football Tournament. We also launched our first bike ride fundraising event, which saw a number of local supporters' cycle from Hull to Middlesbrough ahead of the EFL Championship fixture at the Riverside Stadium. Our corporate Friends of the Foundation also continued to grow, with over 40 businesses now supporting the Foundation.

Our work at the Herlingshaw Centre, South Bank, continued to be a central focus for the Foundation, with the Centre having one of its strongest years to date with delivery. Not only were we able to deliver a wide range of Foundation programmes there including Premier League Kicks, targeted youth mentoring, Football Welcomes, Think With Your Feet and employability support, the Centre provided much sought after activities for the community including Birthday Parties, Roary's Academy, Holiday Camps and Tournaments. The Centre and the Foundation were the first hosts of The FA's Your Game Event, leading the way for the subsequent five other events delivered across the country which are now delivered by The FA and sponsored by the Premier League. Alongside this event, the Foundation hosted the regional Premier League Inspires event, represented the region at both the Premier League Primary Stars and Premier

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE – continued

League Kicks national tournaments and have been awarded the Premier League Disability Event for the North for 2023-24.

The year was rounded off by the start of a strategic and governance review, the objective of which is to relaunch a strategy for 2024 through to 2028.

Delivery of programmes continued under four themes:

Education and Employability

The Foundation's education and employability arm delivers educational and employability programmes which assist young people and adults with obtaining new skills, knowledge, qualifications and employment.

- 1 **Premier League Primary Stars** is a flagship project, funded by the PLCF, supporting the Premier League's agenda of delivering sport and education projects to every primary school in the UK. During 2022/23 some 43 partner schools engaged with Premier League Primary Stars providing regular physical activity to over 1,675 young people.
- 2 **Premier League Inspires and Future Me** delivers education activities to disadvantaged young people, with an aim of building self-esteem and confidence. Premier League Inspires was delivered in 13 secondary schools during 2022/23 whilst Future Me was funded by British Land and delivered with them to one local secondary school. The two programmes supported over 500 young people across 21 different schools, providing over 20 hours of educational activities for each young person, with 90% stating they enjoyed being involved in Premier League Inspires.
- 3 **Switch It**, funded by Middlesbrough Council, involves the Foundation's Youth Workers supporting young people transitioning across various stages in their lives, including primary to secondary school, secondary school to employment, young people moving between schools, or those new to the region. During 2022/23, Switch It supported 102 young people across 6 secondary schools in partnership with Middlesbrough Council's Early Help Team.
- 4 **Employability** – the employability team delivered two programmes over the course of 2022/23.
 - In partnership with The Prince's Trust, Get Started with Football and SCORE provided participants with an insight into sport/football and health and social care sectors respectively.
 - Delivering a five-week retail and hospitality programme funded by British Land, Bright Lights engaged with 11 young people who completed a programme consisting of a two-week work placement opportunity and three-weeks of training taking place at Teesside Park, the Riverside Stadium and the Herlingshaw Centre.

The programmes provided the opportunity for people suffering from differing barriers such as mental health challenges, psychological disorders and long-term unemployment, to gain social and employability skills required to start a career as well as providing them opportunities to directly engage with a range of local employers.

- 5 **Coach Core Apprenticeship Scheme.** The Foundation employed four apprentices on the Coach Core scheme for a 15 month period. All four apprentices worked across the full range of programmes delivered by the Foundation.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE – continued

Sports and Physical Activity

The Foundation aims to provide sport and physical activity opportunities for young people and adults through delivery in schools and community venues. During the year, the Foundation provided the following activities:

1. **Roary's Academy** is a physical and mental literacy development programme for 2–6-year-olds centred around football. The sessions aim to enhance a child's self-confidence, teamwork and motor skills. During 2022/23, 44 children and their families engaged in Roary's Academy with 95% of participants displaying improved social interaction skills, fostering a sense of belonging and team work within their groups.
2. **Holiday Camps** were arranged during every school holiday at the Herlingshaw Centre and in East Cleveland, the camps offering children aged 5-13 years old additional football and multi-sports sessions, whilst offering support to parents during the school holidays. Over 300 children enjoyed football, dance and multi-sports during 2022/23.
3. **Walking Football** supports people over the age of 40 years old to be physically active through football alongside a strong social connection. In 2022/23 over 70 adults took part in walking football with 10% of participants aged 75 years old or older.
4. **Tournaments** are organised throughout the year for U7-U12 age groups supporting local grassroots football clubs and Middlesbrough FC Academy. Over the year over 500 teams took part in eight tournaments.
5. **Twinning Project** is a partnership with Kirkleatham Prison where the Foundation delivered two 12-week programmes related to football leadership for 16 adult prisoners on the verge of release.

Health and Wellbeing

The theme of Health and Wellbeing seeks to improve the health and wellbeing of our local communities through activities which promote healthier lifestyles. Those key activities include:

1. **Football Fans In Training** is a programme aimed at engaging men and women in regular physical activity, with the aim of losing and sustaining weight loss. Funded by Sport England and the English Football League Trust, the programme was delivered at the Riverside Stadium and in East Cleveland providing a 12-week course three times per year, consisting of a 45-minute circuit class and educational workshops on healthy living. Over 170 individuals took part in the programme throughout the year with 60% of participants being women, a significant increase on the previous year.
2. **Active Through Football** is a programme awarded by the Football Foundation working with the local communities of Newport and North Ormesby to provide football and physical activity opportunities, breaking down barriers to physical activity and embedding lifelong behaviour change. Over 220 adults engaged in Active Through Football with 43% being minority ethnic.
3. **Mental Health Support** is funded by Middlesbrough Football Club sponsor Kindred and East Cleveland funding. Think With Your Feet, Team Talk and Kitchen Therapy are weekly sessions for adults suffering from poor mental health and in need of support for their wellbeing. The sessions include football, peer mentoring and cooking supported by Mind. The programme has engaged 150 participants referred from Mind, recovery centres, local authorities, job centres and self-referrals.
4. **Move and Learn (Joy of Moving)** is a six-week programme engaging 9–11-year-olds in physical activity and health education through a six-week programme featuring PE lessons and healthy living workshops, culminating in a Joy of Moving Festival. Funded by the EFL Trust, over 1,500 young people engaged from 21 schools in physical activity and health education sessions through the programme in 2022/23.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE – continued

5. **Football Welcomes**, engaging refugees and asylum seekers in football and educational activities, is funded by Amnesty International. For over three years the Football Welcomes programme has engaged 40 individuals in activities each year in football and volunteering opportunities with 90% being minority ethnic.
6. **Health Matters**, in partnership with Outwood Riverside Academy and delivered over the full academic year, supported 200 young people in Year 7 and 8 with PE and physical wellbeing support, as well as healthy lifestyle education and football provision.
7. **Warm Spaces** was launched in response to the cost-of-living crisis and funded by You've Got This, the Foundation and Middlesbrough FC. Starting with offering two Warm Space sessions per week, one at the Herlingshaw Centre and one at the Riverside Stadium, this expanded to a community outreach programme whereby we provided grants to 30 community organisations worth £10,000 to offer warm spaces and/or physical activity alongside each other.

Social Inclusion and Community Cohesion

The theme of Social Inclusion and Community Cohesion uses the power of Middlesbrough FC, through football, sport and youth work, to unite and empower communities, inspiring and enhancing skills of young people and adults, particularly those within socially deprived wards. During the year the Foundation delivered the following programmes under the Inclusion and Community Cohesion theme:

1. **Premier League Kicks** is delivered within the most deprived communities and provides diversionary and constructive activities such as football, boxing, personal development opportunities and educational workshops on evenings to reduce crime and anti-social behaviour and improve life skills. Funded by the PLCF and the Office of Police and Crime Commissioner for Cleveland (Cleveland PCC), Premier League Kicks continued to engage over 2,000 young people in 2022/23, of which 25% were girls.
2. **PL Kicks Holiday Activity** is supported by the Holiday Activity Fund and Jordan Sinnott Foundation Trust. The Foundation delivered football tournaments at each school holiday to young people engaged in Premier League Kicks providing them with further diversionary activity in school holidays as well as much needed hot-meals and nutrition support.
3. **Premier League Kicks Targeted** supports young people referred from Middlesbrough Council's Vulnerable, Exploited, Missing, Trafficked Practitioners Group (VEMT) to improve their wellbeing, build trusted relationships and reduce their involvement or likelihood to be involved in youth violence through one-to-one mentoring and group work. During 2022/23, the delivery of PL Kicks Targeted was transitioned into PL Kicks to provide a pathway of support. The programme supported 24 medium-high risk young people with 60% of participants transitioning into PL Kicks and other Foundation activities.
4. **Chances** is a programme funded by four local authorities, Middlesbrough, Redcar and Cleveland, Stockton and Hartlepool, and Cleveland PCC - Foundation Youth Workers. It uses the power of the football club and positive activity to support young people to improve their lives through improving school attendance, moving into education, employment or training and/or reducing offending behaviour. In 2022/23 the programme supported 233 young people with 94% improving their physical literacy where they felt more confident and motivated to engage in physical activities.
5. **Dementia Project** is delivered at the Riverside Stadium, Middlesbrough and Skelton in East Cleveland and provides monthly dances for people living with dementia and their carers. Middlesbrough Council provided additional funding to launch a Care Home visit programme, which saw the dementia memory boxes exhibited in local care homes to provide positive activities for residents. The project was awarded EFL Diversity Project of the Year.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE - continued

6. **Short Breaks** is a project working with Middlesbrough Council, delivered in the Riverside Stadium's sensory room supporting 10 young people with special needs in a social and fun environment whilst providing their parents/carers with respite time.
7. **Thirteen Housing Project**, funded by the local housing association, Thirteen Housing, was delivered in wards specifically identified by the funders to provide family learning through football followed by a family learning social action project. The project engaged 40 families to improve their communication, confidence and collaboration skills.

Herlingshaw Centre

The Herlingshaw Centre is a sports facility in South Bank, owned by Redcar and Cleveland Borough Council but managed by the Foundation. The Centre's facilities include an indoor 7-a-side 3rd Generation Artificial Grass Pitch, an outdoor full-size 3rd Generation Artificial Grass Pitch, three outdoor grass pitches, together with function rooms and classrooms. All of these facilities are available for hire by the general public but are also used by the Foundation for delivery of its programmes.

The Herlingshaw Centre is utilised by a variety of Foundation programmes including Premier League Kicks, targeted youth mentoring, Football Welcomes, Premier League Primary Stars, Premier League Inspires, Think With Your Feet, Employability programmes and Walking Football.

The Centre is also used by external parties and organisations including Normanby FC, Redcar Town FC, Middlesbrough Girls FC and Middlesbrough Football Club, along with a wide range of other local grassroots football clubs.

Throughout 2022/23, the Centre was able to achieve one of its strongest years to date, with over 15,000 engagements across the year over the wide variety of activities delivered. The football facilities were fully utilised on evenings and weekends, with further interest for the wider facilities during weekdays. The Centre was fully booked every weekend for the unique Birthday Party's on offer, as well as high demand for Roary's Academy, Holiday Camps and Walking Football. In 2022/23, we delivered over 100 parties to nearly 2,000 children.

As well as this regular activity, the Centre was able to secure the first of its kind The FA's Your Game event, a career and leadership event for 16-24-year-olds delivered by The FA, which included workshops by the Foundation, Middlesbrough FC, The FA and North Riding FA on careers and role opportunities within football. Our event was the first nationally, followed by events in Derby, Loughborough and Millwall, and now sponsored by the Premier League. We had over 60 local young people attend with 18 young adults volunteering.

Alongside The FA event, we hosted our first Winter (December 2022) and Summer (July 2023) Community Events. Each event was hosted at the Centre and saw 90 families invited for a free, family fun day. They were provided free activities such as Santa's Grotto, Bouncy Castle, footgolf, puzzles and games, alongside distribution of free food and toiletries hampers and a free eco-shop. The events were supported by local businesses British Land and LV Logistics.

The success of the event has led to further events for Redcar and Cleveland Borough Council Care Leaver's team and the Premier League Charitable Fund's PL Disability North event for 2023/24.

Other Fundraising activities and Events

Throughout 2022/23 the Foundation delivered a number of large-scale events as well as launching community mass participation events. The Foundation Dinner and Annual Golf Day contributed to a very successful fundraising year, however Fizz Friday had to be delayed to 2023/24 due to Stadium facility restrictions. Roary's Big Week was once again a huge success with a wide range of community activities, along with a highly successful Foundation Game at Middlesbrough FC versus Millwall in January 2023; the Game included the Foundation being featured on the front of players shirts and warm-up t-shirts as well as hundreds of participants attending the game to do the pre-match and half-time activities. The year also saw the launch of the Memory Walk which saw over 100 people walking around the

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE - continued

Stadium and Middlehaven to raise funds and remember loved ones. Corporate Friends of the Foundation expanded to 48 businesses. The Foundation has no interest in approaching individuals directly for donations via 'door-knocking' or any other unreasonable, persistent approaches to solicit donations. The Foundation is committed to following all Charity Commission guidance for fundraising activities as referenced in the Charities Act 2011.

East Cleveland Project

Since early 2019, the Foundation has received significant donations each year to deliver activities and embed the Foundation strategy and programmes in the area of 'East Cleveland', a highly deprived, isolated area in the Borough of Redcar and Cleveland.

During this year, the project has continued to deliver and embed well-established Foundation programmes offered elsewhere in Teesside and transitioned into the wider Foundation Operations team. All delivery within East Cleveland is now managed and delivered under the strategic delivery themes of Education and Employability, Health and Wellbeing, Social Inclusion and Community Cohesion and Sport and Physical Activity. This transition was the first step to sustain the project longer-term within the Foundation structure.

Programmes such as Chances, FIT Boro, Premier League Kicks and Team Talk are regular offers within East Cleveland. The Boro Bus continues to be a huge success in East Cleveland and the wider Teesside area, supporting the delivery of Health Checks to schools and businesses across remote areas of East Cleveland.

As part of the Foundation's commitment to East Cleveland and following the one-off capital donation in 2021/22, the plans for a Loftus Centre were progressed. Designs and planning application were submitted to Redcar and Cleveland Borough Council for approval, with planning permission approved in October 2023.

FINANCIAL REVIEW

The year end results show a net income of £185,593 (2022: £2,737,121). A total of £43,988 (2022: £117,432) of the total net income for the year, is ring-fenced for the East Cleveland project delivery. Without the East Cleveland net income, this gives a total of £141,605 of unrestricted funds towards the net income for the year.

The Trustees are very pleased with the overall performance of the Foundation this year. The value of funds generated through unrestricted funding is particularly pleasing as well as the progress made by the Foundation in building up its reserves. Given concerns that arose in relation to Herlingshaw Centre (see Plans for the Future), the Trustees made the decision to release funds from 2022/23 surplus of £67,035 towards the costs associated with the Herlingshaw redevelopment. Middlesbrough Football Club will renew its support on an annual basis.

Principal funding sources for the Foundation are the Premier League's Charitable Fund, The English Football League Trust, The Football Foundation, a number of Local Authorities, private donations and local educational establishments. The Trustees would like to thank all funders for their generosity and the faith they have placed in the Foundation to deliver the agreed programmes. The expenditure incurred in delivering the programmes is predominantly incurred on full-time staff with additional costs for items such as specialist equipment, marketing and staff continuous professional development opportunities.

Reserves Policy

Unrestricted Reserves are part of a charity's funds that are freely available to spend on any of the charity's activities. The Trustees aim to maintain free reserves, being unrestricted funds other than fixed assets, at a level which will enable the Charity to continue operating following a considerable temporary shortfall in income and equates to the total cost of redundancies, for those employees identified as affected, together with 12 months of unrestricted costs.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

FINANCIAL REVIEW – continued

In 2020/21 the Trustees made the decision to change the policy, to cover unrestricted costs and potential redundancy costs only, however over 12 months. The Board are comfortable that this is the appropriate calculation, ensuring that all unrestricted activities could continue for 12 months, whilst further funding is sourced. Reserves over and above this minimum amount are available for investment in a designated investment reserve.

Based on the budget for the coming year this equates to a reserve requirement in the region of £780,000 for 12 months.

The balance held as unrestricted funds at 31 August 2023 was £1,097,740 (2022: £956,135) of which £1,011,778 (2022: £838,827) are regarded as free reserves, after allowing for funds held as tangible fixed assets. This leads to a surplus on unrestricted funds over and above the reserve's requirement of £231,778, forming the balance on the Investment Reserve at 31 August 2023.

The Trustees regard the Investment Reserve as funding available to support any shortfall in project funding in the future or to match funding requirements.

The Reserves statement in the statutory accounts is reviewed by the Board on an annual basis.

Investments

The Investment Policy was signed in 2022 following which the Board delegated investment decisions to the Finance and Governance Committee who monitor the Foundation's financial performance under the terms of reference. The Board appointed Rathbone's Investment Management in 2022 and they continue to manage £1,500,000 to be split over two investments, one medium term (£500k) and one on deposit (£1m). The investments were made up from £1,500,000 Foundation reserves. Further investments of £1.5m continued to be placed on deposit with Barclays (current account provider) and a further £1m was placed on deposit with HSBC.

PLANS FOR FUTURE PERIOD

During the year ending 31 August 2024, the Foundation will continue to progress plans to develop a new centre in Loftus, East Cleveland. The Centre would include a full size 3G pitch and small building which would include changing rooms and a community area. Planning application was submitted in 2022/23 with planning approved in October 2023. The capital donation received in 2021/22 will specifically be utilised for the Loftus development.

The planned refurbishment and extension of Herlingshaw due to commence in 2023/24 faced a number of issues; whilst planning permission was approved and there was significant support from the Football Foundation, the financial contribution from Redcar and Cleveland Borough Council that had previously been agreed, of £1.7m, was withdrawn. This led to the project being untenable; negotiations with the Council will continue into 2023/24 to determine the long-term future of the Herlingshaw including the Foundation's role in it.

A further opportunity arose in late 2022/23 with Middlesbrough Borough Council in relation to a new build at Southlands, Park End. The Foundation continues to discuss with Middlesbrough Borough Council the possibility of being involved in this capital project.

The Foundation strategy review commenced in 2022/23 with an aim to refresh and relaunch in 2024. The Board and Team undertook a review in partnership with iWonder and Emmerson Marketing to discuss the ongoing relevancy of the 2019-24 strategy, the impact and outcomes to date and considering the future strategy of the Foundation alongside the facility developments. The Foundation is confident that it can continue to generate an operating surplus and build up sufficient reserves to cover any unforeseen expenditure.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number:	03142447
Charity registration number:	1059418
Registered office:	Brignell Road Riverside Park Industrial Estate Middlesbrough TS2 1PS
Solicitors:	Endeavour Partnership LLP Tobias House St Marks Court Teesdale Business Park Teesside TS17 6QW
Bankers:	Barclays Bank Plc PO Box 378 71 Grey Street Newcastle upon Tyne NE99 1JP
Auditors:	Anderson Barrowcliff LLP 3 Kingfisher Court Bowesfield Park Stockton on Tees TS18 3EX

DIRECTORS AND TRUSTEES

The Directors of the Foundation are its Trustees for the purpose of Charity Law.

The Directors and Trustees of the Foundation who held office during the year are as follows:

Trustees:	J Baker - Chairperson N J Bausor J R Bloom Fr A Gaunt K Gibson J Fryett G J Redman P Rowley OBE
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Secretary:	N Jackson
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Ambassadors:	T Riordan A Bibby
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Key Management Personnel:	
Head of Foundation	L Edwards

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation is a company limited by guarantee. The guarantee of members is limited to £1 each in the event of the Foundation being wound up. The Foundation is governed by its Memorandum and Articles of Association, dated 29 December 1995 and amended on 2 October 2012, and again on 24 January 2019.

Recruitment, Induction, Training and Development

The Foundation was established by Middlesbrough Football Club who support the Foundation. The appointment of the Foundation's Trustees is made by the Foundation's Board of Directors. Trustees meet all new Board appointments who are presented with induction material, which includes the latest published financial statements of the Foundation and a business plan for the strategic direction going forward. A detailed explanation of how the Foundation operates is given and any questions are answered.

The Board oversees the induction of all new Trustees to ensure they have the opportunity to familiarise themselves with the Foundation and are aware of their roles and responsibilities going forward. All Directors are encouraged to undertake further training as identified by periodic skills reviews.

Organisational Structure

The Board of Trustees, outlined in the reference information above, meet as a minimum quarterly to discuss the performance of the Foundation. There are three Trustee-led Committees, of which the Head of Foundation and other members of the Senior Manager Team, as appropriate, attend. These are: Finance and Governance Committee, Fundraising and Events Committee and East Cleveland Committee. Key decisions continue to be made by the Board. Other decisions on the day to day running of the Foundation are made by the Head of Foundation and Senior Management Team, under authority delegated to the Head of Foundation by the Board.

Remuneration Policy for Management

The Foundation's Trustees and the Senior Management Team comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are given in note 11 and 20 to the accounts.

The remuneration of Management is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the Foundation the Trustees benchmark against remuneration levels in other clubs' foundations, and also consider the ability of the Foundation to cover the cost of any increases.

Risk Management

To minimise the risk of cessation of the Foundation's activities, the Board continually seeks new funding to secure the continuation of the Foundation. However, in the current economic climate, the Board is extensively seeking further grant opportunities, as local government and councils have fewer funds available for the scope of services which the Foundation performs. The Foundation has a full Risk Management policy and the major risks are reviewed formally by the Trustees at least twice a year.

Related Parties

The Foundation is closely related to Middlesbrough Football Club. The Foundation has use of the name and badge of Middlesbrough Football Club and occupies part of the Riverside Stadium. The Trustees are grateful for the administration services and use of facilities donated by Middlesbrough Football Club. The value of these services in the year totalled £289,282 (2022: £279,956).

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

RESPONSIBILITIES OF MEMBERS OF THE BOARD OF TRUSTEES

The Trustees are responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and for the incoming resources and application of resources, including income and expenditure of the Foundation for that year. In preparing these financial statements, the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Foundation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

We, the Trustees of the Foundation who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

PUBLIC BENEFIT

The Foundation strives to understand the needs of the area and the communities living in them and looks for funding opportunities within the region's business market.

By working in partnership with local schools, statutory organisations, community organisations and businesses the management team can better understand the needs and requirements of local people, and then try to access the most appropriate funding streams to provide suitable means for those individuals to address their education and sporting needs.

When reviewing the aims and objectives of the Foundation the Board of Trustees has referred to Charity Commission general guidance on Public Benefit and is satisfied that the Foundation meets Public Benefit requirements.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Trustees Report
for the Year Ended 31 August 2023

AUDITORS

The Auditors, Messrs Anderson Barrowcliff LLP, have expressed their willingness to continue in office for the ensuing year, and a resolution proposing their re-appointment as Auditors will be put to the Board of Trustees.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On Behalf of the Board



J Baker
Chairperson

Date: 25.4.24

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Report of the Independent Auditor's to the Members of Middlesbrough Football Club Foundation

Opinion

We have audited the financial statements of Middlesbrough Football Club Foundation (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:-

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees Report, other than the financial statements and our Report of the Independent Auditor's thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Report of the Independent Auditor's to the Members of Middlesbrough Football Club Foundation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:-

- the information given in the Report of Trustees is Inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the Information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charity, we have considered applicable laws and regulations which may be fundamental to the charity's ability to operate or to avoid a material penalty, and we considered the extent to which non-compliance might have a material effect on the financial statements. We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the posting of inappropriate manual journal entries to manipulate financial performance, management bias in significant accounting estimates and any significant one-off or unusual transactions.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Report of the Independent Auditor's to the Members of Middlesbrough Football Club Foundation

Auditors' responsibilities for the audit of the financial statements (continued)

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Audit procedures performed by the engagement team included:

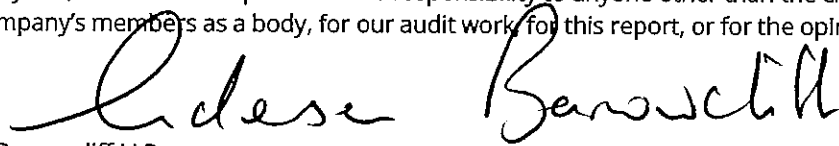
- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work for this report, or for the opinions we have formed.



for and on behalf of Anderson Barrowcliff LLP
Statutory Auditor
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Date: 29/4/24

Middlesbrough Football Club Foundation
A Company Limited by Guarantee)

Statement of Financial Activities
(Including income and expenditure account)
for the Year Ended 31 August 2023

	Note	Unrestricted Funds £	Restricted Funds £	East Cleveland Fund £	Total Funds 2023 £	Total Funds 2022 £
Income						
Donations and legacies	2	340,779	-	525,000	865,779	3,353,431
Income from charitable activities	3	627,120	1,014,160	-	1,641,280	1,588,903
Other trading activities	4	240,122	-	-	240,122	159,887
Investment income – Interest received		64,864	-	-	64,864	-
Total Income		1,272,885	1,014,160	525,000	2,812,045	5,102,221
Expenditure						
Costs of raising funds	5	147,026	-	-	147,026	110,779
Charitable activities	6	984,250	1,014,164	481,012	2,479,426	2,254,321
Total Expenditure		1,131,276	1,014,164	481,012	2,626,452	2,365,100
Net Income		141,609	(4)	43,988	185,593	2,737,121
Transfers between funds	19	(4)	4	-	-	-
Net movement in funds		141,605	-	43,988	185,593	2,737,121
Reconciliation of Funds						
Funds brought forward at 1 September 2022		956,135	-	3,536,421	4,492,556	1,755,435
Total funds carried forward at 31 August 2023	17	1,097,740	-	3,580,409	4,678,149	4,492,556

The notes on pages 18 to 27 form an integral part of these financial statements

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Registered Number: 03142447

Balance Sheet As At 31 August 2023

	Note	2023 £	2022 £
Non-Current Assets			
Tangible assets	12	259,137	316,011
Investments	13	500,000	-
		759,137	316,011
Current Assets			
Debtors	14	181,790	822,912
Cash at bank & in hand		4,258,915	3,896,184
		4,440,705	4,719,096
Creditors: Amounts falling due within one year	15	(260,933)	(306,713)
Net Current Assets		4,179,772	4,412,383
Total Assets Less Current Liabilities		4,938,909	4,728,394
Creditors: Amounts falling due after more than one year	16	(260,760)	(235,838)
Net Assets	17	4,678,149	4,492,556
Funds			
Restricted funds	18	-	-
East Cleveland fund	18	3,580,409	3,536,421
Unrestricted funds	18	1,097,740	956,135
Total Funds	17	4,678,149	4,492,556

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for: -

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and with otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These accounts have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The accounts were approved by the board of trustees on 25.4.24 and signed on its behalf by

J Baker
Chairman

The notes on pages 18 to 27 form an integral part of these financial statements

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Statement of Cash Flows
for Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash from operating activities	23	908,325	2,189,646
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(45,594)	-
Purchase of investments such as stocks or securities		(500,000)	-
Net cash flow provided by (used in) investing activities		(545,594)	-
Change in cash and cash equivalents in the year		362,731	2,189,646
Cash and cash equivalents at the beginning of the year		3,896,184	1,706,538
Cash and cash equivalents at the end of the year		4,258,915	3,896,184

The notes on pages 18 to 27 form an integral part of these financial statements

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

1 ACCOUNTING POLICIES

(a) General Information and basis of preparation

Middlesbrough Football Club Foundation is a private company limited by guarantee registered in England and Wales. It is registered as a charity with the Charity Commission. The address of the registered office is given in the Report of the Trustees on page 8. The nature of the Foundation's operations and principal activities are shown in the Report of the Trustees on page 1. The members of the Foundation are the trustees listed on page 8. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £1 per member of the Foundation.

The Foundation constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charitable companies preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Foundation to be able to continue as a going concern.

The financial statements are prepared in sterling which is the functional currency of the Foundation, rounded to the nearest £.

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

(b) Income

Items of income are recognised and included in the SOFA when all the following criteria are met:-

- The Foundation have entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the Foundation.
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

Donations and grants received for specific purposes are classed as restricted and are deferred until the Foundation is entitled to the funding and has met the conditions set out in the funding agreement.

Gifts in kind are included within donations in the SOFA at an estimate of the cost of providing the service. The equivalent cost is also included within resources expended.

There is no netting off of expenditure within the accounts.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

1 ACCOUNTING POLICIES (continued)

(c) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Irrecoverable VAT is included in expenditure against the relevant cost for which the expenditure was incurred. Expenditure is classified under the following headings:

- Costs of raising funds are those incurred in attracting donations, and those incurred in trading activities that raise funds.
- Charitable expenditure comprises those costs incurred by the Foundation in the delivery of its activities. It includes both costs which can be directly allocated to activities and those costs of an indirect nature.
- Support costs are those functions that assist the work of the Foundation but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs.
- Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

(d) Fixed assets

Fixed assets are stated at purchase cost together with any incidental costs of acquisition less accumulated depreciation. Assets are capitalised if they cost more than £500 and are expected to last more than one year.

Depreciation is calculated on a straight line method to write off the cost of fixed assets over their estimated useful economic lives as follows:

Computer equipment	33% and 25% per annum straight line
Fixtures and fittings	33%, 20% and 10% per annum straight line
Leasehold Land and buildings	5% per annum straight line/over the period of the lease
Motor Vehicles	10% per annum straight line

(e) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses)' on investments in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

(f) Debtors

Trade and other debtors are recognised at the settlement amount due.

(g) Cash at bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(h) Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

1 ACCOUNTING POLICIES - continued

(i) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Foundation for particular purposes. The cost of raising and administering the funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(j) Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(k) Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

(l) Pension scheme

The Foundation operates a fully insured, contributory defined contribution pension scheme for all employees. The Foundation contributions are charged to the SOFA in the period to which they relate.

(m) Judgements and Key sources of estimation uncertainty

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

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

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

2 DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	East Cleveland £	2023 £	2022 £
Middlesbrough Football Club Gifts in kind	289,282	-	-	289,282	279,956
Donations	51,497	-	525,000	576,497	3,073,475
	<u>340,779</u>	<u>-</u>	<u>525,000</u>	<u>865,779</u>	<u>3,353,431</u>

The £289,282 gift in kind costs (2022: £279,956) donated by Middlesbrough Football Club is an estimate of the value of staff time and donated facilities provided to Middlesbrough Football Club Foundation. The associated expenses are included within the Sports Participation costs as detailed in note 6.

The restricted donation £525,000 (2022: £3,025,326) has been requested to be spent in East Cleveland.

Income from donations and legacies for 2022 was £3,353,431, of which £3,025,326 was attributable to East Cleveland, £Nil restricted and £328,105 was attributable to unrestricted.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2023 £	2022 £
Education and Employability	117,626	238,765	356,391	619,413
Sport and Physical Activity	493,321	14,353	507,674	338,393
Health and Wellbeing	5,459	224,815	230,274	88,609
Social Inclusion and Community Cohesion	10,714	536,227	546,941	540,290
Interest received	-	-	-	2,198
	<u>627,120</u>	<u>1,014,160</u>	<u>1,641,280</u>	<u>1,588,903</u>

Income from charitable activities for 2022 was £1,588,903 of which £1,006,939 was attributable to restricted and £581,964 was attributable to unrestricted.

4 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted £	Restricted £	2023 £	2022 £
<i>Fundraising activities:</i>				
Fundraising	195,437	-	195,437	133,872
Sundry income	44,685	-	44,685	26,015
	<u>240,122</u>	<u>-</u>	<u>240,122</u>	<u>159,887</u>

Income from other trading activities for 2022 was £159,887 all of which was attributable to unrestricted.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

5 COSTS OF RAISING FUNDS

	Unrestricted £	Restricted £	2023 £	2022 £
<i>Fundraising activities:</i>				
Staff costs	94,631	-	94,631	60,148
Equipment and consumables	44,971	-	44,971	34,459
Promotions & Events	4,317	-	4,317	14,497
Travel and tours	2,164	-	2,164	1,500
Other costs	943	-	943	175
	147,026		147,026	110,779

Costs of raising funds for 2022 was £110,779, all of which was attributable to unrestricted.

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Education and Employ- ability £	Sport and Physical Activity £	Health and Wellbeing £	Social Inclusion and Community Cohesion £	Total 2023 £	Total 2022 £
Staff Costs	327,748	182,677	241,340	476,952	1,228,717	1,271,312
Equipment & consumables	15,191	6,114	14,818	43,261	79,384	115,511
Travel & Tours	10,646	222	6,527	32,861	50,256	50,342
Depreciation	6,012	77,292	5,661	13,503	102,468	57,372
Premises costs	26,235	118,017	22,610	97,526	264,388	165,474
Training	7,329	17,797	2,723	17,177	45,026	27,479
Events	9,367	215	9,814	19,392	38,788	45,264
Other Costs	4,794	17,652	4,715	13,393	40,554	37,025
3G Pitches Sinking Fund	-	36,000	-	-	36,000	36,000
Support costs (see below)	116,769	7,019	109,945	262,242	495,975	423,273
Governance costs (note 7)	23,042	1,385	21,695	51,748	97,870	25,269
	547,133	464,390	439,848	1,028,055	2,479,426	2,254,321
SUPPORT COSTS						
Staff costs	43,865	2,637	41,302	98,513	186,317	130,065
General office costs	8,501	511	8,004	19,092	36,108	29,139
Equipment & consumables	4,272	257	4,022	9,593	18,144	12,741
Other costs	290	17	273	652	1,232	1,134
Events	27,096	1,629	25,512	60,852	115,089	126,933
Premises costs	32,745	1,968	30,832	73,540	139,085	123,261
	116,769	7,019	109,945	262,242	495,975	423,273

Expenditure on charitable activities was £2,479,426 (2022: £2,254,321) of which £1,495,176 (2022: £1,414,337) was attributable to restricted and £984,250 (2022: £839,984) was attributable to unrestricted.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

7 GOVERNANCE COSTS

	2023 £	2022 £
Herlingshaw Development Costs	67,035	-
Staff costs	20,700	14,400
Trustees insurance	1,307	1,689
Bank charges	740	680
Legal fees	70	-
Audit & accountancy fees	8,018	8,500
	<u>97,870</u>	<u>25,269</u>

8 NET INCOME FOR THE YEAR

This is stated after charging:-

	2023 £	2022 £
Depreciation	102,468	57,372
Auditors remuneration – for audit	8,000	8,500
Operating lease rentals – equipment	1,934	1,824
	<u>112,402</u>	<u>67,696</u>

9 STAFF COSTS

	2023 £	2022 £
Wages & salaries	1,321,800	1,294,242
Social Security costs	94,053	90,367
Pension costs	31,748	30,474
	<u>1,447,601</u>	<u>1,415,083</u>

No employee received more than £60,000 per annum.

The average monthly head count for the year was 78 (2022: 80).

10 TAXATION

The Foundation is a Charity established under the Charities Act 2011. Accordingly, the Foundation is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 10 of the ITA 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

11 TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

None of the Trustees received any remuneration in the year (2022: £nil).

None of the Trustees had expenses in the year (2022: £nil for travel and subsistence).

The total amount of employee benefits received by key management personnel is £59,473 (2022: £47,920). The Foundation considers its key management personnel comprise the Chief Executive/Head of Foundation. There is 1 (2022 - 1) key management person accruing pension arrangements.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

12 TANGIBLE FIXED ASSETS

	Leasehold Land and Buildings	Fixtures and Fittings	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2022	668,176	45,003	15,918	146,637	875,734
Additions	-	7,270	38,324	-	45,594
Disposals	-	-	(15,920)	-	(15,920)
At 31 August 2023	668,176	52,273	38,322	146,637	905,408
Depreciation					
At 1 September 2022	510,706	22,201	11,948	14,868	559,723
Provided during year	80,136	3,900	3,972	14,460	102,468
Disposals	-	-	(15,920)	-	(15,920)
At 31 August 2023	590,842	26,101	-	29,328	646,271
Net Book Value					
At 31 August 2023	77,334	26,172	38,324	117,309	259,139
At 31 August 2022	157,470	22,802	3,970	131,769	316,011

All tangible fixed assets were used for charitable purposes.

During the year the Foundation was in negotiations with its leasehold landlord regarding the long-term future of the running the Herlingshaw Centre. This has resulted in depreciation charged over the remaining expected useful life rather than its previous policy of 5% straight line per annum. This change has resulted in an increase in depreciation provided in the year of £46,927.

13 INVESTMENTS

	2023	2022
	£	£
Listed investments	500,000	-

14 DEBTORS

	2023	2022
	£	£
Trade debtors	84,292	121,393
Prepayments and accrued Income	72,035	673,271
Other debtors	25,463	28,248
	181,790	822,912

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	47,288	53,582
Other taxes & social security costs	27,885	32,138
Accruals	22,086	12,264
Other creditors	1	1
Deferred Income	163,673	208,728
	<u>260,933</u>	<u>306,713</u>

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Deferred income	44,798	55,876
Other creditors	215,962	179,962
	<u>260,760</u>	<u>235,838</u>

Deferred income comprises funding received in advance for projects over a specific time period which overlaps the year end.

17 ANALYSIS OF NET ASSETS

Fund balances 31 August 2023 are represented by:-

	Un- restricted £	Restricted £	East Cleveland £	2023 £	2022 £
Tangible fixed assets	85,962	55,866	117,309	259,137	316,011
Investments	500,000	-	-	500,000	-
Current assets	825,000	152,605	3,463,100	4,440,705	4,719,096
Creditors falling due within one year	(97,260)	(163,673)	-	(260,933)	(306,713)
Creditors falling due after one year	(215,962)	(44,798)	-	(260,760)	(235,838)
	<u>1,097,740</u>	<u>-</u>	<u>3,580,409</u>	<u>4,678,149</u>	<u>4,492,556</u>

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

18 ANALYSIS OF MOVEMENT IN FUNDS

	Un-restricted £	Restricted £	East Cleveland £	2023 £	2022 £
At 1 September 2022	956,135	-	3,536,421	4,492,556	1,755,435
Incoming resources	1,272,885	1,014,160	525,000	2,812,045	5,102,221
Outgoing resources	(1,131,276)	(1,014,164)	(481,012)	(2,626,452)	(2,255,100)
Gross Transfer between Funds	(4)	4	-	-	-
At 31 August 2023	1,097,740	-	3,580,409	4,678,149	4,492,556

19 SHARE CAPITAL

The Foundation does not have any share capital and is limited by guarantee. The members of the Foundation are directors and their guarantee is limited to £1.

20 RESTRICTED FUNDS FROM CHARITABLE ACTIVITIES

	Education and Employ-ability £	Sport and Physical Activity £	Health and Wellbeing £	Social Inclusion and Community Cohesion £	Total £
Balance at 1 September 2022	-	-	-	-	-
Received in year	238,765	14,353	224,815	536,227	1,014,160
Expended in year	(241,375)	(3,442)	(227,268)	(542,079)	(1,014,164)
Gross transfers between funds	2,610	(10,911)	2,453	5,852	4
Balance at 31 August 2023	-	-	-	-	-

The monies received relate to grants made by the following bodies for the following purposes:

Education income was granted by the Premier League Charitable Fund, British Land, Stockton Borough Council, Redcar and Cleveland Borough Council and local schools and academy trusts to support delivery of education in the local community. The Premier League Primary Stars and Premier League Inspires programmes received funding from the Premier League Charitable Fund and local schools for the delivery of Curriculum Physical Education. The Employability projects were funded by The Prince's Trust, British Land, and Coach Core.

Sport and Physical Activity income was granted by The Twinning Project to work in a local prison. All other provision was self-funded.

Health and Wellbeing income was granted by the English Football League Trust for health prevention sessions in primary schools. The English Football League Trust also funded 'Fit Fans' a programme supporting adults to lose weight and increase their levels of physical activity. A programme targeting refugees and asylum seekers to engage in their local community was funded via Middlesbrough Asylum Project and Amnesty International. Whilst the Football Foundation provided grant funding for the Active Through Football programme. The Middlesbrough Football Club sponsor Kindred continued to provide a restricted grant for Men's Mental Health support. New funding was secured from You've Got This to deliver Warm Spaces.

Middlesbrough Football Club Foundation
(A Company Limited by Guarantee)

Notes to the Accounts for the Year Ended 31 August 2023

20 RESTRICTED FUNDS FROM CHARITABLE ACTIVITIES - continued

Social Inclusion and Community Cohesion income was granted by the Premier League Charitable Fund, the Office for Police and Crime Commissioner for Cleveland for the delivery of Premier League Kicks and Premier League Kicks Targeted. Four local authorities of Middlesbrough, Stockton, Redcar and Cleveland and Hartlepool along with the Office for Police and Crime Commissioner for Cleveland funded two targeted interventions, Switch It and Chances. Thirteen Housing provided funded for a social inclusion programme for families living in houses managed by the company. Additional funding was secured through Redcar and Cleveland Council for Holiday Activity, along with The Jordan Sinnott Foundation Trust. Middlesbrough Council also provided further funding for Dementia work to be delivered in Care Homes as well as Short Breaks.

RESTRICTED FUNDS FROM DONATIONS – EAST CLEVELAND FUND

	2023	2022
	£	£
Balance at 31 August 2022	3,536,421	918,989
Received in year	525,000	3,025,326
Expended in year	(481,012)	(407,894)
	<hr/>	<hr/>
Balance at 31 August 2023	<u>3,580,409</u>	<u>3,536,421</u>

During the year a further donation was received for the East Cleveland Fund with a specific request that the funds should be spent as an ongoing project for the benefit of the population in East Cleveland.

21 RELATED PARTY TRANSACTIONS

During the year Middlesbrough Football Club provided donated services, staff and facilities to the value of £289,282 (2022: £279,956).

At 31 August 2023 the Foundation owed £6,462 (2022: £4,709) to Middlesbrough Football Club. The Foundation provided £43,449 (2022: £29,984) of sundry services to Middlesbrough Football Club and was provided with £92,445 (2022: £86,597) of sundry services from Middlesbrough Football Club.

22 ULTIMATE CONTROLLING PARTY

The Trustees control the Foundation by virtue of their appointment to the board.

23 PENSION COSTS

The Foundation operates a fully insured contributory defined contribution pension scheme for all employees. The charge for the year amounted to £31,748 (2022: £30,474). The amount outstanding at 31 August 2023 was £5,846 (2022: £6,611).

24 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income for year	185,593	2,737,121
Add back depreciation of tangible fixed assets	102,468	57,372
(Increase)/Decrease in debtors	641,122	(652,551)
Increase/(Decrease) in creditors	(20,858)	47,704
	<hr/>	<hr/>
Net cash flow from operating activities	<u>908,325</u>	<u>2,189,646</u>