

Registered Company Number: 3876305

Registered Charity Number: 1079309

THE FOOTBALL FOUNDATION

Annual Report and Financial Statements
for the year ended 31 May 2022

The Football Foundation

Annual Report and Financial Statements for the year ended 31 May 2022

Contents	Page
Trustees, Directors, Officers and Advisers	3
Report of the Trustees:	
Structure, governance and management	5
Strategic Report	7
Independent auditor's report.....	25
Consolidated statement of financial activities	29
Balance sheets	30
Consolidated cash flow statement	31
Notes to the financial statements.....	32

Trustees Report Structure Governance and Management

Trustees and Directors

The Trustees and Directors of the company who were in office during the year and up to the date of signing the annual report were:

M R Glenn (Chairman)
P D G McCormick OBE
J D Pearce
J C Bird
W M Bush
T Hollingsworth
M W Bullingham
K Taylor
E Narozanski

Chief Executive

R J Sullivan

Company Secretary

J Goodman

Registered office

10 Eastbourne Terrace
Paddington
London
W2 6LG

Independent auditors

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Solicitors

Bates Wells
10 Queens Street Place
London EC4R 1BE

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Trustees Report Structure Governance and Management

The Trustees, who are also Directors of the company for the purposes of the Companies Act, present their annual report and the audited consolidated financial statements for the year ended 31 May 2022 (FY22).

The Trustees have referred to the Charity Commission's guidance on reporting on public benefit (section 4 of Charities Act 2011) when reviewing the Charity's aims and objectives, and when planning the Charity's activities. The Trustees are therefore content that the Charity meets the public benefit requirements.

The information with respect to Trustees, Directors, Officers and Advisers set out on page 3 forms part of this report. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Status and administration

The Football Foundation is a charitable company limited by guarantee, incorporated in the United Kingdom in November 1999 as The Football Trust Charitable Trust, changing its name to The Football Foundation (the Foundation or Charity) in April 2000 (company registration number 3876305) and registered with the Charity Commission (Charity number 1079309). The Football Foundation's Memorandum and Articles of Association detail the charitable objectives.

The other company included within the Group is the non-charitable wholly owned trading subsidiary The Football Foundation Trading Limited (FFTL), which was incorporated in April 2001 (company registration number 4202574).

The report and consolidated financial statements for the year ended 31 May 2022 relate to the total activities of the two legal entities.

The Football Foundation receives funding from three Partners: The Football Association (The FA), the Premier League and the Department for Digital, Culture, Media and Sport (DCMS).

The Foundation does not raise any funds from the public nor enter into any fundraising activities.

Trustees Report Structure Governance and Management

Structure, governance, and management

The Foundation is governed by its Memorandum and Articles of Association.

Trustees

The Trustees and Directors were appointed to the Board as follows:

Independent Chair	Appointed by the Board of Trustees for a three-year term
The FA	Two Trustees
Premier League	Two Trustees
Sport England	One Trustee
DCMS	One Trustee
Independent	Two Trustees

The Board supports the principles of good governance set out in the Code for Sports Governance and the continuous improvement model which the Code promotes. During the year ended 31 May 2022, the Board continued to work with Sport England to deliver an action plan to support the full transition to the Code.

During the year ended 31 May 2022 there was no change in our trustees and these are as detailed on page 3. The process for any new Trustees is that they undertake a structured induction process including one-to-one meetings with the Chair of the Board and CEO and are offered the opportunity to visit a Foundation-funded facility. The Board receives relevant training, including legal and regulatory updates, on a periodic basis.

The Foundation is committed to develop a membership that is as inclusive as possible, and which effectively represents the broad, diverse constituency that FF is looking to support. The aim is therefore to bring together a diverse, informed body of individuals. As a recipient of public funding, 25% of the Foundation's Board of Trustees are to be Independent Non-Executive Trustees (INET). INETs are initially appointed for a three-year term and are limited to serving two additional terms of three years (a max of nine years), before being required to step down.

The Trustees may appoint an independent, non-executive Chairperson for a period of up to three years, after which they can be reappointed. M R Glenn was appointed as Chairman on 1 January 2020 for three years.

Qualifying third party indemnity insurance for the benefit of all of the Trustees was in force throughout 2022 and continues to be in place.

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Football Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of

Trustees Report Structure Governance and Management

resources, including the income and expenditure, of the charitable company for that period. 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each Director/Trustee in office at the date the Report of the Trustees is approved, that:

(a) so far as the Trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and

(b) he/she has taken all the steps that he ought to have taken as a Trustee to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Chief Executive

The Chief Executive is responsible to the Trustees for the operational efficiency and effectiveness of the Foundation within defined policy. The Chief Executive reports to the Chairman.

Organisation

The Board of Trustees administers the Foundation and meets on a quarterly basis. The Trustees have an established panel to review and award grants in accordance with delegated financial authority granted by the Trustees, or to make recommendations to the Trustees in respect of applications to the various grant streams managed by the Foundation. The panel is made up from representatives of the Funding Partners (The FA, the Premier League, and the Government) and includes unpaid independent members, who bring specific expertise, knowledge and experience.

The Audit, Remuneration and Governance Committee is independently chaired by M Kirkby, . The Committee has responsibility for remuneration of key management personnel and consideration of remuneration policy and governance. The Committee reviews the benchmarks and parameters used by the Foundation Executive team to identify any employees who may be receive an exceptional pay rise based on their performance and benchmarking. The Committee meets four times a year and has its decisions ratified by the full Board.

Trustees Report Structure Governance and Management

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of likely future developments, risks in relation to financial instruments, engagement with employees, suppliers, customers and others and carbon reporting disclosures.

The Football Foundation Strategic Report

Strategic Report

Chairman's foreword

The Football Foundation (the Foundation) started this financial year supporting clubs in their recovery phase from COVID and whilst it feels like life is beginning to return to normal, the impact COVID and other external economic factors has had on grassroots football facilities is still being felt across the county. Most significant has been the unprecedented rise in project costs in the industry and in turn the impact on match-funding which we will continue to monitor closely as we move into FY23. Despite these challenges, the Foundation has made important progress.

The key strategic focus for FY22 was to ensure the Foundation's funding stability for the next three years by securing additional Government funding and preparing the organisation to deliver to the increased output. In October 2021 we received the fantastic news that the Government are pledging an additional £205m into grassroots football facilities over three years from FY23 to support our ambition to ensure every community across England get the facilities they need and deserve.

The vastly increased Government funding pledge, along with funding from the Premier League and The FA will help to transform the quality of grassroots facilities across England at a greater pace, helping to accelerate the delivery of the Local Football Facility Plans. Our expected Grant Giving Budget for FY23-25 is £307.1m, which is £95.4m higher than the Grant Giving Budget for our previous funding cycle.

These Plans are vital - they are the shopping list that drives our investment. We need more floodlit artificial pitches so people can play in all-weather, any time of day. We need better quality grass pitches, so fewer games are cancelled. We need more quality changing rooms, pavilions and community hubs that improve our experience of playing football. They need to be accessible and welcoming to all, and a place where people come together. For the first time we are also able to commit to funding multisport facilities and whilst the work we do is rooted in football, we will be increasing focus on multi-sport facility development.

With the easing of Covid restrictions I have enjoyed getting back out on the road visiting Football Foundation funded sites – in recent months I have been lucky enough to head to The Beacon of Light and Downhill Hub in Sunderland, Newcastle United Foundations new home NUCASTLE, a new 3G Artificial Grass Pitch and changing pavilion at Burton Albion Community Trust, The Nest in Norwich – it's been nothing short of inspirational to see the role grassroots sports facilities have in helping to transform these communities. An important reminder of the value of our work.

Thank you to the team at the Football Foundation who have worked hard this financial year to successfully deliver a pipeline of projects whilst also implementing a new grant management system that will allow us to double our project capacity system yet control costs. This will ensure the Foundation continues to deliver great places to play for communities up and down the country

Martin Glenn

Martin Glenn (Sep 20, 2022 12:45 GMT+1)

Martin Glenn, Chairman of the Football Foundation

The Football Foundation Strategic Report

CEO's introduction

If my first year as CEO was all about stabilising the Foundation and ensuring, we delivered vital funds to clubs and facilities during the pandemic; the second has been I am pleased to report more focused on growth. We set ourselves a three-part mission.

Firstly, to continue to deliver brilliant projects to our applicants. Underpinned by our Local Football Facility Plans we have now concluded a three-year funding cycle which has seen us invest £215.2m into great community projects; establish a brand-new programme to transform the state of grass pitches across England; and deliver many immediate relief funds to grassroots sport struggling with extreme weather and of course the impact of the pandemic. This level of operational delivery right into communities is at the heart of the Foundation's values and is a source of pride for the team.

Secondly, we have continued to improve the Foundation's systems and processes. Investing in a new Grant Management System and completing changes to our internal structure that we believe will make us a more resilient and efficient organisation in the future.

The third element of our mission was to build for growth, an opportunity created by the securing of a significant increase in Government investment over the next three years. This year we have worked to increase internal resource to ensure we are able to deliver our business plan over the next three years at an unprecedented scale and against a broader set of outcome measures which will challenge us to do things slightly differently.

It has been a real privilege to lead the Football Foundation into this period of growth. Transforming grassroots football facilities in England is the most important challenge our game faces – and one I care passionately about. None of this would be possible without the steadfast support of the Premier League, The FA, DCMS and Sport England. I am looking forward to working with the Chair, Trustees, Funding Partners and everyone across the Foundation to continue to deliver outstanding facilities and unlocking the power of pitches to continue to transform lives and communities.

RSullivan

RSullivan (Sep 20, 2022 09:59 GMT+1)

Robert Sullivan, CEO of the Football Foundation

The Football Foundation Strategic Report

Purpose, objectives & focus

This Strategic Report covers highlights of the Football Foundation's priorities and performance during the past financial year (1 June 2021 to 31 May 2022). It also provides an overview of the priorities we have set to deliver in FY23 and beyond.

The Football Foundation

The Premier League, The FA and Government's Football Foundation is the largest sports charity in the UK. We champion and support fair access to quality football facilities for everyone, regardless of postcode, gender, race, disability or place.

The Foundation receives money from the Premier League, The FA and the Department for Digital, Culture, Media and Sport, through Sport England. This is matched with partnership funding and awarded as grants to create high quality grassroots facilities that enable better games and attract more players, helping to transform communities.

Since 2000, the Foundation has awarded more than 22,443 grants to improve facilities worth more than £850m - including 1,021 artificial grass pitches, 10,155 natural grass pitches and 1,291 changing rooms. This has attracted an additional £1bn of partnership funding – totalling over £1.8bn investment in grassroots football so far.

Objectives and activities

The Foundation's charitable objectives, as stated in the governing document, are to promote all purposes recognised as charitable under the law of England and Wales from time to time through an association with sport. The Charity's current and ongoing objectives are:

- Put into place a new generation of outstanding facilities in parks, schools, colleges and universities;
- Provide capital and revenue support to increase participation in community football;
- Strengthen the links between football and the community, and harness its potential as a force for good in society; and
- Work with other charities to help achieve the Foundation's objectives.

Investment focus

The Foundation achieves its charitable objectives through directing investment into areas of greatest need and highest impact by awarding grants to organisations for refurbishing or developing new facilities. It also provides the expert guidance and support that organisations might need in developing facilities or applying for funding.

The following types of grant funding are available:

- **Football Foundation funding - Large and small** grants, covering everything from artificial grass pitches and changing facilities, to goal posts and machinery.
- **Football Foundation Hubs programme** – A portfolio approach investment model providing an area-wide solution. Each Hub has a network of artificial grass pitches, natural turf pitches, catering, changing facilities and social spaces.

The Football Foundation Strategic Report

Local Football Facility Plans

The Premier League, The FA and Government's Football Foundation aims to deliver thousands of new pitches, while also investing in the improvement of existing grass pitches and off-pitch facilities across the country. To guide this investment, we have divided the country into 318 regions with a bespoke Local Football Facility Plan created for each local authority in England, highlighting the facilities and work required in each area.

The first generation of local plans has provided a strong starting point. We have already started working on our approach to ensuring they better reflect the shift to a greater multi-sport provision and the Foundations commitment to target those who will benefit from our facilities the most through investing 50% of our funding into the 40% most deprived and inactive communities.

Grass Pitch Improvement Programme

Even with the wider availability of 3G pitches, the majority of grassroots football is still played on traditional grass pitches. Improving these remains, a priority for the Foundation. Working alongside The FA we have developed the Grass Pitch Improvement Programme to ensure every affiliated football fixture is played on a quality football pitch and keep grassroots football where it should be - on grass. We aim to have improved 5,000 grass pitches to a 'good' quality standard by 2024 and 20,000 by 2030.

FY22 Objectives

Within the context of the two significant factors; ambiguity around government funding and a new organisational structure, we set out our strategic mission for FY22 in three parts:

- **Deliver** brilliant projects for our applicants and programmes for our partners;
- Continue to **improve** our processes, systems and working culture;
- **Build** to be ready for a greater scale of investment in FY23

A total of 6 new Hubs were identified and approved for execution in the year, as well as 40 new 3Gs, alongside the core business of delivering the grant pipeline of large-scale capital projects and smaller improvements.

Key Performance Indicators

The Football Foundation KPI performance:

1. Investment KPIs
 - a. Achieve 4,821 Quality Pitches – Achieved
 - b. 75% of grant budget on pitch items – Achieved
 - c. 30% of projects delivering multi-sport outcomes – Achieved
 - d. 70% of projects engaging with under-represented groups – Not achieved
 - e. 70% of funding into levelling up priority areas – Achieved
 - f. 100% of sites offering equal access to Women and Girls – Achieved
 - g. 34% of projects directly-invested in club & community organisations – Achieved
2. Business Operations KPIs:
 - a. 95% of grant budget committed – Achieved
 - b. 9% of operational cost vs total budget – Achieved
 - c. 70% of engaged staff – Achieved
 - d. 80% score of action & attitude towards EDI – Achieved
 - e. 80% of satisfaction with the Foundation experience – Achieved
 - f. 80% of awareness & attribution to our Funding Partners - Achieved

The Football Foundation Strategic Report

Core Grant Pipeline

During FY22, the Football Foundation awarded more than 2,100 core grants valued at over £81.3 million (2021 £69.9 million). A breakdown of these and the items they delivered are shown in the table below.

WHAT WE'VE ACHIEVED: CORE GRANT PIPELINE DELIVERY IN FY22

GRANT CATEGORY >	£250k+	£25-£250k	Small Grants	Grass Pitches
GRANTS ISSUED >	62	48	1,653	363
GRANT VALUE >	£61.82m	£4.85m	£7.58m	£7.08m
DELIVERY >	<ul style="list-style-type: none"> 40 new AGPs 16 new changing pavilions 1 new Mental Health Hub 2 Club Hubs 1 Small Sided Facility 1 Strategic Hub GMA Grant for Pitch Advisory Service Inc. 5 Hub sites (2 x Newcastle, 2 x Wigan, 1 x LBB&D) 	<ul style="list-style-type: none"> 12 new AGPs 11 new/refurbished changing pavilions 3 MUGAs/indoor facilities 6 grass pitch capital works 6 Flood Relief Grants 7 Upfront Fees (Consulting, Feasibility etc) 3 Playzones Project Development Grants 	<ul style="list-style-type: none"> 43 Changing pavilion & clubhouse refurbishment 67 Fencing 169 Floodlights 1,154 Goalposts 30 Grass pitch drainage / improvement 198 Maintenance machinery & equipment (3G and grass) 68 Storage containers 	<ul style="list-style-type: none"> 1,237 pitches that will be improved to or sustained at a 'good' standard This now takes the total of 'good' quality pitches across England to 4,980

Achievements and performance

Delivering Brilliant Programmes

Active Through Football – launched in July, this programme is now working across 25 places in England. The first 12 projects that were issued grant awards in August are all now well underway. The remaining projects have begun their recruitment.

The Football Foundation PlayZones programme – throughout FY22 the Foundation has worked to complete the review of small-sided facilities that concluded in November. In March the programme launched as planned to targeted areas. Initially key stakeholders were approached through the Active Through Football shortlisted areas to submit Expressions of Interest by June.

The programme will be a key focus for FY23 as part of the organisations commitment to funding multisport facilities and tackling inequalities through our investment.

Storm Relief Fund - The Football Foundation have provided grants to support football Clubs in the National League system and at grassroots level, who have needed to carry out emergency works to their ground following the impacts of Storm Dudley, Arwen, Eunice and Franklin.

Premier League Defibrillator Fund - launched in July this fund has supported the installation of Automated External Defibrillators (AEDs) and External Storage Cabinets at thousands of grassroots football facilities currently without an easily accessible device on site.

Rolled out across two phases, the Fund will see more than 2000 sites benefit from this investment.

Going forward, the Premier League is working with partners at The FA and Sport England to ensure that facilities funded by the Football Foundation incorporate this equipment in the future.

The Football Foundation Strategic Report

Seven Sisters Primary School in Haringey, North London applied for an AED to give those who use the facilities throughout the week access to life-saving equipment.

The pitch is named in honour of ex-Premier League player Ugo Ehiogu, who sadly passed away in April 2017 due to a sudden cardiac arrest while working as a youth coach at Tottenham Hotspur. It is in regular use during and outside school hours, with community activity hosted there, including Premier League Kicks sessions delivered by the Tottenham Hotspur Foundation.

Gemma Ehiogu said: "Losing Ugo was the biggest bolt from the blue for us and it touched our lives hugely. Sadly, you just don't know when someone can be affected by cardiac arrest. The Ugo Ehiogu football pitch is an amazing facility for local children to use and enjoy and blow off steam. I'm very proud to see that the pitch has now been fitted with a defibrillator device."

Return to Disability Football Fund - Disabled people and individuals with long-term health conditions have been more adversely affected by Covid-19 than the wider population. This has directly impacted on disability football participation rates. The Return to Disability Football Fund was launched to help tackle this challenge. Funded by The FA and Sport England (using National Lottery funding), return to disability football was a £300k fund that provided grants of up to £1k to help clubs and organisations most in need to restart or deliver new disability football activity.

Establishing National Football Trust structure for Hub sites

Throughout FY22 the National Football Trust (NFT) and Leisure United structure has been established. The NFT's five Trustees have now met twice and the recruitment process for up to four Independent Trustees is progressing. The football Trust's in Sunderland and Sheffield have decided to wind themselves up as charities and companies, transferring their assets up to the NFT. Liverpool's Commissioners are due to be consulted on the proposal in May, subject to endorsement the proposal will then be presented at Cabinet for final approval. This project is marked as complete but reaching agreement with Liverpool will roll over into FY23 as part of the Hub roll out project.

Securing Government funding

At the Autumn 2021 Comprehensive Spending Review, the Chancellor of the Exchequer confirmed an additional £205m would be made available to invest in community sports facilities across England over the next three years. A plan has been developed for FY23, which incorporates the demonstration of impact and MP and Local Authority engagement. This will support the work to both drive applications for funding and build a narrative to support commitment to the next tranche of additional funding for the three years from 2025 to 2028.

Improving grass pitches

The Foundation commissioned consultants to develop a **Groundskeeper Volunteer** plan to recognise the importance of volunteers whose work supports the Foundations aim to deliver 20,000 good quality grass pitches by 2030. This research will deliver a 3-year plan for volunteers looking at recruitment, reward and recognition.

The Local Authority Pitch Pilot was launched in FY22 to help identify local authority wide grass pitch improvements solutions. Pilots are now underway in six Councils across England in Leeds, Sheffield, Derby, Medway and Hartlepool with the aim to develop a business case and delivery plan for improvements across football pitches that sit under their authority. This project will form part of the wider Grass Pitch Programme project in 2023.

The Football Foundation Strategic Report

This year has seen the wider roll out of **PitchPower** following its launch in FY21. A new and improved version of the web app is nearing its completion. The football launch is set for July. PitchPower will be launched to Rugby Football League, Rugby Football Union and England Cricket Board in August as part of a wider multisport announcement which will incorporate grass pitch maintenance funding becoming available at end of the pitch inspection process. A collaborative working group incorporating the Grounds Management Association and NGB representatives are ensuring all sports are fully represented, with flexibility for other sports to be added in the future.

Since launch, over 10,000 pitches have been inspected and assessed by our partners at the GMA. The launch of PitchPower and the Grass Pitch Maintenance Fund has helped to accelerate growth in Grass Pitch Improvement. Currently, 4,975 pitches are rated as 'good' quality across England, with 863 of these added in the past year.

Thanks to investment from the Foundation, Gainsborough have powered up the grass pitches at Roses Sports Ground, transforming their home site into a facility the local community can enjoy and be proud of.

The ground supports a range of diverse groups and has facilitated the creation of 20 plus new grassroots teams, including disability and women's & girls' teams.

Having taken over the ex-Local Authority site, Gainsborough received a £41,300 grant in April 2020 to maintain the seven grass pitches at Roses Sports Ground. This six-year tapered grant from the Football Foundation has allowed the Lincolnshire-based charity to begin to carry out the maintenance work their grass pitches needed to improve their quality.

Damon Parkinson, Head of Operations at Gainsborough, said: "It was identified in Gainsborough that there was a real lack of quality sports facilities. When the first grass pitch report came through for Roses, all the pitches were ranked as poor or inadequate with weeds, poor grass coverage and significant drainage issues. Since receiving grass pitch maintenance funding, the pitches are now rated as 'good' and 'excellent', and all this has been achieved within a year. It allowed us to carry out the essential maintenance work and purchase the materials, like fertiliser, we'd otherwise been unable to afford."

Having good quality grass pitches means less postponements and more opportunities to play, Damon comments: "With our grass pitches now so strong off the back of the funding we've received, we can host more games and accommodate more teams than ever before."

"The community club we're partnered with were down to 5 teams but now are back up to 32 thanks to our grass pitches. Teams are now asking to play on the grass rather than our 3G because they're of such a high standard which is just incredible."

Damon has also been using the PitchPower web app at Roses Sports Ground for over a year: "Using PitchPower has without a doubt led to the amazing results we've seen on our grass pitches this season. For a start, it's helped me understand when the right time is to put down fertiliser and seed. I am a complete novice and the ease of the process of completing and submitting pitch inspections using the app has really helped me. Because we have been using the app and thanks to the report you receive, we've been able to identify what we need to do to improve the quality of the grass. One of the outcomes of all this work through PitchPower is that we've been able to apply for and get funding from The Football Foundation to support the areas we need to improve."

The Football Foundation Strategic Report

As well as growing their own knowledge through PitchPower, the Trinity Foundation have also been able to upskill and develop upcoming groundskeepers.

"Young people on our Kickstart and NEET education programmes have learnt about grass pitch improvement and why we do each type of maintenance work. They want to come and volunteer at our site because they find it interesting. The funding has allowed us to do this as we've been able to show and provide a range of grass pitch maintenance information which has helped develop their skills."

Simplifying and improving processes

During FY22 the Foundation has been transitioning to a new **Grant Management System** which is near completion. Whilst there have been some challenges to implement this, it will prove to be a game changer in how the Foundation is able to process and deliver funds to facilities across England making the process far more efficient and effective.

The Foundation started a phased refresh of the **Local Football Facility Plans** in line with the agreed investment priorities, taking multisport and levelling up agenda into consideration. Internal Delivery Teams are reviewing this alongside County FAs to agree a final list of Local Authorities that will begin this and the priority order.

Strengthening people and planning culture

Building for scale

Core funding guaranteed by Government announcing an additional £205m has led to the Football Foundation taking a positive step in output looking towards FY23. In order to deliver the facilities and programmes within this spending pipeline, we have used the last 12 months to ensure we hit the ground running next year, lining up the correct volume of projects to bring forward. In addition, the Foundation has also made improvements to our internal processes and resource to withstand the scaling up in output.

We are improving our effectiveness and strengthening the Foundation's culture as we pursue our mission to deliver, improve and build, ready for a greater scale of investment in the future.

In FY22 Football Foundation:

- Established and implemented Equality Diversity and Inclusivity (EDI) action plan
- Embedded a refreshed culture and values programme
- Developing an internal comms engagement to support the move to hybrid working
Implemented resourcing for scale to accelerate the Foundations facility delivery for FY23 onwards

Operational structures and processes have been simplified and improved to be a more flexible, agile, and efficient organisation.

The Football Foundation Strategic Report

The consolidated statement of financial activities for the year is set out on page 29. A summary of the financial results and the work of the Charity are set out below

Income generation

The income of the Foundation is comprised primarily of donations from football and sport related organisations, with an additional amount of interest earned on cash and investment balances. Donations received during the year were £77.9m (2021: £41.2m). In addition, the Foundation received income of £0.7m (2021: £1.1m) from The Football Stadia Improvement Fund Limited to cover salaries and other administrative costs incurred on the company's behalf. There were no other income generating activities carried out by the Charity during the year.

Donations from the Premier League, The FA and the Government (through Sport England) are accounted for on a receivable basis in the year in which the income falls due.

Operating Expenditure

The operating expenditure of the Foundation is comprised primarily of grants payable of £96m, with additional expenditure items such as direct staff costs £2.3m, and other support costs £4.3m (such as consultancy support and recruitment and training).

Grants committed

In the last 12 months the Foundation awarded grants with a total value of £94.5m (2021: £69.9m). Grants outstanding at the 31 May 2022 totalled £122.8m (2021: £78.0m).

The movement in funds in the year reflects the balance between income recognised and the grants awarded.

FUNDS

Funds decreased by £22.3m to £4.8m. These funds comprise of two elements: unrestricted funds and restricted funds.

Each of these categories are described as follows:

Unrestricted funds

Unrestricted funds are those funds that we can use for any activity that meets our charitable objectives. At the end of 2022 unrestricted funds amounted to £2.0m (2021 £27.1m)

Unrestricted funds comprise of two types of reserves: general and designated funds. There were no designated funds in 2022.

The decrease in unrestricted funds from £27.1m in 2021 to £2.0m in 2022 was due to the impact COVID-19 had on delaying several capital projects which then restarted during 2022 and were committed and subsequently paid in this financial year.

Restricted funds

These are unexpended funds that have been donated to Football Foundation with specific conditions attached to their use. As at 31 May 2022 restricted funds were £2.9m (2021 £1.1m). These cover areas such as Active Through Football, Sport England Core Funding, Sport England multi-sport funding and the Greater London Authority funding for London Hubs programme.

The Football Foundation Strategic Report

Reserves Policy

It is the Foundation's policy that the aggregate of grants awarded will not exceed known current and future funding. Therefore The present Reserves Policy is to hold reserves at a level to cover the Foundation's essential operations for two months in the event of a major fall in income or unforeseen expenditure while plans to replace income or change activities are put in place. Given these requirements the Trustees consider the target for unrestricted funds should be no lower than £0.6m. The level of free reserves as at 31 May 2022 is £0.7m. Should there be any indication of a cessation of funding to any major extent the Foundation would have to implement an exit strategy that would allow all grant awards to be honoured, including the provision for sufficient staff to remain in place to meet such a requirement. Given the cyclical nature of the Foundation's funding, the Trustees will investigate with the funders an approach that will give a greater certainty to future funding and, where necessary, may include an exit strategy that will ensure operating costs are met. This Foundation Reserves Policy statement is reviewed on an annual basis.

Balance sheet

The Foundation's net assets at 31 May 2022 were £4.8m (2021: £28.2m); principally comprising cash and other investments of £110.4m, amounts due from the Funding Partners of £11.9m, other debtors of £4.8m, less grants outstanding of £122.8m.

Investment powers, policy and performance

Investment powers are governed by the company's Articles of Association, which permit any surplus funds to be invested by the Board of Trustees. The Trustees intend that the real value of the Charity's investments be maintained and enhanced over the long-term by investment in a lower risk portfolio comprising solely of capital protected cash funds. Decisions on investment purchases and sales are made by the Audit, Remuneration & Governance Committee, which the Executive then actions. No environmental, social or governance (ESG) or ethical considerations are specified. The performance of investments has been in line with Trustees' expectations.

The Group had cash on deposit of £59.1m (2021: £29.9m), short-term investments of £51.3m (2021: £50.9m), and debtors due within the next 12 months of £16.7m at the end of the financial year. These will be used in future periods to pay grants that the Trustees have authorised and communicated to recipients. At the end of the financial year there were outstanding grants payable totalling £122.8m (2021: £78.0m). The Trustees' policy is not to commit funds beyond known funding.

As part of the terms and conditions attached to every grant awarded, an applicant agrees and accepts that payments of a grant can only be assured to the extent that the Foundation has available funds.

Going concern

The financial statements have been prepared on a going concern basis. Future funding has been confirmed in writing from the Premier League, The FA and the Government (via Sport England).

Financial risk management

The Foundation's operations expose it to a variety of risks that include liquidity risk, interest rate risk and credit risk. The Trustees delegate day-to-day responsibility for managing these risks to the Chief Executive, supported by the Chief Financial Officer.

The Football Foundation Strategic Report

Liquidity risk. Investments and cash are managed to ensure that there are sufficient funds available to meet the liabilities of the Foundation in a timely manner. Consequently, significant levels of funds are held on short-term deposit and are therefore, available at short notice.

Interest rate risk. Interest rate risk is managed by exploring the investment options available to the Foundation and investing where the best returns possible can be achieved at the lowest possible risk.

Credit risk. Credit risk is managed by reducing the cash collection period for trade debtors. The investments and cash are all held within UK-based banking institutions and building societies.

FY23-FY25 priorities & plans

With the announcement in October that the Government was committing to a further £155m of funding for the Football Foundation over three years between 2023 and 2025, the Football Foundation Executive Leadership team has committed to setting a 3-year plan. This gives us focus through to end of May 2025.

We have identified three main objectives across three key areas to form the focus for our work across FY23-25. These will be enhanced through several key projects in FY23:

Consolidate delivery

- To meet the new scale of investment in a challenging operating environment
 - Refresh of the Local Facility Football Plans (LFFPs)
 - Develop and support the delivery of the Multi-sport Pitch Advisory Service
 - PlayZones programme roll-out
 - Grass Pitch Improvement Programme

Develop sustainability

- To ensure our investment is transformative in its outcomes and the longevity
 - Office move out of Eastbourne Terrace
 - Governance and risk assurance audit
 - Digital and IT review and product development:
 - Including a new finance system
 - EDI plan

Demonstrate impact

- Our investment demonstrates the outcomes we want, and we attract the future funding we need
 - Case study content creation and sharing
 - Longitudinal impact research

Challenges

Project Cost and inflation

In FY22 there has been a continuous rise in project costs, due to costs increasing across the industry, along with the unprecedented levels of inflation has provided a significant challenge throughout the year. These additional costs and inflation have impacted many of the Foundation's projects which have already been tendered and has required a reactive programme of increased grant awards.

The Football Foundation Strategic Report

Core funding certainty

We started FY22 with some uncertainty around the level of Government funding that would be committed at the Comprehensive Spending Review. In October however we received the good news that an additional £205m would be invested in grassroots facilities by the Government for FY23-25. The FA have also confirmed their forecasted funding for FY23-25 which totals £40.5m over the three years.

How the Board complied with its Section 172 duty

The Board have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

1. The likely consequences of decisions in the long term
2. The interests of employees
3. The need to foster the Charity's relationships with third-party stakeholders which, in the case of the Football Foundation, include people affected by our facilities, the people managing our facilities, supporters of grassroots football, the local councils and local authorities, key opinion leaders and other influencers
4. The impact of the Charity's operations on the community and the environment
5. The desirability of the Charity maintaining a reputation for high standards of business conduct.
6. The need to act fairly as between members of the Charity.

The Board delegates day-to-day management and decision making to the Chief Executive Officer and the Executive team at the Football Foundation, who are required to execute the Charity's strategy and to ensure that the Charity's activities are carried out in compliance with the policies approved by the Board.

The Board holds four Board meetings a year, as well as an annual one-day strategy meeting with the executive team at the Football Foundation, to assess progress and identify areas of focus for the following years. Several policies have been identified by the Board, as well as the Foundation's Audit Remuneration and Governance Committee ("ARG"), as being of fundamental importance and are reviewed on a cyclical basis by the Board and the ARG.

The Board receives updates on the Charity's performance and plans at each Board meeting, at which it reviews these in detail. By monitoring performance and ensuring that management is acting in accordance with the agreed strategy and plans, and in compliance with specific policies, the Board obtain assurance that in promoting the success of the Charity, due regard is given to the factors set out in section 172.

Engagement with the Charity's main stakeholder groups, including our staff, facility participants, facility operators, local councils, local authorities and relevant members of parliament, and other key opinion leaders and influences is undertaken by both the Trustees and the Executive team at the Foundation. As detailed in our Trustees and Directors section of the accounts, we have trustees from the Premier League, the FA and Government (via DCMS and Sport England) who promote the Foundation's aims and objectives themselves as well as across their organisational platforms.

The Football Foundation Strategic Report

The Trustees regularly reviews staff engagements through pulse surveys and assesses outcomes and actions as reported by the executive team at the Foundation. The Foundation have a group representing the culture and values the Foundation want to present and embody. This group and staff are widely consulted on matters on equality, diversity and inclusion matters. In addition, the Foundation regularly consult with employees so that their views can be considered in making decisions that are likely to affect their interests, via all staff meetings, all staff calls and the regular staff surveys.

The Foundation regularly consult with our applicants, including grassroots football clubs, schools and local councils. This is often through our pre-application engagement via our grant management team which is based across England to provide quick and effective support and guidance to applicants. We also conduct post award support days and surveys to various grantees; this helps us identify grantee that require additional support post grant award as well as gaining valuable data for the Foundation.

This engagement between the Trustees and the executive of The Football Foundation, has allowed for expedited development and implementation of new schemes and processes. For example, the storm and flood relief schemes that The Football Foundation has delivered over the previous couple of years to support facilities affected by the heavy storms in the winter periods.

Delegation of authority

The Board believes governance of the Foundation is best achieved by delegation of its authority for the executive management of the Foundation to the Chief Executive, subject to defined limits and monitoring by the Board.

The Board routinely monitors the delegation of authority, ensuring that it is regularly updated, while retaining ultimate responsibility. The Board has adopted a long-standing governance framework, which includes principles outlining:

- The Board's relationship with Funding Partners and Executive management;
- The conduct of Board affairs and the tasks and requirements for all sub- committees;
- The Board's focus on activities that enable it to develop strategy, monitor Executive action and ongoing planning of Board and Executive management succession.

The governance framework covers the following principal areas:

1. Direction: Focusing primarily on strategic issues, while having regard to economic, political and social issues and other relevant external matters which may influence or affect the development of the Foundation and exemplify through the board principles (including the executive limitations), its expectations for the conduct of the Foundation and its employees.
2. Strategy: Responsibility for establishing and reviewing the long-term strategy and the annual business plan for the Foundation, based on proposals made by the CEO for achieving the Foundation's core objectives.
3. Monitoring decisions and actions of the CEO and the performance of the Foundation: Including implementation of, and performance against, the strategy and the plan; and the exercise of authority delegated to the CEO. The Board satisfies itself that emerging and principal risks to the Foundation are identified and understood, systems of risk management, compliance and controls are in place to mitigate such risks and expected conduct of the Foundation and its employees is reflected in a set of values established by the CEO.

The Football Foundation Strategic Report

4. Succession: Ensuring systems and processes are in place for succession, evaluation and compensation of the CEO and senior management. Those delegated to by the directors to take decisions have access to functional assurance support to identify matters which may have an impact on a proposed decision.

The Companies Act 2006 sets out a number of general duties which Directors owe to the company. Legislation has been introduced to help stakeholders better understand how Directors have discharged their duty to promote the success of the company, while having regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 (section 172 factors). In 2021/2022 the Directors continued to exercise all their duties, while having regard to these and other factors as they reviewed and considered proposals from senior management and governed the company.

Sustainability

A two-phase research project looking into Sustainable Infill solutions for 3G Artificial Grass Pitches. The first stage which included looking at the current market has laid groundwork for phase two to begin in FY23. This will include- investing into a multi-pitch site for the purpose of 'real-life' research of different pitch systems would provide a unique opportunity to gather objective 'live' performance data.

Energy and Carbon Reporting

As part of the obligations set out under the Energy and Carbon Report Regulations 2018, the Foundation is required to disclose the energy and carbon created as an organisation over the last year starting on or after April 2019. To fulfil this, we have measured our UK Energy and greenhouse gas emissions as classified within scope 1 and 2 (Streamlined Energy and Carbon Reporting (SECR)) which are presented in tables 1, 2 and 3. This statement excludes our gas emissions as these are not material to the Foundation's activities.

Organisational and Operational Boundaries of the Foundation

The Foundation does not have a complex structure and therefore it accounts for 100 percent of the greenhouse gas (GHG) emissions from operations over which it has control. The Foundation's structural and operational boundaries are the same with the company operating from its sole operating base in London, and nearly half of the Foundation staff being remote workers who work from home and travel to Foundation funded sites to progress their work.

The office is located on a hosted site and therefore receives its energy from third parties. As such, consumption data is based on sub-meter readings taken by these parties.

Energy Consumption and Greenhouse Gas Emissions

The methodology used for determining energy and carbon emissions within this section of the report come from several sources of our greenhouse emissions:

- Fuel consumption in vehicles that are used for business including staff-owned vehicles (Scope 1).
- Electricity used for lighting, cooling, heating and air conditioning in office.

Electricity consumption has been taken from invoices and sub-meter readings as appropriate. Where the readings/invoices do not cover a full year, we have estimated the consumption for the full year based on the average consumption per day in the previous period.

The Football Foundation Strategic Report

Fuel consumption is measured from the direct use of employee's personal vehicles and journeys by employees travelling to Foundation funded sites. As per Scope 1 where employees have used their own vehicles for business purposes a mileage allowance is paid, and this is identified by mileage claims put through our expense's software for FY22.

The Foundation's consumption and associated greenhouse gas emissions for the financial year 1 June 2021 to 31 May 2022 are shown in Tables 1 and 2 below, along with the same information for FY21 for comparative purposes.

Table 1: Total energy consumption associated greenhouse gas emissions from Scope 1 and Scope 2 for SECR Year 1 Reporting period.

Energy Type FY22	Energy Use (kWh)	% Split kWh	Emissions (tCO2e/yr.)	% Split CO2e
Electricity (Scope 2)	40,885	21.85%	7.91	19.22%
Transport (Scope 1)	140,260	78.15%	33.23	80.78%
TOTAL	187,145	100%	41.14	100%

Energy Type FY21	Energy Use (kWh)	% Split kWh	Emissions (tCO2e/yr.)	% Split CO2e
Electricity (Scope 2)	34,296	52.69%	8.00	53.11%
Transport (Scope 1)	30,797	47.31%	7.06	46.89%
TOTAL	65,093	100%	15.05	100%

The Football Foundation Strategic Report

Table 2: Energy and Carbon Conversion Factors

Activity FY22	Fuel	Unit	Year	Kg CO2e
Electricity Generated	Electricity: UK	kWh	2022	0.19338
Transport (average car)	Petrol	kWh	2022	0.22719
Transport (average car)	Petrol	Mile	2022	0.27436

**UK Government GHG Conversion Factors for Company Reporting, 2022, BEIS & DEFRA*

Activity FY21	Fuel	Unit	Year	Kg CO2e
Electricity Generated	Electricity: UK	kWh	2020	0.23314
Transport (average car)	Petrol	kWh	2020	0.22920
Transport (average car)	Petrol	Mile	2020	0.28052

**UK Government GHG Conversion Factors for Company Reporting, 2020, BEIS & DEFRA*

Vehicle use is based on employee travel using their own vehicles for business use. An assumption has been made that all vehicles use standard petrol and have and fall into the average petrol car for conversion figures. Therefore, 0.22920 kg CO2e per kWh value has been applied. The fuel conversion factor applied (kWh/mile) is 0.27436 kg CO2e per mile / 0.22719 kg CO2e per kWh = 1.20762 kWh/mile.

Intensity Ratio

Intensity ratios compare emissions data with an appropriate business metric or financial indicator. This allows comparison of energy efficiency performance over time and with other similar types of organisation. We have chosen to compare our overall emissions with our annual income for the 2021/22 year.

The Football Foundation Strategic Report

Table 3: Intensity Ratio – Energy consumption and associated greenhouse gas emissions per £100,000 of annual income

Energy Consumption FY22	Total green-house gases emissions	The annual group income (£'m)	Intensity Ratio	Intensity Ratio
(kWh)	(tCO2e)	FY22	(kWh / £100,000 income)	(tCO2e / £100,000 income)
187,145	41.14	79.1	236.59294	0.05200

Energy Consumption FY21	Total green-house gases emissions	The annual group income (£'m)	Intensity Ratio	Intensity Ratio
(kWh)	(tCO2e)	FY21	(kWh / £100,000 income)	(tCO2e / £100,000 income)
65,093	15.05	£42.3	153.88492	0.03559

Energy Efficiency Key Points

The Foundation is committed to reducing its carbon and greenhouse gas emissions and one of the major areas of focus around this in 2021/22 was completing a review of our current premises and developing a future plan for the Foundation's office, along with a review of hybrid working methods going forward. Further to this review, an FY23 project regarding the Foundation moving its office to a smaller location will be undertaken, and it is expected that this move could result in positively reducing the Foundation's carbon and greenhouse gas emissions.

The Football Foundation Trading Limited (Reg no: 4202574)

FFTL was established to trade and generate funds for the Foundation with no restriction on the activities. Further to the successful divestment of Upshot in FY21, there was no activity in FFTL, with there being no principal activity in FFTL in FY22. The Foundation will seek to make FFTL a dormant organisation in FY23.

FFTL's policy is to make an annual gift aid payment to the Foundation, thereby transferring all its current realised profits to the Charity. Due to no trading activity in FY22, there is no such profit was available for gift aid in the year under review (2021: £nil).

As per policy, FFTL makes an annual payment under a royalty agreement of 2% of its annual revenue to the Foundation as consideration for the use of the Charity's name and logos.

One of the Directors of the FFTL, P D G McCormick OBE, is also a Trustee of the Foundation. The other Director, R J Sullivan, is the Chief Executive of both FFTL and the Foundation.

The Football Foundation Strategic Report

Related Parties

In the pursuit of the Football Foundation's charitable objectives the Foundation has historically utilised its trading subsidiary, The Football Foundation Trading Limited, which in 2022 had no trading activity. In addition to this, employees of the Foundation have joint employment contracts with The Football Stadia Improvement Fund Limited to deliver grants from both entities. The Football Stadia Improvement Fund Limited is funded by the Premier League and is also a grant giving entity, and the employees of The Football Foundation help to identify and deliver these grants under their joint employment contracts. The Football Stadia Improvement Fund Limited does not incur any direct salary costs, the salary costs incurred by The Football Foundation on the company's behalf form part of the annual administrative expenses recharged to the company, £0.7m in 2022 (2021: £1.1m).

Principal risks & uncertainties

The business, its management and execution of the Charity's strategy are exposed to several risks; these risks are identified and mitigated where possible. Within the work of the Foundation, there are broadly three types of risk:

- **Strategic risks.** These are major concerns such as reputational risk, or the risk that the Foundation will fail to deliver on a major strategic target, objective or project. They are more often external issues with high impact which require a response plan to mitigate the effects of the risk event happening, as controlling the occurrence may be outside the Foundation's sphere of influence. The Foundation's risk assessment process analyses these risks to establish their root cause and then considers appropriate management responses. These are collated into the Strategic Risk Register, which is reviewed monthly by the Executive Team. The Strategic Risk Register is presented at every Board meeting.
- **Operational risks.** Operational risks are part of day-to-day management and Heads of Department are expected to articulate an understanding of the key risks in their area of operation, together with an explanation as to how these are being managed and mitigated. With the support of Heads of Department, each Director inputs into a risk and control framework annually, which is monitored regularly throughout the year. Whilst each risk is 'owned' by the relevant Head of Department, any risks which increase significantly in terms of either Likelihood or Impact are escalated to the Executive Team and are then managed as a part of the Strategic Risk Management process. Operational risks are presented quarterly to a Board sub-committee.
- **Grant project risks.** These are risks arising from a particular programme or project (such as the project cost and inflation risk mentioned earlier in this report) and are managed as part of the grant-giving governance for that activity; these are regularly reviewed and monitored. This is part of effective project governance and management.

The Foundation's Risk Register contains two sections: strategic risk and operational risk. Strategic risk is managed by the Executive and Board; whereas operational risk is managed within functional teams, with the exception of escalated operational risks that need to be referred 'up the chain'.

The Football Foundation Strategic Report

Throughout 2021 and 2022 we continued to monitor the following strategic risks:

Risk	Mitigation
People leadership & Culture; the ability to recruit and retain	The employee proposition is regularly reviewed and adjusted if necessary to ensure the Football Foundation is an attractive place to work. This is supported by succession planning and investment into salary and training to support progression of key personnel and those with specialist skills
Income and financial sustainability	The external environment and political landscape are monitored and the organisation has strategies that it can deploy to emerging issues e.g. Cost volatility. The financial resources are reviewed over an annual and a three-year period, including cashflows and budget and plans,
Cyber security, malware, ransom ware and phishing scams	Football Foundation has robust IS security processes in place, software and password requirements, Awareness training modules are mandatory for all staff.
Failure to deliver inclusive outcomes	Tracking and reviewing delivery against our KPIs via the performance framework ensures that we remain on track or take corrective action if necessary. The framework is reviewed by the Executive Team, the ARG and the Board,

The Report of the Trustees prepared under the Charities Act 2011, which also contains all the information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 14 September 2022 and signed on behalf of the Trustees by Jennie Goodman, Company Secretary.

Approved by order of the Board



Martin Glenn (Sep 20, 2022 12:45 GMT+1)

M R Glenn

Chairman

20/9/22

Date

Reg no: 387630

The Football Foundation - Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOOTBALL FOUNDATION

Opinion

We have audited the financial statements of The Football Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 May 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 May 2022 and of the group's 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; 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 group and parent 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 group's or parent 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 other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained

The Football Foundation - Financial Statements

in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 6, 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 group's and parent 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 group or parent 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance

The Football Foundation - Financial Statements

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and evaluating advice received from internal advisors.

The group audit engagement team identified the risk of management override of controls and revenue recognition (cut-off) as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal


The Football Foundation - Financial Statements

course of business. Audit procedures planned in respect of revenue recognition (cut-off) included but were not limited to reviewing agreements with funders to ensure that income is recognised in the appropriate period.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Nicholas Sladden (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

United Kingdom

20 September 2022

The Football Foundation - Financial Statements

**Consolidated statement of financial activities
(including the income and expenditure account) for the
year ended 31 May 2022**

		Restricted funds	Unrestricted funds	Total funds	Restricted funds	Unrestricted funds	Total funds
		2022	2022	2022	2021	2021	2021
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Charitable Activities	2	54,602	23,312	77,914	1,564	39,606	41,170
Interest income	4	-	21	21	-	7	7
Other income	4	-	760	760	-	1,122	1,122
Income		54,602	24,093	78,695	1,564	40,735	42,299
Income from trading activities	3	-	-	-	-	302	302
Trading costs	3	-	(6)	(6)	-	(265)	(265)
Net (expenditure) income from trading activities		-	(6)	(6)	-	37	37
Total income		54,602	24,087	78,689	1,564	40,772	42,336
Expenditure on:							
Charitable activities	5	(52,854)	(49,670)	(102,524)	(423)	(73,171)	(73,594)
Total expenditure		(52,854)	(49,670)	(102,524)	(423)	(73,171)	(73,594)
Investment income	14	-	445	445	-	354	354
Net income / (expenditure)	7	1,748	(25,138)	(23,390)	1,141	(32,045)	(30,904)
Net movement in funds		1,748	(25,138)	(23,390)	1,141	(32,045)	(30,904)
Reconciliation of funds:							
Funds brought forward at 1 June		1,141	27,094	28,235	-	59,139	59,139
Funds carried forward at 31 May	17	2,889	1,956	4,845	1,141	27,094	28,235

The notes on pages 32 to 47 form part of these financial statements.

The Football Foundation - Financial Statements

Balance sheets as at 31 May 2022

	Note(s)	Group		Charity	
		2022	2021	2022	2021
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	11	908	672	908	672
Tangible assets	12	384	436	384	436
		1,292	1,108	1,292	1,108
Current assets					
Stock		130	172	130	172
Debtors: amounts falling due within one year	13	7,817	25,539	7,814	25,591
Debtors: amounts falling due after one year	13	9,046	239	9,046	239
Investments	14	51,330	50,885	51,330	50,885
Cash at bank and in hand		59,116	29,861	58,800	29,485
		127,439	106,696	127,120	106,372
Creditors: amounts falling due within one year	15	(123,886)	(79,569)	(123,879)	(79,562)
Net current assets		3,553	27,127	3,241	26,810
Total assets less current liabilities		4,845	28,235	4,533	27,918
Net assets	17	4,845	28,235	4,533	27,918
Funds					
Unrestricted funds:					
Funds retained within the Charity	16	1,644	26,710	1,644	26,777
Funds retained within a non-charitable subsidiary	16	312	384	-	-
Restricted Funds:					
Funds retained within the Charity	16	2,889	1,141	2,889	1,141
Total funds	16,17	4,845	28,235	4,533	27,918

A separate statement of financial activities and income and expenditure account are not presented for the Charity itself as permitted by Section 408 of the Companies Act 2006. The net expenditure for the Charity for the year was £23.4m (2021: net expenditure of £30.9m).

The financial statements on pages 29 to 47, which comprise the Consolidated statement of financial activities, the Group and Charity balance sheets, the Consolidated cash flow statement and the related notes were approved by the Board of Trustees on 14 September 2022 and signed on its behalf by:

Martin Glenn

Martin Glenn (Sep 20, 2022 12:45 GMT+1)

M R Glenn
Chairman

The Football Foundation - Financial Statements

Consolidated cash flow statement for the year ended 31 May 2022

	Note	2022 £'000	2021 £'000
(a) Reconciliation of net income to net cash flow from operating activities			
Net movement in funds (as per the consolidated statement of financial activities)		(23,390)	(30,904)
Adjustments for:			
Amortisation of intangible assets	11	146	189
Depreciation of tangible assets	12	86	97
Profit on disposal of intangible assets	11	-	(22)
Income from interest on cash deposits	4	(21)	(7)
Interest received on investments	14	(295)	(292)
Interest accrued on investments	14	(150)	(61)
Increase in debtors	13	8,915	2,527
Increase in creditors	15	44,317	8,568
Increase in stock		42	25
Net cash provided by operating activities		29,650	(19,880)
(b) Statement of cash flows			
Net cash provided by operating activities		29,650	(19,880)
Cash flows from investing activities:			
Income from interest on cash deposits	4	21	7
Proceeds from the sale of intangible assets	11	-	466
Proceeds from the sale of tangible assets	12	-	3
Purchase of tangible assets	12	(34)	(13)
Purchase of intangible assets	11	(382)	(88)
Net cash used in investing activities		395	374
Net cash inflow / (outflow)		29,255	(19,505)
Change in cash and cash equivalents in the year		29,255	(19,505)
Cash and cash equivalents at 1 June		29,861	49,366
Cash and cash equivalents at 31 May		59,116	29,861

The Football Foundation - Notes to the financial statements

1. Principal accounting policies

General information

The Football Foundation (the 'Foundation' or the 'Charity') is a charitable company limited by guarantee, incorporated in the United Kingdom in November 1999 as The Football Trust Charitable Trust, changing its name to The Football Foundation in April 2000 and registered with the Charity Commission. The other company included within the group is the non-charitable wholly owned trading subsidiary The Football Foundation Trading Limited (FFTL), which was incorporated in April 2001. The consolidated financial statements for the year ended 31 May 2022 relate to the total activities of the two legal entities.

The address of the Foundation's registered office is 10 Eastbourne Terrace, Paddington, London W2 6LG.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the Charity, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A summary of the principal accounting policies, which have been applied consistently unless stated, is set out below.

Going concern

The financial statements have been prepared on a going concern basis. Whilst COVID-19 had a significant impact on the Funding Partners, their funding through to September 2023 has now been confirmed in writing by The FA, Premier League and the Government (via Sport England). The Trustees' policy is not to commit funds beyond known funding.

Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheets and the consolidated cash flow statement include the financial statements of the Charity and its subsidiary undertaking (together the 'Group') made up to 31 May 2022. The subsidiary has been consolidated on a line-by-line basis. Intra group transactions and profits and balances have been eliminated on consolidation, where material.

The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities. A separate SOFA has not been presented for the standalone Charity, as permitted by Section 408 of the Companies Act 2006 and 2019 SORP.

Currency

The Charity's functional and presentational currency is pounds sterling.

Income

Donations that provide core funding or are of a general nature are included in the statement of financial activities on the following bases:

The Football Foundation - Notes to the financial statements

1. Principal accounting policies (continued)

All donations received are recognised when the Foundation is entitled to funds, where there is probability of receipt, and the amount can be reliably quantified. The Foundation has three-year funding cycles with its funders The FA, the Premier League, and the Government (via Sport England). The FA and the Premier League's funding is accounted in the financial year to which the funders have indicated that income is for in their funding agreements and these funds can be used for operational and grant expenditure. Donations from the Government (via Sport England) is received in arrears following evidence of grant expenditure. Donations to the restricted fund are recognised on a receivable basis, where there is a signed funding agreement and there is commitment by the Foundation of such funds to the agreed programme.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Income from cash deposits and other investments is recognised on an accruals basis.

Additional income is received by FFTL from tenant income and sales of Upshot software licenses. Tenant income is recognised on an accruals basis. Income in relation to Upshot licenses is recognised when the conditions attached to the income have been met. Upshot licenses require annual delivery of the service associated with the license. So, in practice, this means that one year of license income is recognised in the year to which the license is sold. Where license contracts span more than one year, a proportionate amount of license income is recognised in the financial year when the contract commences with the remainder being deferred to future periods in line with the terms of the license. The Upshot business was sold to a new and unconnected Community Interest Company on 5 March 2021, and all income received after the date of sale belonged to the Community Interest Company.

In addition, as part of the sale of the Upshot business, the Foundation Board agreed to the deferred consideration of the asset purchase over a four-year period. The Foundation Executive believes that this will be paid in full as the Upshot business was already a successful profit-making operation prior to the divestment.

Expenditure

Expenditure is recognised when a liability is incurred.

Grants payable are recognised in the statement of financial activities when the grant has been authorised and communicated to the recipient. This is deemed to have created a constructive obligation and liability as there are no significant conditions attached to payment of the grants.

Charitable activities include expenditure associated with sport related grants and include both the direct and support costs relating to these activities.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include the central functions of finance, human resources, information technology, external relations and general administration, and have been allocated to activity cost categories on a basis consistent with the use of resources (see note 6) including travel & meetings, office & premises, public relations & marketing, recruitment and training, consultancy and accountancy & professional costs.

Operating leases

Rental costs are recognised in the statement of financial activities on a straight-line basis.

The Football Foundation - Notes to the financial statements

1. Principal accounting policies (continued)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Fund accounting

The funds of the Charity have been segregated as follows:

Restricted funds consist of donations received, for which the donor has specified the purposes for which the resources can be utilised. Expenditure on restricted funds reflects the appropriate expenditure that has been charged to those funds.

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

Pension costs

The Group makes contributions to defined contribution pension schemes on behalf of certain staff members, the assets of which are held separately from those of the Group in an independently administered fund. The cost of these contributions is charged to the statement of financial activities as incurred.

Tangible assets and depreciation

Capitalisation and replacement

The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition. Assets of over £250 are capitalised.

Depreciation

Depreciation is calculated on a straight-line basis so as to write off the cost or valuation of tangible assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. Assets in the course of construction are not depreciated until they are brought into use. The principal annual rates used for this purpose are:

	Years
Fixtures and fittings	10
Computer equipment	4

Intangible assets

Intangible assets represent software development costs and are capitalised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and there is a readily ascertainable market value for the asset being developed, and the cost of these assets can be measured reliably, consistent with the requirements of FRS 102 Section 18. Those costs are amortised on a straight-line basis over seven years, in line with the depreciation period for computer software.

The Football Foundation - Notes to the financial statements

1. Principal accounting policies (continued)

Deferred taxation

A provision is made for deferred taxation using the incremental liability method where the Group consider deferred taxation has a material impact on the financial statements. Material deferred tax assets are only recognised to the extent they are recoverable.

Irrecoverable Value Added Tax

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

Stock

Equipment, for The FA's Respect scheme, is valued at the lower of cost and net realisable value using a first-in, first-out (FIFO) method of calculation.

Investment income

Income from cash deposits, held with a maturity of greater than three months, is accounted for on an accruals basis.

Cash and cash equivalents

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

Critical accounting judgements and key estimates

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues, and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

Critical areas of judgement

- (a) The Charity allocates support costs between different charitable activities using Executive Management's judgement of the proportion of effort expended on each category during the year.
- (b) The Charity has capitalised several intangible asset builds in the current financial year, such as the new Foundation website and other facilities' software; this was based on the judgement that these intangible assets will provide future economic benefit to the Foundation and their costs can be reliably measured. These assets are amortised on a straight-line basis over 7 years, in line with the depreciation period for computer software.

The Football Foundation - Notes to the financial statements

2. Charitable Activities

	2022 £'000	2021 £'000
Unrestricted		
The FA	11,312	13,306
Premier League	12,000	8,132
The Government funds managed by Sport England	-	18,168
	23,312	39,606
Restricted		
The Government funds managed by Sport England	39,000	-
Sport England – Active Through Football	13,870	564
Sport England – Multi-Sport	1,676	-
Rugby Football Union – Multi-Sport	56	-
Greater London Authority	-	1000
	54,602	1,564
Total	77,914	41,170

3. Subsidiary undertaking

The subsidiary undertaking of the Charity, FFTL, is a company registered in England and Wales (no. 4202574) in which the Charity holds 1 £1 ordinary share representing 100% of the issued share capital.

There was no business activity in FFTL during 2022. The subsidiary donates any available realisable profits to the Charity each year by gift aid and incurs an annual royalty fee of 2% of its turnover to the Charity under an agreement as consideration for the use of the Charity's name and logos. . FFTL's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2022 £'000	2021 £'000
Upshot income	-	302
Administrative expenses	(9)	(265)
Royalty fee to the Foundation	-	(66)
Corporation tax	3	-
(Loss)/Profit of subsidiary	(6)	(29)

	2022 £'000	2020 £'000
Current assets	319	376
Current liabilities	(7)	(58)
Net assets	312	318

The Football Foundation - Notes to the financial statements

4. Interest and Other income

	2022 £'000	2021 £'000
Interest receivable on cash deposits	21	7
Other income	33	36
Furlough income	6	26
Management fee (FSIF)	721	1,060
	781	1,129

5. Analysis of expenditure

	Direct staff costs	Other direct costs	Support costs	2022 Total	2021 Total
Activity:	£'000	£'000	£'000	£'000	£'000
Awarding of grants					
Unrestricted:	2,199	43,388	3,523	49,110	72,751
Grants payable					
Governance costs (see note 6b)	-	-	560	560	420
Restricted:	62	52,560	232	52,854	423
Grants payable					
	2,261	95,948	4,315	102,524	73,594
Trading costs	-	-	9	9	265
Total	2,261	95,948	4,324	102,533	73,859

Grants awarded during the financial year are summarised in note 23. Support costs are further analysed in note 6a.

The Football Foundation - Notes to the financial statements

6. Allocation of support costs and analysis of governance costs

6a. Allocation of support costs

	Unrestricted Grant payable	Governance costs	Restricted Grant payable	Trading costs	2022 Total	2021 Total
Support costs:	£'000	£'000	£'000	£'000	£'000	£'000
Indirect staff costs	1,037	-	-	-	1,037	1,853
Apportionment of staff costs	-	378	-	-	378	293
Travel and meetings	138	9	4	-	151	20
Office and premises	988	62	-	-	1,050	994
Public relations and marketing	190	12	64	-	266	979
Recruitment and training	77	5	-	-	82	27
Consultancy	1,087	69	164	-	1,320	1,367
Accountancy and professional	5	26	-	9	40	15
	<u>3,522</u>	<u>561</u>	<u>232</u>	<u>9</u>	<u>4,324</u>	<u>5,548</u>

The support costs have been allocated by taking the trading costs directly incurred by the group.

6b. Analysis of governance costs

	2022	2021
Costs/category:	£'000	£'000
External audit	25	28
Apportionment of staff costs	375	264
Apportionment of support costs	157	128
Trustee Board costs	3	-
	<u>560</u>	<u>420</u>

The apportionment of staff costs has been assumed by using an estimated percentage of total employee time spent on governance related work. This varies depending on employee roles.

The Football Foundation - Notes to the financial statements

7. Net income / (expenditure)

	2022 £'000	2021 £'000
Net (expenditure) / income is stated after charging:		
Depreciation on tangible assets	86	97
Amortisation on intangible assets	146	189
Profit on disposal of intangible fixed assets	-	22
Amounts payable under operating leases	278	468
Auditor's remuneration for:		
Audit services	25	28
Tax and other services	9	3

The Charity incurred audit costs of £23,000 excluding VAT (2021: £23,500) and taxation and other services costs of £815 excluding VAT (2021: £800). Audit costs of £4,300 excluding VAT (2021: £4,000) and taxation and other service costs of £2,448 excluding VAT (2021: £2,400) incurred by the trading subsidiary are included within the trading costs.

8. Employee information

	2022 Number	2021 Number
Average monthly number of persons employed by the Group and Charity during the year was:		
Foundation	63	68
FFTL	-	5
	63	73

Staff costs

Group	2022 £'000	2021 £'000
Wages and salaries	2,939	3,597
Social security costs	340	372
Other pension costs	247	278
	3,526	4,247

Charity	2022 £'000	2021 £'000
Wages and salaries	2,939	3,416
Social security costs	340	352
Other pension costs	247	263
	3,526	4,031

The Group operates a defined contribution pension scheme contributing 8.0% (2021 8.0%) of gross salaries on behalf of employees.

The Football Foundation - Notes to the financial statements

8. Employee information (cont.)

The number of employees whose emoluments exceeded £60,000 was:

Group	2022 Number	2021 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£90,001 - £100,000	2	3
£100,001 - £110,000	1	3
£120,001 - £130,000	-	1
£130,001 - £140,000	1	1
£220,001 – £230,000	1	-

For those staff whose emoluments exceeded £60,000, pension contributions amounting to £67,265 (2021: £75,486) were for the provision of money purchase benefits. No Trustee received any remuneration from the Group during the year. No Trustees were reimbursed for expenditure on travel and subsistence, incurred for attendance at Board meetings on behalf of the Foundation (2021: Nil).

Senior employees who have the authority and responsibility for planning, directing, and controlling the activities of the Group are considered to be key management personnel. Total remuneration in 2022 in respect of these seven (2021: Seven) individuals was £755,209 (including Employer's NIC) (2021: £677,362).

9. Taxation

The Foundation is a registered charity and, as such, is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity is not registered for VAT and, accordingly, all its expenditure is recorded inclusive of any VAT incurred.

FFTL is registered for VAT and, consequently, all its income and expenditure is recorded net of VAT. As per policy, FFTL gift aids all of its available realised profits to the Charity.

A deferred tax asset of £112,770 (2021: £110,518) has not been recognised on the losses arising in FFTL on the basis that sufficient profits cannot be guaranteed at this stage of FFTL's development and historical deficits brought forward exceed profits generated to date. As a result of the divestment of the Upshot business, there has been a substantial reduction in the deferred tax asset as it can no longer be attributed against profits generated by the Upshot business.

10. Net income dealt with in the Charity's financial statements

The income attributable to the Charity was £79.1m (2021: £42.7m). The expenditure for the year attributable to charitable activities was £102.5m (2021: £73.6m).

The Football Foundation - Notes to the financial statements

11. Intangible assets

Group and Charity	Total £'000
Cost	
At 1 June 2021	2,093
Additions	382
At 31 May 2022	2,475
Accumulated amortisation	
At 1 June 2021	1,421
Charge in year	146
At 31 May 2022	1,567
Net book value	
At 31 May 2022	908
At 31 May 2021	672

Intangible assets comprise software development, Pitchfinder, PitchPower, Facilities Central and the Foundation website.

12. Tangible assets

Group and Charity	Fixtures and fittings £'000	Computer software and equipment £'000	Total £'000
Cost			
At 1 June 2021	830	3,182	4,012
Additions	-	34	34
At 31 May 2022	830	3,216	4,046
Accumulated depreciation			
At 1 June 2021	442	3,134	3,576
Charge in year	55	31	86
At 31 May 2022	497	3,165	3,662
Net book value			
At 31 May 2022	333	51	384
At 31 May 2021	388	48	436

The Football Foundation - Notes to the financial statements

13. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Amounts owed by FSIF	740	1,060	740	1,060
Amount owed by FFTL	-	-	-	66
Trade debtors	67	127	67	127
Other debtors	3	26	-	11
Prepayments and accrued income	7,007	24,326	7,007	24,326
	7,817	25,539	7,814	25,590

DCMS (via Sport England) committed to funding up to £14.5m for Active Through Football (2021: NIL) to the Foundation of which £11.9m remained outstanding as at 31 May 2022 (2021: NIL). This was included as part of accrued income and is expected to be received in full by 31 May 2026.

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Amounts falling due after one year:				
Arnold Town FC	-	27	-	27
Upshot Systems CIC	146	212	146	212
Prepayments and accrued income	8,900	-	8,900	-
	9,046	239	9,046	239

14. Investments

	2022	2021
	£'000	£'000
Group and Charity		
At 1 June	50,885	50,532
Purchases	-	-
Disposal proceeds	-	-
Interest received on investments	295	292
Interest accrued on investments	150	61
At 31 May	51,330	50,885

The Foundation invests available funds into notice accounts and fixed-term cash deposits. The maximum duration was twelve months.

The Football Foundation - Notes to the financial statements

15. Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	368	293	368	293
Taxation and social security costs	133	113	133	113
Grants payable	122,764	78,043	122,764	78,043
Accruals	621	1,120	614	1,113
	123,886	79,569	123,879	79,562

16. Funds

Group	2021 Balance £'000	Income £'000	Expenditure £'000	Investment income £'000	2022 Balance £'000
Unrestricted funds					
General funds retained within the Charity	26,776	24,093	(49,670)	445	1,644
General funds retained within FFTL	318	-	(6)	-	312
Restricted funds					
Active Through Football Income	1,141	13,870	(12,863)	-	2,148
Sport England – Core Funding Income	-	39,000	(39,000)	-	-
Sport England – multi-sport Income	-	1,676	(935)	-	741
RFU – multi-sport Income	-	56	(56)	-	-
Total funds	28,235	78,695	(102,530)	445	4,845

Charity	2021 Balance £'000	Income £'000	Expenditure £'000	Investment income £'000	2022 Balance £'000
Unrestricted funds					
General funds retained within the Charity	26,776	24,093	(49,670)	445	1,644
Restricted funds					
Active Through Football Income	1,141	13,870	(12,863)	-	2,148
Sport England – Core Funding Income	-	39,000	(39,000)	-	-
Sport England – multi-sport Income	-	1,676	(935)	-	741
RFU – multi-sport Income	-	56	(56)	-	-
Total funds	27,917	78,695	(102,524)	445	4,533

The Football Foundation - Notes to the financial statements

The restricted funds detailed above have been provided by two funders. Firstly, Sport England are funding the "Active Through Football" programme in full, which is being undertaken at the Foundation, this includes all operating and grant costs. Secondly, the Greater London Authority (GLA) provided funds towards the London Hubs Programme. Thirdly Sport England's core funding from DCMS is restricted for 2022 and this covers the grants on capital projects in 2022 of which all funding was utilised. Fourthly, Sport England's multi-sport funding and RFU's multi-sport funding which is for operational and grant costs relating to multi-sport activities.

17. Analysis of the net assets between funds

Group	Unrestricted funds	Restricted funds	Balance 2022
	£'000	£'000	£'000
Intangible assets	908	-	908
Tangible assets	384	-	384
Net current assets	664	2,889	3,553
Net assets	1,956	2,889	4,845

Charity	Unrestricted funds	Restricted funds	Balance 2022
	£'000	£'000	£'000
Intangible assets	908	-	908
Tangible assets	384	-	384
Net current assets	352	2,889	3,241
Net assets	1,644	2,889	4,533

18. Reconciliation of net cash flow to movement in net funds

Group	2022 £'000	2021 £'000
Change in net funds:		
Increase / (Decrease) in cash	29,255	(19,505)
Net funds at 1 June	29,861	49,366
Net funds at 31 May	59,116	29,861

Charity		
Change in net funds:		
Increase / (Decrease) in cash	29,315	(19,379)
Net funds at 1 June	29,485	48,864
Net Funds at 31 May	58,800	29,485

The Football Foundation - Notes to the financial statements

19. Operating leases

Annual commitments in respect of land and buildings under operating leases:

	2022	2021
Group and Charity	£'000	£'000
Operating leases which expire:		
Within one year	278	17
Two to five years	-	451
	<u>278</u>	<u>468</u>

20. Commitments

All grant commitments have been recognised once a grant offer letter has been issued.

21. Capital

The Charity is a company limited by guarantee. Each member has undertaken to contribute £1 to the assets of the company to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 May 2022 is £2 (2021: £2).

22. Related party transactions

The only transactions between the Foundation and The Football Foundation Trading Limited, is the Royalty Fee which has been covered in further detail in note 3, which in 2022 was £NIL (2021 £66k).

Employees of the Foundation have joint employment contracts with The Football Stadia Improvement Fund Limited to deliver grants from both entities. The Football Stadia Improvement Fund Limited is funded by the Premier League and is also a grant giving entity, and the employees of The Football Foundation help to identify and deliver these grants under their joint employment contracts. The Football Stadia Improvement Fund Limited does not incur any direct salary costs, the salary costs incurred by The Football Foundation on the company's behalf form part of the annual administrative expenses recharged to the company, £0.7m in 2022 (2021: £1.1m). Mr W M Bush is the Executive Director of the Premier League and Director of The Football Stadia Improvement Fund Limited. The Premier League donated £12m (2021: £8.1m) to the Foundation during the year. At the year end, the annual administrative expenses recharge from The Football Stadia Improvement Fund to The Football Foundation of £0.7m in 2022 (2021: £1.1m) was outstanding.

Mr P D G McCormick OBE is an employee of the Premier League (Chairman of the Football Board and nominated Director of The FA (including currently serving as interim Chairman), Senior Partner at McCormick Solicitors (including Executive Chairman of the Legal Advisory Group to the Premier League) and Chairman of The Football Stadia Improvement Fund Limited.

Mr M W Bullingham is the Chief Executive Officer of The FA and Director of The Football Stadia Improvement Fund Limited. The FA donated £11.3m (2021: £13.3m) to the Foundation during the year.

Mr J Pearce is member of The FA's Board (National Game representative), Remuneration Committee, Judicial Panel, National Game Finance Committee and Alliance Committee. He is also a member of The Football Stadia Improvement Fund Limited Investment Panel, the General Manager and Vice-Chairman of Bognor Regis Town F.C. and a council member of Sussex County FA.

The Football Foundation - Notes to the financial statements

Mr T Hollingsworth is the Chief Executive Officer of Sport England. The Government (via Sport England) donated £39.0m (2021: £18.0m) to the Foundation during the year. The Government (via Sport England) donated £13.9m (2021: £564k) to the Foundation for "Active Through Football" programme during the year, of which receipt of £11.9m (2021: £Nil) remained outstanding as at 31 May 2022. This was included as part of accrued income within note 13.

The Foundation's and FFTL's staff are employed under joint contracts with FSIF. A proportion of staff costs are recharged to FSIF together with an element of the running costs of the Foundation totalling £0.7m (2021: £1.1m).

23. Grants awarded during the financial year

Grants awarded during the financial year amounted to £94.5m (2021: £69.9m). A list of the 50 largest facility grants awarded during the year is provided below. Each of these organisations received at least one grant in the financial year. The grants payable disclosed exclude grant delivery costs amounting to £6.4m (2021: £7.6m). No grant has been made to any individual (2021: same).

<i>Single Fund</i>	<i>£</i>	<i>Single Fund</i>	<i>£</i>
London Borough of Barking & Dagenham	6,197,324	Cambridge City Fc	621,892
Newcastle City Council	5,268,189	Holbeach United Community Sports Academy	594,922
Manchester City Council	3,875,049	Warrington Borough Council	571,763
Newcastle City Council	3,845,586	Chesterfield High School	568,697
Wigan Council	3,706,150	Oasis Academy (mayfield)	564,325
Wigan Council	3,593,343	Brookfield Community School	554,627
Grounds Management Association	2,152,518	The Market Weighton School	544,952
Sheffield City Council	2,069,906	Oakwood School	541,336
Afc Bournemouth Community Sports Trust	1,550,000	Perth Green Community Association	536,161
Wirral Borough Council	1,090,092	Roach Dynamos FC	533,882
Aston Villa Foundation	1,000,000	Priory School	525,197
Houghton Regis Town Council	956,400		
Shaftesbury Youth Club	944,184	Active Through Football	£
Aylesford Fc	844,652	Leeds United Foundation	685,663
Wirral Borough Council	806,600	Leicester City in the Community	663,805
Lionheart Academies Trust	781,759	Wakefield Council	618,543
Thornton Cleveley Sports Club	750,489	Blackpool FC Community Trust	616,075
City and County of Swansea Council	750,000	Staffordshire Fa	586,715
Glebelands School	734,400	Gateshead Council	566,506
SABRES Educational Trust	697,963	North Riding County Football Association	564,872
Delta Don Valley Academy	694,010	Argyle Community Trust	564,427
Waverley Borough Council	672,947	Aston Villa Foundation	552,760
Wales High School Academy Trust	669,398	Rotherham United Community Sports Trust	551,875
Richard Huish College	663,840	Kingston Upon Hull City Council	525,000
Norfolk County Football Association Limi	646,040	Sheffield United Community Foundation	525,000
Rodborough School	639,592	Community Action Derby	524,998

Grants	Total value (£m)
50 largest facility grants	59.3
Other	35.2
Total	94.5

24. Ultimate controlling party

There is no ultimate controlling party of The Football Foundation.


FF accounts FY22 - Final (200922)


Final Audit Report

2022-09-20


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