

Foundation of Light (a Company Limited by Guarantee)
Consolidated Annual Report and Financial Statements
for the year ended 31 August 2024

Registered Charity Number: 1089333

Registered Company Number: 04243171

Foundation of Light

Annual Report and Consolidated Financial Statements for the year ended 31 August 2024

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Trustees and Advisers for the year ended 31 August 2024

Trustees

Sir Robert Sydney Murray CBE - Chair of Trustees
Col. The Hon. James David Alexander Ramsbotham CBE, DL - Vice Chair of Trustees
Kathryn Adie CBE, DL
George Clarke
Stephen Cram CBE - Treasurer
Kyril Robert Leonid Louis-Dreyfus
Martin James Hibbert
The Rt Hon. The Baroness Estelle Morris of Yardley, PC
Sir Timothy Miles Bindon Rice
The Rt Hon. The Baroness Tanni Carys Davina Grey-Thompson DBE, DL
Jill Scott MBE (appointed 5th December 2023)

Key Management

Lesley Spuhler OBE DL	Chief Executive
James Wright	Managing Director – Foundation of Light
Ciaron Brunning	Financial Controller
Clare Wilson	Managing Director – Altruism

Registered Office

Beacon of Light
Stadium Park
Sunderland
SR5 1SN

Banker

Barclays Bank PLC
53 Fawcett Street
Sunderland
SR1 1RS

Independent Auditor

RSM UK Audit LLP
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
NE1 4AD

Legal Advisor

Ward Hadaway
102 Quayside
Newcastle upon Tyne
NE1 3DX

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Chairman's Statement

I am pleased to share this year's Annual Report.

Over the past year, the Foundation of Light has solidified its role as a key player in addressing the region's challenges. Through its focus on education, employability, health, and community, the Foundation continues to provide life-changing opportunities, especially for those in vulnerable situations.

In response to the cost-of-living crisis and ongoing economic challenges, the Foundation has redoubled its efforts to support those in need, equipping individuals and families with the tools and opportunities to build better lives. Through employability programmes, we have empowered individuals with the skills and confidence needed to gain employment. In 2024 alone, we upskilled nearly 1,500 young people and adults, supported over 600 participants in their employment journey, and helped nearly 100 secure jobs.

Our impact is evident in the breadth and depth of our work. Over the past year, we have touched the lives of over 23,000 people through 50 diverse programmes focused on boosting confidence, enhancing life skills, and promoting physical and mental health. From our youngest participant at 18 months to our oldest at 94 years, the Foundation continues to serve as a cornerstone of hope and support for all generations.

This year, the Foundation's partnerships with local councils, universities, and community organisations have ensured the delivery of transformative programmes. New collaborations with Sunderland and Durham Universities, Croda and Roseline Foundations, and local authorities have opened doors to innovative projects and mentoring opportunities. Our work has been recognised with accolades such as the County Durham Kitemark for high-quality volunteer experiences, a testament to the dedication of over 100 volunteers who bring our mission to life.

We are proud to welcome Jill Scott, an inspirational figure and European Champion with the Lionesses, to our Board of Trustees. Jill's achievements and values perfectly align with the Foundation's ethos, and her presence enhances our ability to inspire the next generation.

The Beacon of Light remains a hub of activity and community engagement, hosting not only our Foundation programmes but also providing a home for Wearside Women in Need and Sunderland University's sports teams. Initiatives like our Female Football Pathway, which has grown from 200 to 500 participants, reflect our commitment to inclusion and gender equality in sports.

Our venue continues to evolve to meet the diverse needs of our community. From supporting young people with alternative education through the Beacon of Light's provision school to delivering suicide prevention interventions like Andy's Man Club and the first-ever women's support group, Believe, the Foundation's work addresses critical societal challenges. Our SEND support, primary school interventions, and engagement with young offenders demonstrate our holistic approach to empowering individuals and fostering resilience.

Looking ahead, we remain unwavering in our mission to unite Sunderland and its surrounding areas, offering hope, opportunity, and support to those who need it most. Events such as our Gala Dinner provide a platform to celebrate the achievements of our learners and shine a light on the impact of our work.

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Chairman's Statement (continued)

As we reflect on the successes of the past year, we also acknowledge the challenges that lie ahead. The Foundation of Light stands as a beacon of hope, resilience, and progress for our community. Together, with the continued support of our partners, volunteers, and stakeholders, we will persevere in our mission to make a meaningful difference in the lives of those we serve.

Sir Bob Murray CBE

29 March 2025

Foundation of Light

Trustees' Report for the year ended 31 August 2024

The Trustees are pleased to present their annual report together with the audited financial statements of the Charity and Group for the year ended 31 August 2024. This report includes the information required to satisfy the company law requirements to present a Strategic Report and a Directors' Report.

Structure, Governance and Management

The Foundation of Light is a registered charity with a simple, but very important, mission. To use the power of football to tackle the North East's biggest societal challenges, and to help members of the community to live happier and healthier lives.

The Foundation uses its position and profile to access traditionally 'hard to reach' communities and works across four programme areas: sport and play; world of work, education, and health and wellbeing.

Governing Document

Foundation of Light is a company limited by guarantee, governed by its Memorandum and Articles of Association dated November 2001. The liability of the Trustees for the debts and liabilities of the company is limited, and in the event of the company being wound up, would not exceed £1. It is registered as a charity with the Charity Commission (registered number 1089333), with two subsidiaries - Altruism Limited (registered number 04303983) date of incorporation 12th Oct 2001 which is governed by its Memorandum and Articles dated 12th Oct 2001 and updated on the 24th Oct 2014 and also Beacon of Light (registered number 09221229) date of incorporation 16th Sept 2014 which is governed by its Memorandum and Articles dated 16th Sept 2014.

Appointment of Trustees

As set out in the Articles of Association, Trustees are invited to join the Board, however full-time/part time staff members of Foundation of Light are not eligible. From time-to-time nominees may be invited to become friends of the Foundation or honorary members. Sunderland AFC Limited ('the Club') can appoint one Trustee. At the Annual General Meeting one third of Trustees shall resign by rotation and are then eligible to be re-appointed if nominated. Trustees should have the skills and experience needed to lead the Charity and can be reappointed when their full term is completed should the Skills Audit confirm involvement is still relevant.

Trustee Induction and Training

New Trustees receive an induction pack that includes the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events to assist them in the undertaking of their role.

Organisation

The Board of Trustees, which shall include no less than six members and not more than twelve, administers the Charity. The Board meets at least four times a year and there are sub-committees covering Finance, Audit and Risk (comprises four committee members, including three independent members to review the integrity of the financial statements, advise on and oversee risk, and appoint

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Trustees' Report for the year ended 31 August 2024 (continued)

external audit; where appropriate making recommendations to the Trustees), Nominations and Remuneration, and Programmes Committee which meet more regularly. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment, education, skills and sport related activity. Administrative details for the Charity, its Trustees, and advisors, are detailed on page 1.

Governance Review and Board Effectiveness

The Governance Review was initiated in 2020 and has resulted in several improvements since including the development of a Governance Manual, with updated terms of references and scheme of delegation and the streamlining of the policy matrix and associated manuals. Trustees have undertaken a skills survey and there have been positive changes made to the Finance, Audit and Risk Committee, the introduction of the Programmes Committee, two joint meetings and new members appointed to various Boards. Stakeholder mapping and engagement has taken place. A fourth Strategy Day is planned in 2025 to discuss the Foundation's new strategy.

Related Parties

Although Foundation of Light is structurally and financially independent from Sunderland AFC ("the Club"), the Club supports its own registered Charity in many ways, not least through its gifts in kind such as match day tickets, prime accommodation, and auction prizes.

Key Management Pay

The pay of all staff including key management is banded in salary grades dependent on their role. Each grade is reviewed regularly and compared to similar roles in the sector. Revisions to pay grades are included in the annual budget setting process and a recommendation is made to Trustees on the level of pay increases to be awarded. The Trustees delegate the approval process to the Nominations and Remunerations Committee who have the final approval in the pay awards granted for the year.

Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the Group may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This work has identified a few major risks which has resulted in improved procedures and contingency plans and has given the impetus for better planning. Particular attention is focused on non-financial risks arising from working with young people such as safeguarding and health and safety. A key element in the management of financial risk is the setting of a regular review through the Finance, Audit and Risk Committee and key management.

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Trustees' Report for the year ended 31 August 2024 (continued)

Principle Risks and Uncertainties

The Foundation and its Subsidiaries will always face business risks; however, the Board of Trustees has taken steps to mitigate these as far as possible. The Finance, Audit and Risk Committee, together with the Trustees, oversee risk management, mitigation strategies, and compliance with legal requirements, conducting regular reviews to ensure robust practices are in place. Responsibility for the day-to-day management of risks is delegated to the CEO and the Assistant Director of Compliance, who implement business continuity strategies designed to foster adaptability, resilience, and sustainability. Risks and uncertainties identified include:

Financial

The cost-of-living crisis is straining the Charity and its Subsidiaries through rising operational costs, declining donor capacity, and reduced government funding. To address this, the Foundation is diversifying income streams via enhanced business development, trading activities, and fundraising. Regular financial reviews, reserve management, and lean cost structures are integral to its strategy.

Impact of Poverty on Staff

Economic pressures are increasing staff stress and burnout risks, potentially impacting morale and productivity. Mitigation measures include paying the Real Living Wage, offering wellbeing initiatives (financial advice, stress management), flexible work arrangements, and staff development programmes supported by the Culture Group.

Compliance and Governance

The Foundation navigates complex regulations, including the Charities Commission, Companies Act, General Data Protection Regulation (GDPR), and Health and Safety laws, alongside rising cybersecurity threats. Regular updates to policies, tailored training, a robust safeguarding framework, and enhanced cybersecurity systems ensure compliance and governance.

Human Resources

Recruitment and retention remain challenging due to financial pressures and workloads, while diversity remains a priority. Initiatives include leadership training, health initiatives, succession planning, and equality, diversity and inclusion (EDI) focused activities to create an inclusive workplace.

Operations

Unforeseen events like pandemics and cyberattacks threaten continuity and security. The Foundation maintains an updated Business Continuity Plan, invests in cybersecurity, and conducts regular audits and staff training to build resilience.

Increased Demand for Services

The cost-of-living crisis has heightened demand for the Foundation's programmes, especially health and wellbeing services. To meet this demand, the Foundation secures targeted funding, collaborates with local partners, and regularly evaluates program outcomes to optimise resource use.

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Trustees' Report for the year ended 31 August 2024 (continued)

Public Health Issues

While COVID-19 risks have diminished, future pandemics or crises remain possible. The Foundation continues to refine response plans based on past experience and collaborates with other organizations to ensure preparedness.

Achievements and Performance

The past year delivered life-changing outcomes for participants, improving confidence, life skills, community belonging, and physical and mental wellbeing. Key demographic highlights: 5.08% BAME, 32% female, 8.55% disability, and 0.06% LGBTQ+ (disclosed).

2023/2024 Delivery Highlights

- Engagement: 454,987 hours with 23,405 participants, including 6,500 weekly at the Beacon of Light.
- Community Impact: 16,000+ people connected to their communities.
- Youth Interventions: 16,000+ young people making safer, healthier choices.
- Combatting Loneliness: 250+ individuals over 55 engaged in weekly social activities.
- Disability Support: Specialised programmes for 2,000+ participants.
- Life Skills: 1,800+ improved life/employability skills, with 480 achieving qualifications and 78 gaining employment.
- Health: 13,000+ participants improved physical health, and 14,000 improved mental health.
- Volunteering: 136 mental health ambassadors delivering 10,000+ hours.

Programmes reached 183 schools, community centres, and playing fields in deprived areas, delivering education, health, and youth initiatives. Over five years, three million hours of meaningful engagement are targeted, with 454,987 hours delivered this year alone.

Community: Launched Primary Intervention Programme to address behaviour challenges in schools; expanded the YOLO mentoring project with Police Crime Commissioners; and the Holiday Activity and Food (HAF) programme supported 303 unique and 994 repeat young people, ensuring access to healthy meals during school breaks.

Health and Wellbeing: 16,000+ individuals felt more connected to their community and programmes addressed isolation, diet, and physical health, benefiting 2,477 participants.

Education and Skills: 1,000+ participants improved job skills; 874 enhanced job market awareness; 78 gained employment, 825 improved maths and English through family learning, scholarships, and study programme. Partnered with Sunderland College to support at-risk learners.

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Trustees' Report for the year ended 31 August 2024 (continued)

Football in the Community: Over 15,000 participants ranging from Little Dribblers (18 months to 5 year olds) to over 55s playing walking football. 634 female footballers accessing weekly coaching opportunities, including the Foundation led Girls Academy programme which has helped develop dozens for SAFC Women first team players. Over 2,000 participants with disabilities accessed inclusive football and wider sports coaching.

Beacon of Light and Income Growth

Achieved profitability for Altruism Ltd, with significant growth in sports space sales, partnerships, and events. In March 2024 Altruism commenced its new café operation, Yard Nine, demonstrated strong income potential. Footfall reached 6,500+ weekly visitors.

Raised £4.91M through local authority grants, trusts, foundations, and donor support. Launched campaigns like "Heart on Your Sleeve" and "Wear One" to address citywide challenges.

Maintained 96% donor retention and developed new partnerships with Croda Foundation, Durham University, and more.

Diversity and Inclusion

Engaged underrepresented groups through Fans Fund initiatives focusing on LGBTQ+, disability, women and girls, anti-racism, and heritage. This strengthened community connections and fostered a diverse, united fanbase.

People

93% of employees feel proud to work for the Foundation, with 92% of leavers expressing willingness to return.

Investment Procedures and Policy

At the present time, the reserves of Foundation of Light are held on interest bearing cash deposits in order to meet on-going liquidity requirements. The Trustees have powers to invest the funds as they see fit, as set out in the Memorandum and Articles of Association.

Reserves Policy

The total annual running costs of Foundation of Light (Group), assuming current programmes continue, are expected to be £5.2 million (excluding Gift in Kind). A substantial proportion of the running costs will be met by future grants and contracts which are expected to be received, subject to certain conditions of performance in addition to fundraising activities. The aim is to sustain unrestricted reserves of the Charity at a minimum level of £750k. A robust business plan has been put in place for both the Foundation and the trading company. Charity unrestricted reserves as of 31 August 2024 are £1.2 million retaining a position ahead of target. Free reserves of the charity are £1,152,360 in 2024 compared to £1,004,758 in 2023. As at the 31 August 2024 the Group unrestricted reserves are £323,350 compared to £94,666 in 2023.

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Trustees' Report for the year ended 31 August 2024 (continued)

Inspiring Plans for Future Years

Vision for 2025 and Beyond

2025 marks a transformative year as the Foundation redevelops its strategy, building on past achievements and collaborating with stakeholders to shape the next five years.

Key Delivery Areas

Empowering Young People: Launching a project with the Croda Foundation to tackle worklessness and empower youth; expanding mentoring with the Roseline Foundation; establishing a Youth Hub and introducing a careers initiative in partnership with Helen McArdle and the Harrison Centre for Social Mobility.

Health and Wellbeing: Developing a Health Hub at the Beacon of Light to address isolation and health inequalities. Expanding targeted support programs to improve community inclusion and quality of life.

Regional Growth: Launching new community sessions across Sunderland, South Tyneside, and County Durham with partners including Durham University, Local Authorities and Karbon Homes.

Strengthening Impact and Engagement

Storytelling: Enhancing data collection to showcase impact and reinforce the value of investing in the Foundation.

Inclusivity and Accessibility: Creating more inclusive opportunities with SAFC and Fans Fund, focusing on underrepresented groups.

Participant Voices: Establishing focus groups to ensure programmes align with community needs.

Partnerships: Building alliances with like-minded organizations to amplify impact and reach.

Region of Sport Initiative: Collaborating with the North East Combined Authority to establish accessible physical activity and sports.

Compliance and Organisational Development

Equality, Diversity, and Inclusion (EDI): Developing an EDI strategy with goals for inclusive recruitment, participant voice amplification, and transparency.

Quality: Introducing a quality calendar with programme observations, audits, and staff development.

Excellence Initiatives: Continuing to achieve Capability Code of Practice, Volunteer Kitemark, Better Health at Work Award, Digital Accreditation for innovation, and Disability Confident Employer Level 2.

Foundation of Light

Trustees' Report for the year ended 31 August 2024 (continued)

Results for the Year

The Group results for the year ended 31 August 2024 show net expenditure of £311,905 against net expenditure of £478,408 for the previous year.

Whilst the depreciation charge of £381,316 for the Beacon is included in the Group accounts, the annual release of capital grants received to support the building of the Beacon of £381,783 in 2024 and £381,315 in 2023 is excluded on consolidation as it was recognised in full on receipt, in line with accounting standards, and is denoted by the restricted fixed asset fund against which the annual depreciation is charged.

The Group again produced a positive trading EBITDA (Earnings before interest, tax, depreciation and amortisation), of £195,055 compared to £40,305 in 2023.

Income for the year was £4,910,621 (2023: £4,293,757) reflecting increases in donations and charitable activities as well as increases in other trading activities. The Group expenditure also increased to £5,222,526 (2023: £4,772,165) as expected against the higher income reported reflecting additional delivery costs.

The reserves of the Group remain strong with funds carried forward of £16,599,848 (2023: £16,911,753) of which unrestricted funds represent £323,350 (2023: £94,666). The reserves for the Charity also remain strong in 2024 at a level of £1,226,235 (2023: £1,225,950) of which £1,202,722 (2023: £1,055,120) are unrestricted and exceeding the minimum target of £750,000 set out in the reserves policy.

The Group's cash generated from operating activities was £144,378 cash inflow (2023: £40,659 outflow), £16,323 was invested on new assets ranging from an interactive totem to equipment to kit out the Yard Nine café area. After interest on loans of £86,954 and capital loan repayments of £40,732, the Group's cash and cash equivalents increased by £369 over the year to £1,192,609, still maintaining a healthy financial position to carry forward into 2025.

Going Concern

The financial statements have been prepared on a going concern basis, notwithstanding that the Group has reported 2024 net expenditure of £311,905 (2023: £478,408) and 2024 net cash inflows of £369 (2023: outflow £100,046). The Group year-end balance sheet for 2024 has net current assets of £1,116,639 (2023: £1,022,902) including cash at bank of £1,192,609 (2023: £1,192,240).

The primary external finance of the Group is the loan due to the Charity Bank which has an outstanding balance of £1,035,569 as of 31 August 2024. Monthly capital and interest repayments commenced February 2023 with the final repayment due January 2038. Interest is charged at 3% above the Bank of England rate. This loan now only has one covenant attached which is a cash covenant in comparison to the previous three covenants.

Management have prepared a cash flow forecast for the period ending 31 August 2026 which has been used as their basis of assessing the going concern basis of preparation. The cash flow reflects grant funding that has already been secured as well as including assumptions that renewals of regular funders will take place.

The Trustees are confident that the company and Group will have sufficient funds to continue to meet its liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

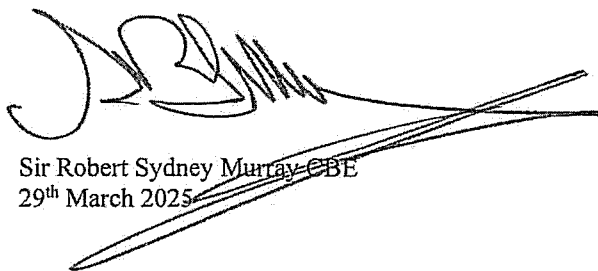
RSM UK Audit LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

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Trustees' Report for the year ended 31 August 2024 (continued)

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Trustees

A handwritten signature in black ink, appearing to be 'RS Murray', with a long horizontal flourish extending to the right.

Sir Robert Sydney Murray CBE
29th March 2025

Foundation of Light

Statement of Responsibilities of the Trustees of Foundation of Light in respect of the Trustees' Annual Report and the Financial Statements

The Trustees, who are also the Directors of Foundation of Light for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. 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 affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

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Independent Auditor's report to the members of Foundation of Light

Opinion

We have audited the financial statements of Foundation of Light (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 August 2024 which comprise the Group and Company Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements 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 Groups and the parent charitable company's affairs as of 31 August 2024 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 Groups 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 Consolidated Annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Consolidated Annual Report. 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.

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Independent Auditor's report to the members of Foundation of Light (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 15, 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 Groups 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.

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Independent Auditor's report to the members of Foundation of Light (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (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 framework that the Group and parent charitable company operates in and how the Group and parent charitable company are complying with the legal and regulatory framework;
- 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.

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Independent Auditor's report to the members of Foundation of Light (continued)

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 and the parent charitable company's governing document. 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, evaluating advice received from external advisors and inspecting correspondence and minutes.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety, UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the Group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The Group audit engagement team identified the risk of management override of controls and income recognition 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 course of business, challenging judgments and estimates and reviewing transactions around the year-end to consider if the income is recorded in the correct 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.

Lucy Robson

LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

07/04/25

Foundation of Light

Company Statement of Financial Activities for the year ended 31 August 2024 (including Income and Expenditure account)

	Note	Unrestricted funds	Restricted funds	Total funds 31 August 2024	Total funds 31 August 2023
		£	£	£	£
Income from:					
Donations and legacies	1a	100,867	45,633	146,500	96,511
Charitable activities	1b	904,160	2,210,117	3,114,277	2,845,175
Other trading activities	1c	470,913	-	470,913	467,480
Investments	1d	48,708	-	48,708	37,271
Total Income		1,524,648	2,255,750	3,780,398	3,446,437
Expenditure on:					
Raising funds	2a	254,829	-	254,829	339,742
Charitable activities	2b	996,209	2,529,075	3,525,284	3,223,580
Total Expenditure		1,251,038	2,529,075	3,780,113	3,563,322
Net (expenditure)/income		273,610	(273,325)	285	(116,885)
Transfers between funds	11	(126,008)	126,008	-	-
Net movement in funds		147,602	(147,317)	285	(116,885)
Total funds brought forward		1,055,120	170,830	1,225,950	1,342,835
Total funds carried forward		1,202,722	23,513	1,226,235	1,225,950

All gains and losses recognised in the year are included in the Statement of Financial Activities.

All income and expenditure are derived from continuing activities.

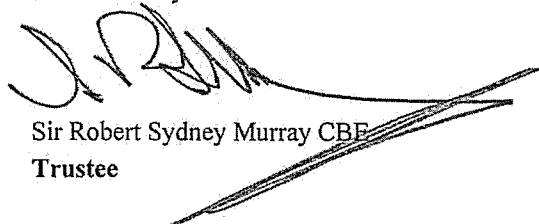
There is no difference between the net incoming resources shown above and their historical cost equivalents.

Foundation of Light

Company Balance Sheet as at 31 August 2024

	Note	31 August 2024 £	31 August 2023 £
Fixed assets			
Intangible assets	5	3,901	27,179
Property, Plant and Equipment	6	45,342	72,296
Investments	7	2	2
Total fixed assets		49,245	99,477
Current assets			
Debtors	8	1,791,154	1,457,905
Cash at bank and in hand		1,115,805	1,059,779
Total current assets		2,906,959	2,517,684
Creditors: amounts falling due within one year	9	(741,767)	(356,260)
Net current assets		2,165,192	2,161,424
Total assets less current liabilities		2,214,437	2,260,901
Creditors: amounts falling due after more than one year	10	(988,202)	(1,034,951)
Net assets		1,226,235	1,225,950
The funds of the charity:			
Restricted income funds	11	23,513	170,830
Unrestricted income funds			
General funds	11	1,152,360	1,004,758
Designated funds	11	50,362	50,362
Total unrestricted income funds		1,202,722	1,055,120
Total charity funds		1,226,235	1,225,950

The financial statements were approved by the Trustees on 29th March 2025 and were signed on their behalf by:


 Sir Robert Sydney Murray CBE
 Trustee

Foundation of Light

Consolidated Balance Sheet as at 31 August 2024

	Note	31 August 2024 £	31 August 2023 £
Fixed assets			
Intangible assets	5	5,999	34,360
Property, Plant and Equipment	6	16,465,412	16,889,442
Total fixed assets		16,471,411	16,923,802
Current assets			
Debtors	8	913,777	588,146
Cash at bank and in hand		1,192,609	1,192,240
Total current assets		2,106,386	1,780,386
Creditors: amounts falling due within one year	9	(989,747)	(757,484)
Net current assets		1,116,639	1,022,902
Total assets less current liabilities		17,588,050	17,946,704
Creditors: amounts falling due after more than one year	10	(988,202)	(1,034,951)
Net assets		16,599,848	16,911,753

The funds of the group:

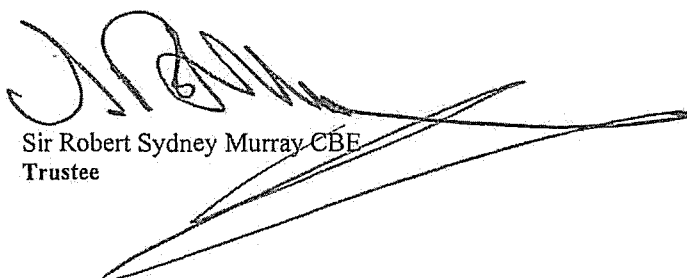
Restricted funds

Restricted Fixed Asset Funds	11	16,252,984	16,646,256
Restricted Income Funds	11	23,514	170,831
Total restricted funds		16,276,498	16,817,087

Unrestricted funds

General funds	11	272,988	44,304
Designated funds	11	50,362	50,362
Total unrestricted funds		323,350	94,666
Total group funds		16,599,848	16,911,753

The financial statements on pages 20 to 46 were approved by the Trustees on 29th March 2025 and were signed on their behalf by:



Sir Robert Sydney Murray CBE
Trustee

Foundation of Light

Consolidated Statement of Financial Activities for the year ended 31 August 2024 (including Income and Expenditure account)

	Note	Unrestricted funds	Restricted funds	Restricted Fixed Asset funds	Total funds 31 August 2024	Total funds 31 August 2023
		£	£	£	£	£
Income from:						
Donations and legacies	1a	100,867	45,633	(3,000)	143,500	98,111
Charitable activities	1b	904,160	2,210,117	-	3,114,277	2,845,175
Other trading activities	1c	1,604,136	-	-	1,604,136	1,313,200
Investments		48,708	-	-	48,708	37,271
Total Income		2,657,871	2,255,750	(3,000)	4,910,621	4,293,757
Expenditure on:						
Raising funds	2a	907,688	-	-	907,688	785,068
Charitable activities	2b	1,683,213	2,241,353	390,272	4,314,838	3,987,097
Total Expenditure		2,590,901	2,241,353	390,272	5,222,526	4,772,165
Net (expenditure)/income		66,970	14,397	(393,272)	(311,905)	(478,408)
Transfers between funds	11	161,714	(161,714)	-	-	-
Net movement in funds		228,684	(147,317)	(393,272)	(311,905)	(478,408)
Total funds brought forward		94,666	170,831	16,646,256	16,911,753	17,390,161
Total funds carried forward		323,350	23,514	16,252,984	16,599,848	16,911,753

All gains and losses recognised in the year are included in the Statement of Financial Activities.

All income and expenditure are derived from continuing activities.

There is no difference between the net incoming resources shown above and their historical cost equivalents.

	31 August 2024	31 August 2023
	£	£
Trading EBITDA		
Net expenditure	(311,905)	(478,408)
Depreciation and amortisation charges	468,714	482,887
Interest receivable	(48,708)	(37,271)
Interest payable	86,954	73,097
Trading EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation and Exceptional Item)	195,055	40,305

Foundation of Light

Company Cashflow for the year ended 31 August 2024

	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£
Net cashflows from by operating activities:	193,918	249,196
Cashflows from investing activities:		
Purchase of property, plant, equipment and intangible assets	(10,204)	(23,658)
Net cash used in investing activities	(10,204)	(23,658)
Cashflows from financing activities:		
Loan Repayments	(40,732)	(23,699)
Interest paid on borrowings	(86,954)	(73,097)
Net cash used in financing activities	(127,686)	(96,796)
Change in cash and cash equivalents in the period	56,028	128,742
Cash and cash equivalents at the beginning of the period	1,059,777	931,035
Cash and cash equivalents at the end of the period	1,115,805	1,059,777
Reconciliation of net movement in funds to net cashflows from operating activities:		
Net movement in funds	285	(116,886)
Adjustments for:		
Depreciation and amortisation charges	60,436	67,560
Interest payable	86,954	73,097
(Increase)/decrease in debtors	(333,249)	676,514
Increase/(decrease) in creditors	379,492	(451,089)
Net cashflows from operating activities	193,918	249,196

Foundation of Light

Consolidated Cashflow for the year ended 31 August 2024

	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£
Net cashflows from by operating activities:	144,378	40,659
Cashflows from investing activities:		
Purchase of property, plant, equipment and intangible assets	(16,323)	(43,909)
Net cash used in investing activities	(16,323)	(43,909)
Cashflows from financing activities:		
Loan Repayments	(40,732)	(23,699)
Interest paid on borrowings	(86,954)	(73,097)
Net cash used in financing activities	(127,686)	(96,796)
Change in cash and cash equivalents in the period	369	(100,046)
Cash and cash equivalents at the beginning of the period	1,192,240	1,292,286
Cash and cash equivalents at the end of the period	1,192,609	1,192,240
Reconciliation of net movement in funds to net cashflows from operating activities:		
Net movement in funds	(311,905)	(478,408)
Adjustments for:		
Depreciation and amortisation charges	468,714	482,887
Interest payable	86,954	73,097
(Increase)/decrease in debtors	(325,631)	359,584
Increase/(decrease) in creditors	226,246	(396,501)
Exceptional item	-	-
Net cashflows from operating activities	144,378	40,659

Foundation of Light

Accounting Policies

Foundation of Light is a Private Limited Company by guarantee incorporated in England & Wales.

The Group financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable accounting standards in the United Kingdom, including the Statement of Recommended Practice: Accounting and Reporting by Charities 2015 (SORP) and the Charities Act 2011. The accounts have been prepared on a going concern basis and the accounting policies have been applied consistently.

The charity is a public benefit entity as defined by FRS 102.

Basis of Consolidation

The Group financial statements consolidate the results of the Charity and its wholly owned subsidiaries, Beacon of Light Limited and Altruism Limited using accounting policies consistently applied across the Group, and after eliminating intra-Group transactions.

Going Concern

The financial statements have been prepared on a going concern basis, notwithstanding that the Group has reported 2024 net expenditure of £311,905 (2023: £478,408) and 2024 net cash inflows of £369 (2023: outflow £100,046). The Group year-end balance sheet for 2024 has net current assets of £1,116,639 (2023: 1,022,902) including cash at bank of £1,192,609 (2023: £1,192,240).

The primary external finance of the Group is the loan due to the Charity Bank which has an outstanding balance of £1,035,569 as of 31 August 2024. Monthly capital and interest repayments commenced February 2023 with the final repayment due January 2038. Interest is charged at 3% above the Bank of England rate. This loan now only has two covenants attached one of which is a cash covenant in comparison to the previous three covenants.

Management have prepared a cash flow forecast for the period ending 31 August 2026 which has been used as their basis of assessing the going concern basis of preparation. The cash flow reflects grant funding that has already been secured as well as including assumptions that renewals of regular funders will take place.

Gift in Kind

Gift in kind is received from Sunderland AFC in the form of products and services given freely and staff time donated. Where they can be quantified, gift in kind is included within the statement of financial activities as both income and expense.

Foundation of Light

Accounting Policies (continued)

Income

Voluntary income including gifts and legacies that provide core funding which are general in nature are recognised when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from an interest-bearing deposit account. The Charity only recognise interest on bonds when it is unconditional, and hence all conditions of the bond have been met, and it has matured.

Income from charitable activities includes income received from grants and contracts. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Donations are recognised when received unless the receipt is probable, when they are recognised as accrued income. Donations and grants received for specific purposes are classed as restricted and are deferred until the Charity is entitled to the funding and has met the conditions set out in the funding agreement.

Trading income is recognised on an accruals basis as performance obligations are fulfilled.

Beacon of Light capital grant income was funding received by Beacon of Light Limited toward the construction of the Beacon of Light facility. In the consolidated SOFA, capital grants were recognised upon receipt, as required by paragraph 5.27 of the SORP and held in a specific restricted fund for future depreciation charges.

The Charity 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.

Expenditure

Expenditure is accounted for on an accruals basis as a liability is incurred and includes irrecoverable VAT as applicable. Contractual arrangements and performance-related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises resulting in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the delivery of education activities and include both the direct costs 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 central functions and have been allocated based on income.

Foundation of Light

Accounting Policies (continued)

Redundancy and Termination Benefits

Redundancy and termination benefits are accrued by the Charity when there is a constructive obligation to pay them. This is normally via a contractual, legislation or other agreement with employees and their representatives.

Intangible Fixed Assets

The Foundation of Light website and the development of an operational IT system have been classified as intangible fixed assets. Amortisation has been provided on a straight-line basis reflecting the expected useful life of the assets, with a full month's amortisation charge in the month of completion, at a rate of 33% per annum. The assets have been capitalised at cost, comprising all directly attributable costs required to bring them into working condition.

Tangible Fixed Assets

Individual fixed assets costing £500 or more are capitalised at cost. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on a straight-line basis over the estimated useful life of the asset with a full month's depreciation charged in the month of acquisition. Principal rates used are:

Land and Buildings	2-12.5%
Computer Equipment	33%
Fixtures and Fittings	25%
4G pitch	12.5%

The Beacon is classified under Buildings, as the facility is used by the Charity as a functional property to further the charitable objectives of the Charity. The building is depreciated over its anticipated useful economic life.

Any significant additions with a separately identifiable useful life are reviewed separately and depreciated on a component basis where necessary.

Fundraising

Fundraising income and expenditure are accounted for on an accruals basis and are classified as unrestricted unless fundraising is targeted at a specific cause then this would be classed as restricted.

Funds

Restricted funds are funds raised or donated for a specific purpose. All other funds are classified as unrestricted.

Surplus funds held are deposited with Barclays Bank and Nationwide to earn interest prior to utilisation by the Foundation.

There is a designated fund to build a reserve to fund the replacement of fixed assets.

Operating Leases

The Charity classifies the lease of minibuses and photocopying equipment as operating leases. Rental charges are charged on a straight-line basis over the term of the lease.

Finance Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors.

Foundation of Light

Accounting Policies (continued)

Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The Directors do not consider that there are any significant judgements or estimates included in the financial statements.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024

1 Income

(a) Donations and Legacies - Group

	Unrestricted	Restricted	For the year ending 31 August 2024	Unrestricted	Restricted	For the year ending 31 August 2023
	£	£	£	£	£	£
Gifts, Donations and Legacies	85,767	-	85,767	52,428	-	52,428
Capital Grants	-	(3,000)	(3,000)	-	1,600	1,600
Membership, Subscriptions and Sponsorship	15,100	-	15,100	3,445	-	3,445
Donated goods and services	-	45,633	45,633	10,167	30,471	40,638
	100,867	42,633	143,500	66,040	32,071	98,111

(a) Donations and Legacies - Charity

	Unrestricted	Restricted	For the year ending 31 August 2024	Unrestricted	Restricted	For the year ending 31 August 2023
	£	£	£	£	£	£
Gifts, Donations and Legacies	85,767	-	85,767	52,428	-	52,428
Membership, Subscriptions and Sponsorship	15,100	-	15,100	3,445	-	3,445
Donated goods and services	-	45,633	45,633	10,167	30,471	40,638
	100,867	45,633	146,500	66,040	30,471	96,511

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

1 Income (continued)

(b) Income from charitable activities – Group and Charity

By Source of Funding	Unrestricted	Restricted	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£	£	£
Football coaching sales	664,694	-	664,694	478,239
Sale of services as part of the direct charitable activities	193,666	-	193,666	179,790
Contractual payments from government or public authorities	42,900	746,136	789,036	728,709
Performance related grants where level of income depends on volume of service provided	2,900	1,463,981	1,466,881	1,458,437
	904,160	2,210,117	3,114,277	2,845,175

In the prior period, income from charitable activities comprised of £658,029 unrestricted funds and restricted income of £2,187,146.

By Charitable Activity	Unrestricted	Restricted	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£	£	£
Sport and Play	739,452	244,064	983,516	755,120
Education	105,875	491,264	597,139	462,116
World of Work	878	666,146	667,024	480,070
Community	42,940	370,130	413,070	705,507
Health	11,104	317,810	328,914	307,067
Core	3,911	120,703	124,614	135,295
	904,160	2,210,117	3,114,277	2,845,175

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

1 Income (continued)

(c) Other trading activities - Group

	Unrestricted	Restricted	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£	£	£
Fundraising events	27,746	-	27,746	176,247
Sponsorships and lottery	84,455	-	84,455	94,116
Letting arrangements for Property	-	-	-	14,117
Trading activity	1,491,935	-	1,491,935	1,028,720
	1,604,136	-	1,604,136	1,313,200

In the prior year, income from other trading activities comprised solely of £1,313,200 unrestricted income.

Other trading activities - Charity

	Unrestricted	Restricted	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£	£	£
Fundraising events	27,746	-	27,746	176,247
Sponsorships and lottery	84,455	-	84,455	94,116
Letting arrangements for Property	-	-	-	14,117
Trading activity	358,712	-	358,712	183,000
	470,913	-	470,913	467,480

In the prior year, income from other trading activities comprised solely of £467,480 unrestricted income.

(d) Investments – Group and Charity

	Unrestricted	Restricted	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£	£	£
Bank interest received	48,708	-	48,708	37,271

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

2 Expenditure

a) Expenditure on raising funds – Group

	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£
Cost of seeking donations and grants	144,242	157,926
Fundraising events	3,893	93,945
Sponsorships and lottery	28,861	28,102
Membership scheme	36	5,413
Other running costs	694,514	444,795
Depreciation	3,177	20,566
Marketing and publicity	32,965	24,154
Matchday tickets and stadium tours	-	10,167
	907,688	785,068

In the prior year, expenditure on raising funds comprised solely of £785,068 unrestricted expenditure.

Expenditure on raising funds – Charity

	For the year ending 31 August 2024	For the year ending 31 August 2023
	£	£
Cost of seeking donations and grants	144,242	157,926
Fundraising events	3,893	93,945
Sponsorships and lottery	28,861	28,102
Membership scheme	36	5,413
Other running costs	44,832	20,035
Marketing and publicity	32,965	24,154
Matchday tickets and stadium tours	-	10,167
	254,829	339,742

In the prior year, expenditure on raising funds comprised solely of £339,742 unrestricted expenditure.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

2 Expenditure (continued)

b) Expenditure by Charitable Activity - Group

	Sport and Play £	World of Work £	Education £	Community £	Health £	Beacon of Light £	Core £	2024 £	2023 £
Matchday tickets and stadium tours	12,955	12,952	1,600	11,614	6,512	-	-	45,633	30,47
Education	527,497	443,063	442,393	430,046	233,374	-	-	2,076,373	2,010,80
Depreciation and amortisation	12,087	12,087	12,087	12,087	12,087	390,272	-	450,707	468,32
Redundancy Expenses	-	2,641	-	-	-	-	-	2,641	4,80
Building ¹	223,621	151,660	135,771	93,919	74,785	-	-	679,756	653,13
Support costs (c)	296,285	200,942	179,889	124,438	99,085	-	124,614	1,025,253	793,53
Governance (d)	6,895	6,895	6,895	6,895	6,895	-	-	34,475	26,02
	1,079,340	830,240	778,635	678,999	432,738	390,272	124,614	4,314,838	3,987,09

Expenditure on charitable activities comprised of £1,683,213 unrestricted funds (2023: £1,502,912) and £2,631,625 restricted funds (2023: £2,484,185).

Support costs are staffing and overheads for functions such as Directors, Finance, Admin, IT and HR and are allocated based on income.

Expenditure is allocated between the restricted and unrestricted funds based on the project to which it relates; expenditure relating to the generation of unrestricted income such as the sales of sports and play coaching courses is classified as unrestricted expenditure, while expenditure relating to restricted grant funded programmes is classified as restricted expenditure.

¹ Building costs relate to the staffing and overheads associated with operating the Beacon of Light facility.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

2 Expenditure (continued)

b) Expenditure by Charitable Activity – Charity

	Sport and Play £	World of Work £	Education £	Community £	Health £	Core £	2024 £	2023 £
Matchday tickets and stadium tours	12,955	12,952	1,600	11,614	6,512	-	45,633	30,471
Education	623,019	507,846	500,389	470,164	265,319	-	2,366,737	2,300,921
Redundancy Expenses	-	2,641	-	-	-	-	2,641	4,806
Depreciation and amortisation	12,087	12,087	12,087	12,087	12,087	-	60,435	73,560
Support cost (c)	296,285	200,942	179,889	124,438	99,085	124,614	1,025,253	793,530
Governance (d)	4,917	4,917	4,917	4,917	4,917	-	24,585	20,292
	949,263	741,385	698,882	623,220	387,920	124,614	3,525,284	3,223,580

Expenditure on charitable activities comprised of £996,209 unrestricted funds (2023: £844,046) and £2,529,075 restricted funds (2023: £2,379,534).

c) Expenditure by Support Costs – Group and Charity

	Sport and Play £	World of Work £	Education £	Community £	Health £	Core £	2024 £	2023 £
Administration	161,531	110,659	99,206	69,038	55,243	31,154	526,831	385,719
Directors	65,545	43,425	38,762	26,480	20,862	31,154	226,228	200,881
Finance Dept	31,783	20,945	18,552	12,250	9,370	31,153	124,053	127,054
HR Dept	4,251	4,009	3,956	3,816	3,755	-	19,787	14,491
IT Dept	33,174	21,904	19,414	12,854	9,855	31,153	128,354	65,385
	296,284	200,942	179,890	124,438	99,085	124,614	1,025,253	793,530

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

2 Expenditure (continued)

	For the year ending 31 August 2024 £	For the year ending 31 August 2023 £
(d) Governance Costs - Group		
Audit Fees	30,400	20,789
VAT Fees	2,827	5,240
Other costs	1,248	-
Total Costs - Group	34,475	26,029

Governance costs are charged as incurred.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

3 Group Staff Costs

	Year ending 31 August 2024 £	Year ending 31 August 2023 £
Staff costs:		
Wages and salaries	2,599,759	2,264,221
Social security costs	221,524	199,400
Other pension costs	89,408	74,977
Redundancy costs	2,641	13,783
	2,913,332	2,552,381

Two employees (2023: two employees) received total employee benefits above £60,000 for the reporting period, one at £60,000 - £70,000 (2023: one), one at £90,000 - £100,000 (2023: none) and none at £100,000 - £110,000 (2023: one). For staff paid over £60,000 pension contributions of £7,555 were made (2023: £7,190). Key Management detailed on page 1 cumulatively received £317,750 in employee benefits in 2024 (2023: £294,498).

The Trustees are not entitled to, and did not receive, any remuneration for their services to the Charity (2023: £nil). During the year total expenses reimbursed to trustees for travel and subsistence, amounted to £nil (2023: £503).

In previous years the Foundation had an Aviva defined contribution pension scheme which was open to all permanent employees after successful completion of their probation period. The Foundation made a standard contribution of 3% of basic salary on behalf of the members, at a cost of £nil (2023: £28,719) in the year. The Foundation has also been required to auto-enrol all eligible employees into a pension scheme since July 2014, as such, all new employees are automatically enrolled into the NEST governmental defined contribution scheme. Employees are required to make a 5% contribution and the Foundation makes a standard contribution of 3%. The cost of the NEST scheme in 2024 was £738 (2023: £25,521). At the year-end £90 (2022: £nil) in payable contributions were outstanding. These pension costs would be allocated as per staff costs based on project/activity allocations. In 2023 the Foundation undertook a pension review which resulted in a new Royal London company pension scheme taking over the existing Aviva scheme. This scheme is open to all permanent employees after successful completion of their probation period. The Foundation made a standard contribution of 3% of basic salary on behalf of the members, at a cost of £88,667 (2023: £20,738) in the year. At the year end £7,536 (2023: £20,738) in payable contributions were outstanding.

The monthly average number of persons employed by the Group and Charity during the year was 150 (2023: 143). The average number of full-time staff members was 67 (2023: 68) and those on part time and casual contracts was 83 (2022: 75). All staff are employed for the furtherance of the Charity's objectives.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

3 Group Staff Costs (continued)

Staff employed can be further analysed as follows:

	Year ending 31 August 2024	Year ending 31 August 2023
	Number	Number
Delivery Staff	106	102
Support and Administration	16	13
Beacon of Light Operations	17	17
Commercial and Marketing	8	8
Directors	3	3
	150	143

4 Net outgoing resources before transfers

Net outgoing resources for the Group are stated after charging:

	Year ending 31 August 2024	Year ending 31 August 2023
	£	£
Audit fee	30,400	27,350
Depreciation	440,353	453,970
Amortisation	28,361	28,917
Operating lease costs:		
- plant and machinery	12,100	15,951
Bank Interest	86,954	73,097
Non-Audit Fees for Tax Compliance services	4,050	4,050

£Nil depreciation was charged in the year related to leased assets (2023: £Nil).

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

5 Intangible assets

Charity	Website and data warehouse £	Total £
Cost		
As at 1 September 2023	71,500	71,500
Additions	-	-
As at 31 August 2024	71,500	71,500
Accumulated Amortisation		
As at 1 September 2023	44,321	44,321
Charge for the Period	23,278	23,278
At 31 August 2024	67,599	67,599
Net book value		
At 31 August 2024	3,901	3,901
At 31 August 2023	27,179	27,179

Group	Website and data warehouse £	Total £
Cost		
As at 1 September 2023	86,750	86,750
Additions	-	-
As at 31 August 2024	86,750	86,750
Accumulated Amortisation		
As at 1 September 2023	52,390	52,390
Charge for the Period	28,361	28,361
At 31 August 2024	80,751	80,751
Net book value		
At 31 August 2024	5,999	5,999
At 31 August 2023	34,360	34,360

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

6 Property, Plant and Equipment

Charity	Computer Equipment £	Leasehold Buildings £	Fixtures and Fittings £	Total £
Cost				
As at 1 September 2023	217,307	75,706	134,210	427,223
Additions	6,507	-	3,697	10,204
As at 31 August 2024	223,814	75,706	137,907	437,427
Accumulated Depreciation				
As at 1 September 2023	166,995	75,706	112,226	354,927
Charge for the Period	28,777	-	8,381	37,158
At 31 August 2024	195,772	75,706	120,607	392,085
Net book value				
At 31 August 2024	28,042	-	17,300	45,342
At 31 August 2023	50,312	-	21,984	72,296

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

6 Property, Plant and Equipment (continued)

Group	Computer Equipment	Freehold Buildings	Leasehold Buildings	Fixtures and Fittings	Total
	£	£	£	£	£
Cost					
As at 1 September 2023	417,760	18,720,701	75,706	428,673	19,642,840
Additions	7,832	-	-	8,491	16,323
As at 31 August 2024	425,592	18,720,701	75,706	437,164	19,659,163
Accumulated Depreciation					
As at 1 September 2023	367,444	1,908,146	75,706	402,102	2,753,398
Charge for the Period	28,962	381,316	-	30,075	440,353
At 31 August 2024	396,406	2,289,462	75,706	432,177	3,193,751
Net book value					
At 31 August 2024	29,186	16,431,239	-	4,987	16,465,412
At 31 August 2023	50,316	16,812,555	-	26,571	16,889,442

7 Investments

The Foundation has a wholly owned subsidiary, Altruism Limited (previously SAFC Community Limited), a company incorporated in England and Wales registration number 04303983. The purpose of the company is to operate the commercial trading at the Beacon of Light, including sport facility hire, meetings and predominantly events. The income of the subsidiary as at 31 August 2024 was £1,205,954 (2023: £916,806) with expenditure totalling £1,191,263 (2023: £966,999) resulting in a net profit of £14,691 (2023 loss: £50,193). The net liabilities of the subsidiary as of 31 August 2024 were £1,037,224 (2023: net liabilities of £1,051,915).

The Foundation also has a wholly owned trading subsidiary, Beacon of Light Limited registration number 09221229, which was established in September 2014. The purpose of the company was to construct and now to run the Beacon of Light facility. The income of the subsidiary as at 31 August 2024 was £1,134,819 (2023: £1,121,082) with expenditure totalling £1,079,917 (2023: £1,053,628) resulting in a net profit of £54,902 (2023 profit: £67,454). The net liabilities of the subsidiary as of 31 August 2024 were £359,161 (2023: net liabilities of £414,063).

Both subsidiaries share the same registered address as the Foundation of Light; Beacon of Light, Stadium Way, Sunderland, SR5 1SN.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

8 Debtors

	Charity 31 August 2024 £	Charity 31 August 2023 £	Group 31 August 2024 £	Group 31 August 2023 £
Trade Debtors	118,081	81,918	227,839	197,787
Amounts due from Group undertakings	1,067,597	1,069,281	-	-
Amounts due from Sunderland AFC Ltd	7,143	15,506	19,897	19,346
Other Debtors	-	-	12,216	37,119
Prepayments and accrued income	598,333	291,200	653,825	333,894
	1,791,154	1,457,905	913,777	588,146

Amounts due from Group undertakings includes an intercompany loan of £865,840, of which £170,865 is due in less than one year, and £694,975 is due after more than one year. The loan is due for repayment by June 2029. Interest is charged at 3%. The remaining balance relates to recharges invoiced but not received as at year-end.

9 Creditors: amounts falling due within one year

	Charity 31 August 2024 £	Charity 31 August 2023 £	Group 31 August 2024 £	Group 31 August 2023 £
Trade Creditors	88,312	43,813	154,489	382,385
Amounts due to Sunderland AFC Ltd	3,679	35,985	5,869	35,985
Other Creditors	60,441	132,201	83,850	136,610
Amounts due to Group undertakings	25,844	14,890	-	-
Accruals and deferred income	516,124	88,021	698,172	161,154
Charity Bank Loan	47,367	41,350	47,367	41,350
	741,767	356,260	989,747	757,484

Amounts due to Group undertakings are unsecured, have no interest and are repayable on demand.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

9 Creditors: amounts falling due within one year (continued)

Deferred income can be further analysed as follows:

	Charity for the year ending 31 August 2024	Charity for the year ending 31 August 2023	Group for the year ending 31 August 2024	Group for the year ending 31 August 2023
	£	£	£	£
Balance brought forward	104,552	357,657	104,552	386,131
Recognised in year	2,659,505	2,599,853	3,009,593	2,796,686
Released in year	(2,444,734)	(2,852,958)	(2,723,679)	(3,078,265)
Balance carried forward	319,323	104,552	390,466	104,552

Income is deferred based on the calendar period the activity takes place.

10 Creditors: amounts falling due after more than one year

	Charity 31 August 2024	Charity 31 August 2023	Group 31 August 2024	Group 31 August 2023
	£	£	£	£
Charity Bank Loan	988,202	1,034,951	988,202	1,034,951

The primary external finance of the Group is the loan due to the Charity Bank which has an outstanding balance of £1,035,569 as of 31 August 2024. Monthly capital and interest repayments commenced February 2023 with the final repayment due January 2038. Interest is charged at 3% above the Bank of England rate. This loan now only has two covenants attached; a cash covenant and a loan to value covenant in comparison to the previous three covenants. The Charity bank loan is secured by a fixed charge against the Beacon of Light facility.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

11 Analysis of Net Assets

Charity

Fund balances at 31 August 2024 are represented by:	Unrestricted	Restricted	Total
	£	£	£
Fixed Assets	-	49,243	49,243
Investments	-	2	2
Net Current Assets	1,202,722	962,470	2,165,192
Creditors: amounts falling due after one year	-	(988,202)	(988,202)
Total funds	1,202,722	23,513	1,226,235

The funds can be further analysed as follows:

	1 September 2023 £	Income £	Expenditure £	Transfers £	31 August 2024 £
General funds	1,004,758	1,524,648	(1,251,038)	(126,008)	1,152,360
Designated funds					
Contingency fund	50,362	-	-	-	50,362
Total designated funds	50,362	-	-	-	50,362
Total unrestricted funds	1,055,120	1,524,648	(1,251,038)	(126,008)	1,202,722
Restricted funds:					
Education	-	492,864	(593,212)	100,348	-
World of Work	-	679,098	(679,160)	62	-
Sport and Play	-	257,019	(257,019)	-	-
Community	170,830	381,744	(529,061)	-	23,513
Health	-	324,322	(349,920)	25,598	-
Core	-	120,703	(120,703)	-	-
Total restricted funds	170,830	2,255,750	(2,529,075)	126,008	23,513
Total funds	1,225,950	3,780,398	(3,780,113)	-	1,226,235

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

11 Analysis of net assets (continued)

Group

Fund balances at 31 August 2024 are represented by:	Unrestricted	Restricted	Total
	£	£	£
Fixed Assets	-	16,471,412	16,471,412
Net Current Assets	323,350	793,288	1,116,638
Creditors: amounts falling due after 1 year	-	(988,202)	(988,202)
Total funds	323,350	16,276,498	16,599,848

The funds can be further analysed as follows:

	31 August 2023 £	Income £	Expenditure £	Transfers £	31 August 2024 £
General funds	44,304	2,657,871	(2,590,901)	161,714	272,988
Designated funds					
Contingency fund	50,362	-	-	-	50,362
Total designated funds	50,362	-	-	-	50,362
Total unrestricted funds	94,666	2,657,871	(2,590,901)	161,714	323,350
Restricted funds:					
Education	-	492,863	(535,216)	42,353	-
World of Work	-	679,098	(617,018)	(62,079)	1
Sport and Play	-	257,020	(161,498)	(95,522)	-
Community	170,831	381,744	(488,943)	(40,119)	23,513
Health	-	324,322	(317,975)	(6,347)	-
Core	-	120,703	(120,703)	-	-
Beacon of Light	16,646,256	(3,000)	(390,272)	-	16,252,984
Total restricted funds	16,817,087	2,252,750	(2,631,625)	(161,714)	16,276,498
Total funds	16,911,753	4,910,621	(5,222,526)	-	16,599,848

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

11 Analysis of Net Assets (continued)

During the year, transfers were made between unrestricted and restricted funds to cover overspends that had occurred on certain restricted funds. Some restricted funds have been rolled forward between financial years and we have no indication of any claw backs to date. There have also been some transfers between restricted funds, the Sport and Play department are partially funded by restricted grant income from Trusts and Foundations; however, the majority of funding is from unrestricted funds, particularly trading income from the delivery of courses. Community, Core, Health, Education and World of Work projects are mainly funded by grants from Trust and Foundations, corporate funding and Public Sector contracts; the balance is funded from unrestricted funds.

A description of each restricted fund is given below:

Education	Includes Post 16 Football Scholarship and, secondary education projects.
World of Work	Family Learning programmes and employability courses (based in Durham, Sunderland, and South Tyneside).
Sport and Play	Community football teams, the Emerging Talent Centre and in and out of curriculum coaching in Durham, Sunderland, and South Tyneside.
Health	Includes suicide prevention, physical and mental health projects, over 55s and veterans' delivery sessions, and the Coal to Goals project.
Community	Youth Engagement activity.
Beacon of Light	Grant funding received for the construction of the Beacon of Light facility, funding capital expenditure on the project and the depreciation charges on the build.
Core	Digital, including the website and E-Learning platform.
Designated funds	A reserve built to fund the replacement of fixed assets.

Foundation of Light

Notes to the Financial Statements for the year ended 31 August 2024 (continued)

12 Financial Commitments

Operating lease commitments

At 31 August the Group had total commitments under non-cancellable operating leases, as follows:

Group	31 August 2024			31 August 2023		
	Land and buildings	Other	Total	Land and buildings	Other	Total
	£	£	£	£	£	£
Within one year	-	8,384	8,384	-	4,784	4,784
Between one to five years	-	55,389	55,389	-	7,973	7,973
Total	-	63,773	63,773	-	12,757	12,757

13 Related Party Transactions

During the year, the Foundation of Light provided services to Beacon of Light Limited, namely through the recharge of staffing support and overheads of £575,498 (2023: £351,070) and Altruism Limited of £277,060 (2023: £227,897). In addition, the Beacon of Light Limited also received income from rent, services charges and overheads of £106,052 (2023: £99,733) from the Foundation of Light, £616,886 (2023: £521,673) from Altruism Limited. Altruism Limited received hire income from sporting and meeting facilities from the Foundation of Light of £188,066 (2023: £223,174).

The Foundation received quantifiable gifts in kind from Sunderland AFC Limited of £45,633 (2023: £40,368). Gifts included match tickets for both staff and participants as well as use of certain areas of the Stadium for tours etc. Outstanding balances at the year end owed to the Group from Sunderland AFC Limited total £19,897 (2023: £19,346)

Details of the Foundation's relationship with the Club can be found on page 5 of the Trustees' report.

The Foundation continued to sponsor an Alternative Provision Free School, Beacon of Light School, which received its first intake of pupils in September 2017. Lesley Spuhler OBE (Chief Executive) was a Member of Beacon of Light School until 31st August 2023 and James Wright (Managing Director) is a school governor. Income, being recharges of invoices and services in the year totalled £110,952 (2023: £81,098) with outstanding balances at the year end of £16,433. The School joined the Laidlaw Schools Trust on 1st September 2023.

The Foundation reports donations of £30 from Trustee's in the year (2023: £25,700).