

LIVERPOOL FC FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended
31st May 2021

Charity No: 1096572
Company No: 04587220

LIVERPOOL FC FOUNDATION

Annual Report and Financial Statements

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LIVERPOOL FC FOUNDATION

Charity Reference and Administrative Details 31st May 2021

Charity number:	1096572
Company number:	04587220
Trustees:	Susan Black Simon Bowers Billy Hogan Davinder Jhamat (appointed 11/11/20) Gavin Laws Peter Moore (resigned 13/08/20) Matthew Parish (appointed 11/11/20) Linda Pizzuti Tom Werner Laura Weston
Secretary:	Lynn Taylor
Registered office:	Anfield Road Liverpool L4 0TH
Bankers:	The Royal Bank of Scotland Plc 1 Dale Street Liverpool L2 2PP
Statutory Auditors:	Mitchell Charlesworth LLP Chartered Accountants 5 Temple Square Temple Street Liverpool L2 5RH

LIVERPOOL FC FOUNDATION

Trustees' Annual Report For the year ended 31st May 2021

The trustees present their report together with the audited financial statements of the charity for the year ended 31st May 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Trustees of the charity

The directors of the charitable company are the trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Susan Black
Simon Bowers
Billy Hogan
Davinder Jhamat (appointed 11/11/20)
Gavin Laws
Peter Moore (resigned 13/08/20)
Matthew Parish (appointed 11/11/20)
Linda Pizzuti
Tom Werner
Laura Weston

Structure, Governance and Management

Governing document

The Charity is a company limited by guarantee, incorporated on 11th November 2002, and is therefore governed by a Memorandum and Articles of Association, which are subject to regular review. The Articles of Association were formally reviewed, updated, and adopted on 12th May 2021.

Trustee appointment, induction, and training

In accordance with the Articles of Association and the Trustee Recruitment Policy, all trustees are appointed following a formal process and with regard to a board skills analysis. The 12th May 2021 revision to the Articles of Association included provision to increase the size of the board from 10 to 12, with up to six trustees nominated by Liverpool FC, and up to six independent trustees appointed by the board. Each trustee automatically becomes a member on his/her appointment to the Charity.

On appointment, trustees complete a register of interests. The Foundation is committed to providing trustees with a thorough induction, and access to training, which includes safeguarding. Trustees are invited to key fundraising events, and to observe programme delivery in action.

The chair of trustees is appointed by the board.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Organisation

The board of trustees, which, in accordance with the Articles of Association, shall be no less than three members, and a maximum of twelve, is responsible for the overall governance and strategic direction in accordance with legal and statutory regulations.

Trustees meet a minimum of three times a year and provide strategic advice to the Charity's senior leadership team. The Finance Sub-committee, chaired by the chair of trustees, reports back to the board of trustees.

A CEO is appointed by the board to manage the day-to-day operation. To facilitate effective operations, the CEO, Matthew Parish, has delegated authority, within the Charity's Governance Framework and Scheme of Delegation approved by the board of trustees annually.

The CEO is appointed as a trustee by the Charity which is allowed under the Articles of Association.

The CEO leads a senior leadership team responsible for the day-to-day operation of the charity. The senior leadership team comprises: -

- CEO
- Head of Finance
- Governance Manager
- Head of Marketing and Business Development
- Head of Sport and Inclusion
- Head of Youth and Skills

Policy on setting the remuneration of the Senior Management Team

The Charity facilitates a performance management framework for all staff. Remuneration of the Charity's staff is overseen by the LFC Foundation board of trustees, receiving advice from Liverpool FC HR benchmarking (referring to equivalent roles across the charity sector).

Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the risks to which the Charity is exposed and to ensure appropriate controls are in place. The Risk Management Policy is reviewed by the board annually, the Risk Register is regularly reviewed at trustee board meetings.

Safeguarding policy and procedures are in place and reviewed annually by the board of trustees. Safeguarding is reported at each trustee board meeting. The chair of trustees sits on the Liverpool FC Safeguarding Management Group. Trustees receive an annual safeguarding policy briefing by the LFC Director of Safeguarding. All staff are recruited in accordance with the Charity's Safer Recruitment Policy including DBS checks and undergo mandatory safeguarding training.

Financial risks are mitigated. The Reserves and Investments policies are subject to annual review. Internal and external investment is monitored, evaluated, and reported to trustees.

Data protection policies and procedures are in place along with mandatory training for staff.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Objectives and activities

The Charity provides community football and sports related physical activity, education, health, social inclusion, and other charitable activities on behalf of The Liverpool Football Club and Athletic Grounds Limited (Liverpool Football Club).

The Charity's objects are for the benefit of the public generally, both in the United Kingdom and overseas and, in particular, the inhabitants of Liverpool, Merseyside and their surrounding areas: -

- to promote community participation in healthy recreation by providing facilities for the playing of association football and other sports capable of improving health;
- to provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life;
- to advance the education of children and other persons through such means as the trustees think fit in accordance with the law of the charity; and
- for the general purposes of such charitable bodies or for such other exclusively charitable purposes as the trustees may from time to time decide.

Public Benefit

The trustees have had due regard to the guidance published by the Charity Commission on public benefit.

Review of activities

The LFC Foundation is the official charity of Liverpool Football Club.

Our vision is to become the world's leading football club foundation that changes the lives of young people and families.

We share the values of Liverpool Football Club - ambition, commitment, unity, and dignity.

Our mission is to bring together the LFC family to create life changing opportunities for young people and families in the most underserved communities within the Liverpool City Region and beyond.

The primary function of the Charity is to deliver impactful activities and services that improve the life and health chances of children and young people, and to generate income for sustainability through restricted (grant funding) and unrestricted income (fundraising).

The Foundation operates in areas of high deprivation across Liverpool City Region, which is the most deprived city region in England. We strategically target our work in the most deprived areas by operating in schools, community facilities, parks and open spaces to ensure we are able to engage directly with these hard-to-reach communities.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued)
For the year ended 31st May 2021

Review of activities (continued)

Last year we created a new theory of change which allowed us to focus our work in six key impact areas with stakeholder consultation on the naming of impact areas (advisory board, trustees, staff, youth voice, LFC): -

- Sport and Physical Activity
- Health and Wellbeing
- Education and Life Skills
- Employment and Training
- Community Engagement
- Youth Interventions

The theory of change has helped us to develop our five-year strategy.



LFC Foundation: This is The Liverpool Way

Strategy Overview 2021 - 2025

We share the values of Liverpool FC:
Unity, Dignity, Ambition and Commitment

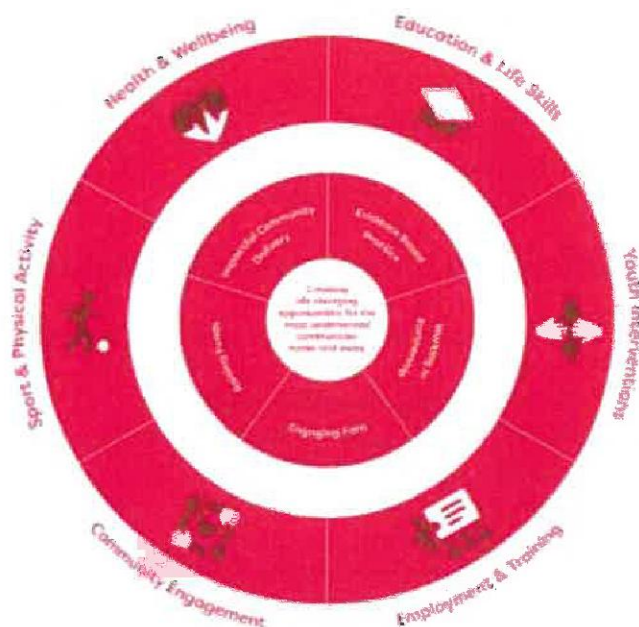
This is The Liverpool Way.

Our ambition

To be the world's leading football foundation that transforms the lives of young people and families

Our mission

To harness the power of the LFC family to create life changing opportunities for the most underserved communities home and away



LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued)
For the year ended 31st May 2021

Review of activities (continued)

Driving Sustainable Social Impact

By 2025 we will:

- ✓ Be supporting 150,000+ beneficiaries per season and have doubled funding generated to do so
- ✓ Be embedded in all high-need communities across Liverpool City Region
- ✓ Be working in 10 international countries through our Side by Side partnership
- ✓ Be sector leaders in monitoring, evaluation and impact measurement
- ✓ Be a truly inclusive and diverse organisation at every level that represents the communities we serve

For more information

LFC Foundation Impact Report 2021
[Foundation.liverpoolfc.com/about-us/impact-review](https://foundation.liverpoolfc.com/about-us/impact-review)



The United Nations Sustainable Development Goals are a universal call to action to end poverty, protect the planet and ensure all people enjoy peace and prosperity by 2030. The LFC Foundation (LFF) supports 10 of the 17 goals.

The 20/21 season has seen a growth in the six key areas.

Our key partner organisations who support our programmes financially include:-

- Premier League Charitable Fund (PLCF)
- Professional Players Association (PLPFA)
- Steve Morgan Foundation
- Liverpool Football Club
- Merseyside Police
- Merseyside Fire and Rescue Service
- Action for Children
- Home Office
- Liverpool City Council
- Knowsley Council
- Sefton Council
- Nike
- Joie Baby
- The National Lottery Community Fund
- Alder Hey Children's Hospital
- Regenda Housing
- Trent Alexander Arnold
- James Milner Foundation

We deliver programmes across our six key focus areas.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Review of activities (continued)

The location of our programme delivery continues to expand. Anfield Sport and Community Centre remains our home, but we have increased provision into other areas of high deprivation across the Liverpool City Region. This includes the expansion to community hub venues in Birkenhead, Bootle, Kirkby, Toxteth and Speke.

A breakdown of our programmes is shown below:

Premier League Primary Stars - works with local schools to develop skills and ambition of young people aged 5 to 11 years, in both a sports and classroom environment. The programme is offered free to all Primary Schools in the L4,5 & 6 postcodes and Kirkby.

Premier League Inspires - uses the power of football clubs and the Premier League to engage young people who are not involved in education, training or employment and raise aspirations. It is delivered within High Schools in Liverpool.

Into University North Liverpool – an education project run by national education charity Into University in partnership with the University of Liverpool and LFC Foundation, which aims to engage children and young people in areas of high deprivation, raise their aspirations and support them in their academic studies.

Leadership through Sport & Business - a national social mobility charity and a delivery partner of the LFC Foundation. They prepare and support young people who face disadvantages into secure, sustainable, high-quality careers in accounting, business and finance.

County Lines/Onside (Home Office) - LFC Foundation and Merseyside Police have joined forces to help address the issues around youth and gang crime in conjunction with schools in Merseyside. This highly targeted programme provides students with key skills, confidence and the resilience needed to overcome obstacles and choose the right pathways in life.

#iwill - £1.23m match funded project which seeks to increase participation in social action by young people aged 8 to 14 years old. The aim is to embed social action in young people's life choices, so it becomes a lifelong behaviour. We also have an extension project that sits under the #I Will umbrella and focuses on engaging with young people from SEND and Alternative Education settings.

Sport Works – Targeted employability intervention working with young people aged 16-25 who have a passion for sport. The programme aims to upskill young people with the right qualifications to pursue a career in sport whilst supporting them with employability skills along the way. Delivered in partnership with Regenda Housing and with funding from PLPFA.

Youth Works – working alongside Liverpool City Council to recruit young people with a passion for youth work into the sector. The programme will see eight young people trained up as fully qualified youth workers through a two-year apprenticeship overall supporting the city's youth provision. This is funded via the PLPFA.

Street Soccer – A focused 12-week employability programme for homeless young people aged 18-24. The programme develops employability skills through group work sessions whilst using football as the vehicle for engagement.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Review of activities (continued)

Twinning Project – Delivered as a 10-week programme in HMP Altcourse to help tackle the high reoffending rates amongst adult male prison leavers in the UK by helping prisoners develop leadership skills, form positive relationships and achieve the Level 2 Sports Leaders certificate.

Kicks Targeted – targeted 1-2-1 youth programme to support those identified by the local police into positive pathways.

Game Changers - is a 20-session reading programme specifically designed for students who are on the cusp of exclusion from mainstream education. The programme uses relatable texts, highly scaffolded resources and (optional) football activities to motivate and equip young people to read.

Volunteering – Our volunteering programme continued through the pandemic, and we are now focusing on how we can continue to support communities through the development of volunteering at our community hubs.

Go Play – our family multi-sport and physical activity project designed to support families to be more active together - utilising parks, community venues and open spaces across the Liverpool City Region continues to grow the number of venues delivered from.

The PL Kicks programme continues to support and engage teenagers at risk of crime. The programme now also incorporates our disability and girls football provision. We have expanded our Kicks delivery and set up SMF Kicks which are new sessions funded through the Steve Morgan Foundation.

Premier League Kicks Football+ - a joint initiative with Merseyside Fire and Rescue Service helping to reduce anti-social behavior and criminal activity and encouraging long-term personal growth and development. We have expanded our offer to include an Inclusive programme and girls only provision.

Holiday Football Camps – We provide a low-cost football camp offer alongside free camps delivered in Anfield, Kirkby and Toxteth. The free camps are funded by the James Milner Foundation.

Mini Players – paid for coaching session for young people aged 4-6 years old.

Girls School Football – we deliver sessions for girls at lunchtime or after school across six schools in Liverpool.

Military Veterans - supports veterans in Liverpool City Region back into civilian life by offering football coaching sessions and local tournaments. This season we have expanded our provision to have a bigger emphasis on older veterans and supporting veterans' families.

MOVE – This programme is delivered in partnership with Alder Hey Children's Hospital. We support young people living with Cystic Fibrosis in a hospital setting, supporting them to take part in physical activity in a community setting. We have expanded this model with funding from the PLPFA to include asthma and endocrine patients.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Review of activities (continued)

New for 2020-2021

SMF Kicks - The funding from the Steve Morgan Foundation has enabled us to grow our Kicks programme expanding our hub sites across the Merseyside region.

SMF Works – Employability programme funded through the Steve Morgan Foundation, which seeks to support young people into work, education or training.

SMF SEN Schools – We deliver PE sessions in 15 SEN schools across Merseyside funded via the Steve Morgan Foundation.

SMF Community Hubs - We have created a community wellbeing hub model which allows us to support community sites across six areas of Merseyside creating “community hubs”. We have supported each hub with facility refurbishments and are now running our programmes from these hub sites.

Game On – a multi-sport programme in partnership with the PLPFA and Nike. This programme supports young people to try new sports creating a pathway into local sports clubs. We also run a coach mentoring programme through the additional funding from Nike.

Player Development Centers – New paid for grassroots football coaching programme.

Trent Alexander Arnold Games Programme – Fun football play sessions for children aged 4-6 years old.

On Target – a school mental health programme funded by the PLPFA and Action for Children.

Mental Health Workshops – together with the fan group Spirit of Shankly, we have started to deliver workshops and campaigns around suicide prevention in men.

Robbie Fowler Education Football Academy (FEFA) – We partner with FEFA to deliver a post 16 education and football offer.

International Development

As the official charity of a truly global football club, the LFC Foundation has always aspired to develop its international reach and impact. In October 2020 we launched the Side by Side campaign, which is our official charity partnership with Right To Play. Currently we are operating in Merseyside via the ‘Go Play’ programme and in four high need communities in Bangkok, Thailand and with plans to expand into a further four international territories by 2025.

We have also been engaging the global LFC family through a new initiative called the ‘This Means More Challenge’, which encourages our Official Liverpool Supporters Clubs (OLSCs) to do something positive for their local community and take part in fun & creative challenges. At the start of the 2020/21 season 34 OLSCs across five continents took part in our pilot initiative, which supported an estimated 6,000 people around the world.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Achievements and Performance

As with most charities the global COVID pandemic has presented challenges and meant that some of our planned activities have been adapted or not taken place. The biggest impact has been on our ability to generate unrestricted funds via events, most notably the annual LFC Legends Charity game at Anfield stadium which was cancelled in March 2020 and was again unable to take place in March 2021. These games have previously generated between £0.8m and £1.0m of unrestricted income.

Despite these challenges the Foundation has grown during the year, and in fact had its highest ever turnover at £3.7m. This was primarily achieved by securing additional restricted grant funding, most notably from the Steve Morgan Foundation, the Department For Digital, Culture, Media and Sport (DCMS) and Nike.

Fundraising

The fundraising landscape for unrestricted income continues to be challenging, with many fundraising events being postponed due to government guidelines, including the 2021 Legends Charity Match which was forecast to generate £1m (net) in unrestricted funds.

We have therefore focused on digital fundraising with new initiatives including eBay for Charity, virtual events with LFC players and an online quiz in addition to LFC Lotto which reverted to online play only when matches were held without spectators. During FY21 the Foundation raised a total of £0.2m in unrestricted income through fundraising activities.

To help address the shortfall in unrestricted income, the senior leadership team focused resources in generating more grant income. A total of £2.3m grant income was secured in FY21, a 71% increase on the previous year. Despite the challenges outlined above, this led to the Foundation achieving its highest ever turnover of £3.7m with a focus on new partnerships and grants to develop programmes with the highest impact.

Marketing, PR and Communications

Building on the profile of our CV19 response work last year, the LFC Foundation has been further developing its marketing, PR and communications with a focus on our six key impact areas and community programmes that are specifically addressing the impact of the pandemic, including youth unemployment and mental health and wellbeing.

Communicating our impact is key to this, and we have commissioned a new project to enhance the way we collect, report our data and the development of the LFC Foundation's Theory of Change. The LFC Foundation's first externally validated Impact Report will be published in FY22.

The growth in the charity's digital channels, accelerated by lockdown, continues with a 53% increase in followers across social platforms and 70% increase in the number of posts and stories.

Financial review

Income for the year was £3,724,282. Funding is a mixture of both restricted and unrestricted with any unspent amounts at the balance sheet date being carried forward to be spent in the next financial year.

At 31st May 2021 total reserves stood at £1,840,800 of which £1,515,069 were unrestricted including a £150,000 cash reserve to ensure financial resilience (as per the reserves policy below).

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Reserves policy

It has been agreed by trustees that it is prudent to have an amount of cash reserve to cover future unknowns in the receipt of unrestricted funds. This amount should be held separately from the Charity's other cash balances. The Reserves policy is reviewed annually in line with Charity Commission guidance.

Our objective is to maintain a cash reserve of £150,000.

Investment policy

The investment policy of Liverpool FC Foundation aims to minimise risk and maintain liquidity. Funds will be diversified, where appropriate across banking institutions on short to medium term deposits, which can be easily accessed in line with the Charity's Reserves policy.

Interest rates will be reviewed biannually to ensure the most competitive rates are sourced. Trustees will be briefed on the status of investment values and interest rates on a quarterly basis or more frequently if significant changes arise. The Investment Policy is reviewed annually in line with Charity Commission guidance.

Plans for the future

Looking longer term, the Charity's five-year strategy will continue to be developed over the next year focusing on business planning for growth, continuing to deliver high quality and impactful programmes across the Liverpool City Region and building an international platform for programme delivery through our partnership with Right To Play and by seeking to continue to engage LFC supporters around the world.

As the profile of the LFC Foundation continues to grow we will progress opportunities to increase our impact and develop our partnership working to fully utilise the power of the LFC family and badge to improve lives and engage the very hardest to reach.

Trustees' responsibilities statement

The trustees (who are also directors of Liverpool FC Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued) For the year ended 31st May 2021

Trustees' responsibilities statement (continued)

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 2019 (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, the directors of the company who held office until the date of approval of these financial statements as set out above each confirm, so far as we are aware, that: -

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- we have taken all steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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 approving the trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Small company exemptions

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

LIVERPOOL FC FOUNDATION

Trustees' Annual Report (continued)
For the year ended 31st May 2021

Auditor

Mitchell Charlesworth LLP is willing to continue in office and a resolution for its reappointment was passed at the 2020 Annual General Meeting.

By Order of the Board



Gavin Laws
Trustee

9th February 2022

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool L2 5RH

LIVERPOOL FC FOUNDATION

Independent Auditor's Report to the Members of Liverpool FC Foundation

for the year ended 31st May 2021

Opinion

We have audited the financial statements of Liverpool FC Foundation (the 'charity') for the year ended 31st May 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 31st May 2021 and of its incoming resources and application of resources, 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 charity 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 charity'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.

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool L2 5RH

LIVERPOOL FC FOUNDATION

Independent Auditor's Report to the Members of Liverpool FC Foundation

for the year ended 31st May 2021 (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the 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. 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 strategic report and the directors' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool L2 5RH

LIVERPOOL FC FOUNDATION

Independent Auditor's Report to the Members of Liverpool FC Foundation

for the year ended 31st May 2021 (continued)

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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

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

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool L2 5RH

LIVERPOOL FC FOUNDATION

Independent Auditor's Report to the Members of Liverpool FC Foundation

for the year ended 31st May 2021 (continued)

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charity's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; and
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition; and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included Safeguarding and Data Protection Regulations.

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool L2 5RH

LIVERPOOL FC FOUNDATION

Independent Auditor's Report to the Members of Liverpool FC Foundation

for the year ended 31st May 2021 (continued)

Audit response to risks identified

As a result of performing the above, we identified the presentation of the charity's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

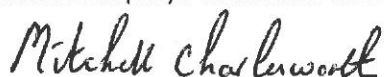
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 auditors' 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.



Philip L Griffiths BA FCA DChA
Senior Statutory Auditor

On behalf of Mitchell Charlesworth LLP
Statutory Auditor

9th February 2022

LIVERPOOL FC FOUNDATION

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31st May 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	2	977,195	60,000	1,037,195	343,888
Charitable activities	3	468,564	2,045,093	2,513,657	1,571,206
Other trading activities	4	172,497	-	172,497	438,814
Interest received	5	932	-	932	8,233
Total income		1,619,188	2,105,094	3,724,282	2,362,141
Expenditure on:					
Raising funds		195,026	-	195,026	254,212
Charitable activities	6	1,576,865	1,888,217	3,465,082	3,009,154
Total expenditure		1,771,891	1,888,217	3,660,108	3,263,366
Net income/(expenditure)	9	(152,703)	216,877	64,174	(901,225)
Transfers between funds		(13,625)	13,625	-	-
Net movement in funds	20	(166,328)	230,502	64,174	(901,225)
Reconciliation of funds:					
Total funds brought forward	20	1,681,397	95,229	1,776,626	2,677,851
Total funds carried forward		1,515,069	325,731	1,840,800	1,776,626

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

LIVERPOOL FC FOUNDATION

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31st May 2021

Comparative information in respect of the preceding period is as follows:

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	2	343,888	-	343,888	380,165
Charitable activities	3	467,523	1,103,683	1,571,206	1,364,575
Other trading activities	4	438,814	-	438,814	1,679,396
Interest received	5	8,233	-	8,233	6,014
Total income		1,258,458	1,103,683	2,362,141	3,430,150
Expenditure on:					
Raising funds		254,212	-	254,212	788,166
Charitable activities	6	1,713,143	1,296,011	3,009,154	2,230,162
Total expenditure		1,967,355	1,296,011	3,263,366	3,018,328
Net income/(expenditure)	9	(708,897)	(192,328)	(901,225)	411,822
Transfers between funds		10,862	(10,862)	-	-
Net movement in funds	20	(698,035)	(203,190)	(901,225)	411,822
Reconciliation of funds:					
Total funds brought forward	20	2,379,432	298,419	2,677,851	2,266,029
Total funds carried forward		1,681,397	95,229	1,776,626	2,677,851

The notes on pages 23 to 37 form part of these financial statements

LIVERPOOL FC FOUNDATION

Balance Sheet As at 31st May 2021

	Notes	2021 £	2020 £
Fixed assets			
Intangible assets	14	-	5,124
Tangible assets	15	88,908	61,682
Investments	16	1	1
		<u>88,909</u>	<u>66,807</u>
Current assets			
Debtors	17	309,374	269,064
Cash at bank and in hand		<u>2,277,548</u>	<u>2,393,553</u>
		<u>2,586,922</u>	<u>2,662,617</u>
Creditors			
Amounts falling due within one year	18	<u>835,031</u>	<u>952,798</u>
Net current assets		<u>1,751,891</u>	<u>1,709,819</u>
Net assets		<u>1,840,800</u>	<u>1,776,626</u>
Funds			
Unrestricted funds			
General funds	20	1,365,069	1,531,397
Designated funds	20	150,000	150,000
Restricted funds	20	<u>325,731</u>	<u>95,229</u>
Total funds		<u>1,840,800</u>	<u>1,776,626</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 9th February 2022 and signed on its behalf by:



Gavin Laws
Trustee

Company Registration Number: 04587220

The notes on pages 23 to 37 form part of these financial statements

LIVERPOOL FC FOUNDATION

Statement of Cash Flows For the year ended 31st May 2021

	Notes	2021 £	2020 £
Cash flow from operating activities	22	(55,529)	(634,773)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(61,408)	(47,240)
Interest received		932	8,233
Net cash flow from investing activities		(60,476)	(39,007)
Net decrease in cash and cash equivalents		(116,005)	(673,780)
Cash and cash equivalents at 1st June 2020		2,393,553	3,067,333
Cash and cash equivalents at 31st May 2021		2,277,548	2,393,553
Cash and cash equivalents consists of:-			
Cash at bank		2,277,548	2,393,553
Cash and cash equivalents at 31st May 2021		2,277,548	2,393,553

The notes on pages 23 to 37 form part of these financial statements

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

1. Summary of significant accounting policies

General information and basis of preparation

Liverpool FC Foundation is a company limited by guarantee, and a registered charity in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Report on page 4.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £1.

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

Funds

Unrestricted funds are funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

1. Summary of significant accounting policies (continued)

Income recognition (continued)

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Cost of raising funds includes costs incurred in running fundraising events.
- Expenditure on charitable activities includes costs incurred in the provision of education, health and social inclusion activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a pro-rata basis consistent with use of the resources.

The analysis of these costs is included in note 7.

Intangible fixed assets

Intangible assets acquired are capitalised at cost.

Intangible assets are amortised on a straight-line basis over their useful lives. The useful lives of intangible assets are as follows:-

Booking system software	33% per annum
-------------------------	---------------

Provision is made for any impairment.

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

1. Summary of significant accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Individual assets are capitalised on the balance sheet where their cost exceeds £500.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer and other equipment	25-33% per annum
Fixtures and fittings	25% per annum
Refurbishment costs	5% per annum

Investments

Investments in subsidiaries are measured at cost less impairment.

Consolidated financial statements have not been prepared on the grounds that the subsidiary undertaking is dormant.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

1. Summary of significant accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and have had due regard to the impact of Covid-19. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

2. Income from donations and legacies	Unrestricted £	Restricted £	Unrestricted Funds	
			2021 Total £	2020 Total £
Donations	664,301	60,000	724,301	124,263
Liverpool FC donation in kind	312,894	-	312,894	219,625
	<u>977,195</u>	<u>60,000</u>	<u>1,037,195</u>	<u>343,888</u>

3. Income from charitable activities	Unrestricted £	Restricted £	2021 Total £	2020 Total £
			£	£
Project income:				
Football & Sports Development	2,118	454,276	456,394	301,485
Community Engagement	-	690,585	690,585	156,250
Youth Work	-	184,644	184,644	240,596
Education & Skills	11,221	426,550	437,771	360,788
Employment & Training	-	110,749	110,749	32,012
Health & Wellbeing	-	178,289	178,289	35,556
Other charitable income	455,225	-	455,225	444,518
	<u>468,564</u>	<u>2,045,093</u>	<u>2,513,657</u>	<u>1,571,206</u>

£1,103,683 of the above income in 2020 was attributable to restricted funds and £467,523 of the above income in 2020 was attributable to unrestricted funds.

4. Income from other trading activities	Unrestricted Funds	
	2021 Total £	2020 Total £
Events income	172,497	438,814

5. Interest received	Unrestricted Funds	
	2021 £	2020 £
Interest receivable	932	8,233

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

6. Analysis of expenditure on charitable activities

	Staff costs £	Other £	2021 Total £	2020 Total £
Project expenditure:				
Football & Sports Development	289,931	149,681	439,612	356,914
Community Engagement	350,905	401,808	752,713	492,736
Youth Work	158,816	43,834	202,650	299,132
Education & Skills	416,020	289,190	705,210	601,793
Employment & Training	54,136	27,353	81,489	42,728
Health & Wellbeing	68,137	67,810	135,947	38,118
Foundation Activity	-	298,107	298,107	272,261
Support Costs	597,129	252,225	849,354	905,472
	<u>1,935,074</u>	<u>1,530,008</u>	<u>3,465,082</u>	<u>3,009,154</u>
	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Project expenditure:				
Football & Sports Development	59,998	379,614	439,612	356,914
Community Engagement	176,634	576,079	752,713	492,736
Youth Work	16,430	186,220	202,650	299,132
Education & Skills	267,913	437,297	705,210	601,793
Employment & Training	1,065	80,424	81,489	42,728
Health & Wellbeing	-	135,947	135,947	38,118
Foundation Activity	298,107	-	298,107	272,261
Support costs	756,718	92,636	849,354	905,472
	<u>1,576,865</u>	<u>1,888,217</u>	<u>3,465,082</u>	<u>3,009,154</u>

£1,296,011 of the above expenditure in 2020 was attributable to restricted funds and £1,713,143 of the above expenditure in 2020 was attributable to unrestricted funds.

7. Allocation of support costs

	2021 £	2020 £
Governance (see note 8)	8,400	8,400
Staff costs	597,129	589,703
Depreciation	11,051	18,868
Loss on disposal of fixed assets	-	13,276
Office costs	49,571	44,049
Legal and professional	13,639	14,315
Information technology	1,350	185
Advertising	6,649	13,009
Donation in kind	138,165	109,001
Other	23,400	94,666
	<u>849,354</u>	<u>905,472</u>

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

8. Governance costs	2021	2020
	£	£
Audit and accountancy fees	8,400	8,400
9. Net income/(expenditure) for the year	2021	2020
	£	£
This is stated after charging:-		
Amortisation of intangible fixed assets	5,124	5,124
Depreciation of tangible fixed assets	34,051	33,047
Auditors' remuneration - audit	8,400	8,400
Operating lease rentals	60,532	60,532

10. Taxation

The company is exempt from corporation tax on its charitable activities.

11. Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £8,400 (2020 - £8,400).

12. Trustees' and key management personnel remuneration and expenses

M Parish, the Chief Executive was appointed as a trustee on 11 November 2020 in accordance with the amended Articles of Association. His remuneration in his capacity as Chief Executive for the period from appointment was £60,720 and employer pension contributions were £1,268. No other trustees received nor waived any remuneration during the year (2020 - £Nil).

No (2020: one) trustees had travel expenses reimbursed during the year. (2020 - £254).

The key management personnel of the charity comprise the CEO, Head of Finance, Head of Marketing & Business Development, Head of Sport & Inclusion, Head of Youth & Skills and Governance & Administration Manager.

The total amount of employee benefits received by the key management personnel is £366,050 (2020 - £374,059).

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

13. Staff costs and employee benefits

Number of employees

The average monthly number of employees and full time equivalent during the year was as follows:-

	2021 Number	2021 FTE	2020 Number	2020 FTE
Total	56	54	45	43

The total staff costs and employee benefits were as follows:-

	2021 £	2020 £
Wages and salaries	1,732,669	1,559,383
Social security costs	156,488	137,199
Defined contribution pension costs	127,150	80,783
	2,016,307	1,777,365

Total redundancy/termination payments amounted to £Nil (2020 £31,844) and related to the Head of Community role being made redundant in the previous year.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:-

	Number	Number
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

14. Intangible fixed assets

	Booking System £	Total £
Cost		
At 1st June 2020 and at 31st May 2021	15,372	15,372
Amortisation		
At 1st June 2020	10,248	10,248
Charge for the year	5,124	5,124
At 31st May 2021	15,372	15,372
Net book value		
At 31st May 2021	-	-
At 31st May 2020	5,124	5,124

Notes to the Financial Statements

LIVERPOOL FC FOUNDATION

For the year ended 31st May 2021

15. Tangible fixed assets

	Computers & other equipment £	Total £
Cost		
At 1st June 2020	97,105	97,105
Additions	61,408	61,408
Disposals	(314)	(314)
	<u>158,199</u>	<u>158,199</u>
At 31st May 2021		
Depreciation		
At 1st June 2020	35,423	35,423
Charge for the year	34,051	34,051
Disposals	(183)	(183)
	<u>69,291</u>	<u>69,291</u>
At 31st May 2021		
Net book value		
At 31st May 2021	<u>88,908</u>	<u>88,908</u>
At 31st May 2020	<u>61,682</u>	<u>61,682</u>

16. Fixed asset investments

The investment represents the whole of the issued share capital of Liverpool FC Foundation Trading Company Limited, a company incorporated in England and Wales which undertakes commercial activities on behalf of the Liverpool FC Foundation. The company has not traded during the year.

The balance sheet position is as follows:-

	2021 £	2020 £
Balance sheet		
Debtors	<u>1</u>	<u>1</u>
Net assets (represented by share capital)	<u>1</u>	<u>1</u>

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

17. Debtors	2021	2020
	£	£
Trade debtors	113,834	116,316
Amounts owed by related undertaking	13,805	-
Other debtors	133,555	133,050
Prepayments and accrued income	48,180	19,698
	<u>309,374</u>	<u>269,064</u>
18. Creditors: Amounts falling due within one year	2021	2020
	£	£
Trade creditors	134,457	116,673
Amounts due to related undertakings	-	25,632
Amounts due to subsidiary undertaking	1	1
Other tax and social security costs	35,929	33,242
Accruals and deferred income	640,310	777,250
Other creditors	24,334	-
	<u>835,031</u>	<u>952,798</u>
19. Deferred income		£
At 1st June 2020		725,789
Additions during the year		532,884
Amounts released to income		<u>(725,789)</u>
At 31st May 2021		<u>532,884</u>
Deferred income represents grants received in advance from various sources.		

20. Fund reconciliation

Unrestricted funds

	As at 01.06.20 £	Income £	Expenditure £	Transfers £	As at 31.05.21 £
General funds	1,531,397	1,619,188	(1,771,891)	(13,625)	1,365,069
Designated funds:					
Cash reserves	150,000	-	-	-	150,000
	<u>1,681,397</u>	<u>1,619,188</u>	<u>(1,771,891)</u>	<u>(13,625)</u>	<u>1,515,069</u>

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

20. Fund reconciliation (continued)

Designated funds

The trustees have set aside a cash reserve to ensure financial resilience. The objective is to maintain a cash reserve of £150,000.

Restricted funds

Liverpool Football Club provides in-kind support for LFC Foundation operational services including central office accommodation, corporate services including legal, payroll and HR. The charity also secures investment from grant funders for programme delivery, in the majority via the Premier League. Details of these programmes can be found below:-

	As at 01.06.20 £	Income £	Expenditure £	Transfers £	As at 31.05.21 £
Football & Sports Development	20,774	454,276	(379,614)	2,812	98,248
Community Engagement	25,342	653,258	(576,079)	1,020	103,541
Youth Work	12,721	184,644	(186,220)	5,950	17,095
Education & Skills	15,181	426,550	(437,297)	3,840	8,274
Employment & Training	-	110,749	(80,424)	3	30,328
Health & Wellbeing	21,211	178,290	(135,947)	-	63,554
Support Costs	-	97,327	(92,636)	-	4,691
	95,229	2,105,094	(1,888,217)	13,625	325,731

Comparative information in respect of the preceding period is as follows:

Unrestricted funds	As at 01.06.19 £	Income £	Expenditure £	Transfers £	As at 31.05.20 £
General funds	2,229,432	1,258,458	(1,967,355)	10,862	1,531,397
Designated funds:					
Cash reserves	150,000	-	-	-	150,000
	2,379,432	1,258,458	(1,967,355)	10,862	1,681,397
Restricted funds	As at 01.06.19 £	Income £	Expenditure £	Transfers £	As at 31.05.20 £
Football & Sport Development	105,876	240,454	(325,554)	(2)	20,774
Community Engagement	139,161	156,250	(264,236)	(5,833)	25,342
Youth Work	-	240,596	(227,875)	-	12,721
Education & Skills	26,362	398,814	(421,353)	11,358	15,181
Employment & Training	27,020	32,012	(42,647)	(16,385)	-
Health & Wellbeing	-	35,556	(14,346)	-	21,210
	298,419	1,103,683	(1,296,011)	(10,862)	95,229

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

20. Fund reconciliation (continued)

Restricted funds (continued)

The following programmes are funded by the Premier League:-

PL Kicks

The PL Kicks programme continues to support and engage teenagers in areas of high anti-social behaviour. The programme incorporates our young people's disability and girls football provision. We have expanded our Kicks delivery and set up SMF Kicks which are new sessions funded through the Steve Morgan Foundation.

Kicks Football+ - a joint initiative with Merseyside Fire and Rescue Service helping to reduce anti-social behaviour and criminal activity and encouraging long-term personal growth and development. We have expanded our offer to include an Inclusive programme and girls only provision.

PL Inspires

The programme looks to use a range of activities in and outside the classroom delivering sessions based around teamwork and togetherness alongside empowering young people in engaging in social action, in-turn increasing togetherness within the group.

PL Primary Stars

Works with local schools to develop skills and ambition of young people aged 5 to 11 years, in both a sports and classroom environment. The programme is offered free to all Primary Schools in the L4,5 & 6 postcodes and Kirkby.

PL Kicks Targeted

A targeted 1-2-1 youth programme to support those identified by the local police into positive pathways.

We have received significant amount of funding from the Steve Morgan Foundation and deliver the following programmes with the funding.

SEN Schools

We currently deliver PE and support curriculum activities in 15 SEN schools across the Liverpool City Region. Specialist disability coaches run this programme weekly.

SMF Works

This employability programme works with 16-25 year olds who are looking for support with getting into employment, education or training. The programme encompasses a mixture of group sessions and 1-2-1 support with all aspects of employability from CV support to interview practice and confidence building.

SMF Kicks

The funding from Steve Morgan has enabled us to grow our Kicks programme expanding our hub sites across the Merseyside region.

SMF Hubs

We have created a community wellbeing hub model which allows us to support community sites across six areas of Merseyside creating "community hubs". We have supported each hub with facility refurbishments and are now running our programmes from these hub sites.

Other funded projects are as follows:-

Go Play

Our family multi-sport and physical activity project designed to support families to be more active together, utilising parks, community venues and open spaces across Liverpool continues to grow and we currently deliver across 20 parks.

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

20. Fund reconciliation (continued)

Restricted funds (continued)

Leadership through Sport & Business

A national social mobility charity and a delivery partner of the LFC Foundation. They prepare and support bright young people who face disadvantages into secure, sustainable, high-quality careers in accounting, business and finance.

County Lines/Onside (Home Office)

LFC Foundation and Merseyside Police have joined forces to help address the issues around youth and gang crime in conjunction with schools in Merseyside. This highly targeted programme provides students with key skills, confidence and the resilience needed to overcome obstacles and choose the right pathways in life.

Youth Works

LFC Foundation working alongside Liverpool City Council to recruit young people with a passion for youth work into the sector. The programme will see eight young people trained up as fully qualified youth workers through a two-year apprenticeship overall supporting the city's youth provision. Funded via the PLPFA.

Game Changers

A 20-session reading programme specifically designed for students who are on the cusp of exclusion from mainstream education. The programme uses relatable texts, highly scaffolded resources and (optional) football activities to motivate and equip young people to read.

#I Will

#I Will - £1.23m match funded project which seeks to increase participation in social action by young people aged 8 to 14 years old. The aim is to embed social action in young people's life choices, so it becomes a life-long behaviour. We have an extension project that sits under the #I Will umbrella and focuses on engaging with young people from SEND and Alternative Education settings.

Twinning Project

A 10-week programmes delivered in HMP Altcourse to help tackle the high reoffending rate by adult men in the UK by helping prisoners develop leadership skills, form positive relationships and achieve the Level 2 Sports Leaders certificate.

Street Soccer

A focused 12 week employability programme for homeless young people aged 18-24. The programme develops employability skills through group work sessions whilst using football as a vehicle.

James Milner Foundation

The James Milner Foundation funds four holiday camps – provides a safe and enjoyable environment for girls and boys aged 4-14 to try a variety of sports outside of school term time.

Mental Health – Spirit of Shankly

We are working with the fan group "Spirit of Shankly" to deliver mental health workshops targeting male fans to raise awareness of suicide prevention.

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

20. Fund reconciliation (continued)

Restricted funds (continued)

On Target

A school mental health programme delivered in partnership with Action for Children funded by the PLPFA.

Move

This programme is delivered in partnership with Alder Hey Children's Hospital. We support young people living with Cystic Fibrosis in a hospital setting, supporting them to take part in physical activity in a community setting. We have expanded this model with funding from the PLPFA to include asthma patients and a community weight management programme.

Game On

A multi sport programme in partnership with the PLPFA and Nike.

Trent Alexander Arnold Games Programme

Fun play sessions for 4-6 year olds.

Sport Works

Targeted employability intervention working with young people aged 16-25 who have a passion for sport. The programme aims to upskill young people with the right qualifications to pursue a career in sport whilst supporting them with employability skills along the way. Delivered in partnership with Regenda Housing and with funding from PLPFA.

21. Analysis of net assets between funds	Unrestricted funds £	Restricted Funds £	Total £
Fund balances at 31st May 2021 are represented by:			
Tangible fixed assets	88,908	-	88,908
Investments	1	-	1
Cash	1,951,817	325,731	2,277,548
Other net current assets	(525,657)	-	(525,657)
	<u>1,515,069</u>	<u>325,731</u>	<u>1,840,800</u>

LIVERPOOL FC FOUNDATION

Notes to the Financial Statements For the year ended 31st May 2021

21. Analysis of net assets between funds (continued)	Unrestricted funds £	Restricted Funds £	Total £
Comparative information in respect of the preceding period is as follows:			
Fund balances at 31st May 2020 are represented by:			
Intangible fixed assets	5,124	-	5,124
Tangible fixed assets	61,682	-	61,682
Investments	1	-	1
Cash	2,298,324	95,229	2,393,553
Other net current assets	(683,734)	-	(683,734)
	<u>1,681,397</u>	<u>95,229</u>	<u>1,776,626</u>

22. Reconciliation of net movement in funds to net cash flow from operating activities	2021 £	2020 £
Net income/(expenditure) for year	64,174	(901,225)
Depreciation of tangible fixed assets	34,051	33,047
Amortisation of intangible fixed assets	5,124	5,124
Profit on disposal of fixed assets	131	15,221
Interest received	(932)	(8,233)
(Increase)/Decrease in debtors	(40,310)	64,659
(Decrease)/Increase in creditors	(117,767)	156,634
Net cash flow from operating activities	<u>(55,529)</u>	<u>(634,773)</u>

23. Financial commitments

The company had capital commitments of £Nil at 31st May 2021 (2020 - £Nil).

24. Related party transactions

Liverpool FC Foundation is the charitable arm of The Liverpool Football Club and Athletic Grounds Limited. The charity operates separately from the Liverpool Football Club and its results are not included in the accounts of Liverpool Football Club. During the year Liverpool Football Club and Athletic Grounds Limited incurred operating costs of £312,894 (2020 - £219,625) on behalf of the charity, these are included as a donation in kind and as direct charitable and support costs within notes 2, 6 and 7 in the accounts.

The charity received other income via the club amounting to £340,247 (2020 - £150,937).

Expenditure invoiced by the club amounted to £251,834 (2020 - £192,040).

The balance due to the Club at 31st May 2021 amounted to £13,805 (2020 - creditor £25,632).

25. Analysis of net debt

The charity has no debt to analyse for the purposes of the Statement of Cash Flows.