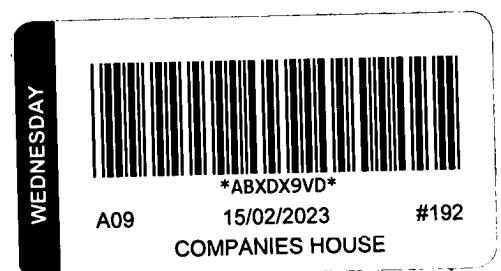


**LIVERPOOL FC FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**For the year ended**  
**31st May 2022**

**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 2022

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**Charity number:** 1096572

**Company number:** 04587220

**Trustees:** Susan Black  
Simon Bowers  
Billy Hogan  
Davinder Jhamat  
Gavin Laws  
Matthew Parish  
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 (Audit) Limited  
Accountants  
5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

# **LIVERPOOL FC FOUNDATION**

## **Trustees' Annual Report For the year ended 31st May 2022**

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The trustees present their report together with the audited financial statements of the charity for the year ended 31st May 2022. 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  
Gavin Laws  
Matthew Parish  
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 their 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 2022

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### 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 Procedures 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.

# LIVERPOOL FC FOUNDATION

## Trustees' Annual Report (continued) For the year ended 31st May 2022

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### 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 mainly 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.

## Review of activities (continued)

We deliver our programmes across six key areas:-

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



## LFC Foundation: This is The Liverpool Way

### Strategy Overview 2021 - 2025

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

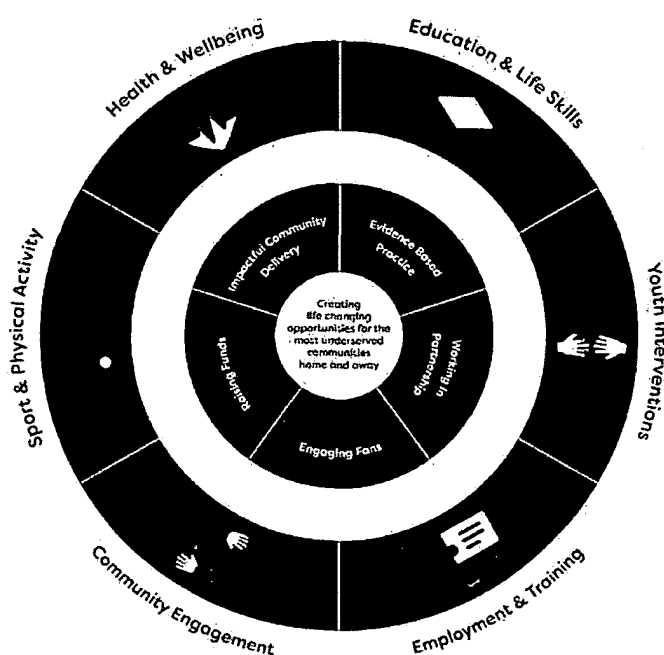
This is The Liverpool Way.

#### 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.



## 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 5+ 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/season-review](https://foundation.liverpoolfc.com/about-us/season-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 directly supports 10 of the 17 goals.

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
- Standard Chartered Foundation
- Kodansha
- SC Johnson
- Nike
- Islamic Relief
- The National Lottery Community Fund
- Alder Hey Children's Hospital
- The Learning Foundry
- Violence Reduction Partnership
- Karlsson Játiva Charitable Foundation
- Trent Alexander Arnold
- Regenda Housing



# LIVERPOOL FC FOUNDATION

## Trustees' Annual Report (continued) For the year ended 31st May 2022

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### Review of activities (continued)

The location of our programme delivery continues to expand. Anfield Sport and Community Centre remains our home but we deliver across schools, parks, pitches, leisure centres and community settings across the Liverpool City Region. We also run programmes with our international charity partner in Thailand and Senegal. This year we launched our Global Works programme in New York and New Jersey in partnership with the Standard Chartered Foundation.

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.

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.

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

# LIVERPOOL FC FOUNDATION

## Trustees' Annual Report (continued) For the year ended 31st May 2022

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### Review of activities (continued)

Volunteering - Our volunteering programme is delivered across our community hubs and with our university partners.

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.

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.

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, respiratory conditions and endocrine patients 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.

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.

# LIVERPOOL FC FOUNDATION

## Trustees' Annual Report (continued) For the year ended 31st May 2022

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### Review of activities (continued)

Player Development Centers – 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.

### New for 2021-2022

Onside (Alternative Education) – The Onside, programme funded by the PLPFA aims to support a wide range of young people aged 11-16-year-old in schools across Merseyside. The programme targets those who are at risk of leaving mainstream education and/or on the cusp of criminality and identified by Merseyside Police.

Sound Minds – A music and mental health programme funded by the Karlsson Játiva Charitable Foundation supporting young people to manage their mental wellbeing effectively.

National Citizen Service (NCS) is a youth programme targeting 16-17 year-olds to encourage social mixing and community engagement taking place across summer and autumn holiday periods.

Global Works is a sport-based employability programme delivered across New York and New Jersey that also comprises corporate mentoring and tailored career support that targets those furthest from the job market. Target - 160 participants each year.

Man2Man – a new men's mental health programme in partnership with Sean's Place a Liverpool based charity supporting men from across the region.

### 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 an International charity that uses sport & play to empower children in some of the most underserved communities in the world. Currently we are operating in four high need communities in Bangkok, Thailand. We also partner on a Girls Empowerment programme in Senegal.

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.

# LIVERPOOL FC FOUNDATION

## Trustees' Annual Report (continued) For the year ended 31st May 2022

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### International Development (continued)

In January 2022 we also launched our 'Works' employability & mentoring programme in New York & New Jersey which like the programme in Liverpool uses the power of LFC and sport to engage young people and work with them to develop their employability skills. The programme is run in partnership with the Standard Chartered Foundation.

### Achievements and Performance

As with most charities the global COVID pandemic presented challenges during the 2019/20 and 2020/21 financial year, however most of the Foundations programmes and initiatives had resumed in full by the start of 2021/2022.

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 have previously generated between £0.8m and £1.0m of unrestricted income per game. Initially cancelled in March 2020 when we were scheduled to play against Barcelona Legends, with the game having sold out within 6 weeks of launching in November 2019, again we were unable to run the game in March 2021. We were finally able to run the event in March 2022 and Anfield was again sold out generating over £1.6m gross income and a surplus of £1.1m unrestricted income after costs.

For the first time we also took a LFC Legends team to play Manchester United Legends at Old Trafford in May 2022, in a reciprocal arrangement, no fee was received but a return leg scheduled for Anfield in September 2022.

Despite the challenges of the Pandemic the Foundation has grown and in fact had its highest ever turnover in 2020/21 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. This growth has continued this year with a turnover of £6.4m in 2021/22. This has been achieved through maintaining existing restricted income via grants and growing unrestricted income via the Legends game, plus two new funding sources 'Red Hearts' and being beneficiaries of LFCs NFT release.

'Red Hearts' was launched in June 2021 and was a major giving initiative encouraging donations to support the work of the Foundation, this resulted in just over £0.4m income during its first year. Liverpool Football Club released its first range of NFT digital collectables 'LFC Heroes' in April 2022 with the Foundation being beneficiaries from some of these sales and receiving £0.2m income to support Schools, Employment, and Inclusion programmes.

The return to full stadiums also allowed us to run a full season of matchday lottery at every home LFC game, this generated net proceeds of £0.17m which is used to support adult health initiatives including the Military Veterans programme.

The increased turnover allowed the Foundation to support 54,000 people during the year as highlighted in our first ever Impact Report. The report also showed that we produced a social return on investment of £15.29 for every £1 spent, with 54% of participants on Foundation programmes living in the top 10% most deprived local authority wards in the country. It also demonstrated that 85% of participants reported an improvement in their mental health/wellbeing and 86% an improvement in their physical health/fitness.

# LIVERPOOL FC FOUNDATION

## Trustees' Annual Report (continued) For the year ended 31st May 2022

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### Financial review

Income for the year was £6,373,183. 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 2022 total reserves stood at £3,175,276 of which £2,651,397 were unrestricted including a £150,000 cash reserve to ensure financial resilience (as per the reserves policy below).

### 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 2022

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### 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: -

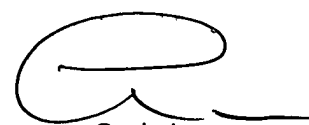
- there is no relevant audit information of which the charitable company's auditor is unaware, and
- we have taken all steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information.

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.

### Auditor

Mitchell Charlesworth (Audit) Limited 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

8 February 2023

# Mitchell Charlesworth (Audit) Limited

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 2022

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#### Opinion

We have audited the financial statements of Liverpool FC Foundation (the 'charity') for the year ended 31st May 2022 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 2022 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 (Audit) Limited

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 2022 (continued)

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#### 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 (Audit) Limited

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 2022 (continued)

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#### 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 (Audit) Limited

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 2022 (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 (Audit) Limited

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 2022 (continued)

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#### 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.

*Mitchell Charlesworth (Audit) Limited*

Philip L Griffiths BA FCA DChA  
Senior Statutory Auditor

On behalf of Mitchell Charlesworth (Audit) Limited  
Statutory Auditor

8 February 2023

# LIVERPOOL FC FOUNDATION

## Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31st May 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
<b>Income from:</b>					
Donations and legacies	2	1,329,263	63,834	1,393,097	1,037,195
Charitable activities	3	510,242	2,226,885	2,737,127	2,513,657
Other trading activities	4	2,242,041	-	2,242,041	172,497
Interest received	5	918	-	918	932
<b>Total income</b>		<b>4,082,464</b>	<b>2,290,719</b>	<b>6,373,183</b>	<b>3,724,282</b>
<b>Expenditure on:</b>					
Raising funds		997,305	-	997,305	195,026
Charitable activities	6	1,952,208	2,089,194	4,041,402	3,465,082
<b>Total expenditure</b>		<b>2,949,513</b>	<b>2,089,194</b>	<b>5,038,707</b>	<b>3,660,108</b>
<b>Net income/(expenditure)</b>	9	<b>1,132,951</b>	<b>201,525</b>	<b>1,334,476</b>	<b>64,174</b>
<b>Transfers between funds</b>		<b>3,376</b>	<b>(3,376)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	20	<b>1,136,327</b>	<b>198,149</b>	<b>1,334,476</b>	<b>64,174</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	20	<b>1,515,070</b>	<b>325,730</b>	<b>1,840,800</b>	<b>1,776,626</b>
<b>Total funds carried forward</b>		<b>2,651,397</b>	<b>523,879</b>	<b>3,175,276</b>	<b>1,840,800</b>

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 2022

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

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Income from:</b>					
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
<b>Total income</b>		<b>1,619,188</b>	<b>2,105,094</b>	<b>3,724,282</b>	<b>2,362,141</b>
<b>Expenditure on:</b>					
Raising funds		195,026	-	195,026	254,212
Charitable activities	6	1,576,865	1,888,217	3,465,082	3,009,154
<b>Total expenditure</b>		<b>1,771,891</b>	<b>1,888,217</b>	<b>3,660,108</b>	<b>3,263,366</b>
<b>Net income/(expenditure)</b>	9	<b>(152,703)</b>	<b>216,877</b>	<b>64,174</b>	<b>(901,225)</b>
<b>Transfers between funds</b>		<b>(13,625)</b>	<b>13,625</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	20	<b>(166,328)</b>	<b>230,502</b>	<b>64,174</b>	<b>(901,225)</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	20	<b>1,681,397</b>	<b>95,229</b>	<b>1,776,626</b>	<b>2,677,851</b>
<b>Total funds carried forward</b>		<b>1,515,069</b>	<b>325,731</b>	<b>1,840,800</b>	<b>1,776,626</b>

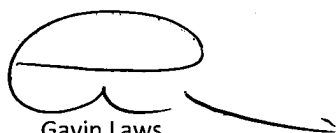
The notes on pages 22 to 37 form part of these financial statements

# LIVERPOOL FC FOUNDATION

## Balance Sheet As at 31st May 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	-	-
Tangible assets	15	66,354	88,908
Investments	16	1	1
		<u>66,355</u>	<u>88,909</u>
<b>Current assets</b>			
Debtors	17	704,293	309,374
Cash at bank and in hand		3,251,922	2,277,548
		<u>3,956,215</u>	<u>2,586,922</u>
<b>Creditors</b>			
Amounts falling due within one year	18	847,294	835,031
		<u>3,108,921</u>	<u>1,751,891</u>
<b>Net current assets</b>		<u>3,108,921</u>	<u>1,751,891</u>
<b>Net assets</b>		<u>3,175,276</u>	<u>1,840,800</u>
<b>Funds</b>			
Unrestricted funds			
General funds	20	2,501,397	1,365,070
Designated funds	20	150,000	150,000
Restricted funds	20	523,879	325,730
<b>Total funds</b>		<u>3,175,276</u>	<u>1,840,800</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8 February 2023 and signed on its behalf by:



Gavin Laws  
Trustee

Company Registration Number: 04587220

The notes on pages 22 to 37 form part of these financial statements

# LIVERPOOL FC FOUNDATION

## Statement of Cash Flows For the year ended 31st May 2022

	Notes	2022 £	2021 £
Cash flow from operating activities	22	997,530	(55,529)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(24,075)	(61,408)
Interest received		919	932
Net cash flow from investing activities		(23,156)	(60,476)
Net decrease in cash and cash equivalents		974,374	(116,005)
Cash and cash equivalents at 1st June 2021		2,277,548	2,393,553
Cash and cash equivalents at 31st May 2022		3,251,922	2,277,548
Cash and cash equivalents consists of:-			
Cash at bank		3,251,922	2,277,548
Cash and cash equivalents at 31st May 2022		3,251,922	2,277,548

The notes on pages 22 to 37 form part of these financial statements

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

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### 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 2022

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### 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
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Provision is made for any impairment.

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

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### 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 2022

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### 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 2022

2. Income from donations and legacies	Unrestricted Funds			
	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Donations	781,401	63,834	845,235	24,301
Liverpool FC donation in kind	547,862	-	547,862	312,894
	<u>1,329,263</u>	<u>63,834</u>	<u>1,393,097</u>	<u>1,037,195</u>

3. Income from charitable activities				
	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Project income:				
Football & Sports Development	44,396	632,560	676,956	456,394
Community Engagement	-	317,002	317,002	690,585
Youth Work	10,400	309,641	320,041	184,644
Education & Skills	35,579	140,000	175,579	437,771
Employment & Training	-	634,748	634,748	110,749
Health & Wellbeing	-	192,934	192,934	178,289
Other charitable income	419,867	-	419,867	455,225
	<u>510,242</u>	<u>2,226,885</u>	<u>2,737,127</u>	<u>2,513,657</u>

£2,045,093 of the above income in 2021 was attributable to restricted funds and £468,564 of the above income in 2021 was attributable to unrestricted funds.

4. Income from other trading activities	Unrestricted Funds	
	2022 Total	2021 Total
	£	£
Events income	<u>2,242,041</u>	<u>172,497</u>

5. Interest received	Unrestricted Funds	
	2022 £	2021 £
Interest receivable	<u>918</u>	<u>932</u>

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

6. Analysis of expenditure on charitable activities	Staff costs £	Other £	2022 Total £	2021 Total £
Project expenditure:				
Football & Sports Development	465,392	276,641	742,033	439,612
Community Engagement	221,612	134,657	356,269	752,713
Youth Work	198,924	73,788	272,712	202,650
Education & Skills	165,166	35,516	200,682	705,210
Employment & Training	549,265	189,586	738,851	81,489
Health & Wellbeing	155,313	107,235	262,548	135,947
Foundation Activity	-	161,434	161,434	298,107
Partnership Income	14,560	129,524	144,084	-
Support Costs	630,102	532,687	1,162,789	849,354
	<u>2,400,334</u>	<u>1,641,068</u>	<u>4,041,402</u>	<u>3,465,082</u>
			<b>2022</b>	<b>2021</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Project expenditure:				
Football & Sports Development	113,163	628,870	742,033	439,612
Community Engagement	53,575	302,695	356,270	752,713
Youth Work	14,988	257,724	272,712	202,650
Education & Skills	60,681	140,000	200,681	705,210
Employment & Training	208,336	530,515	738,851	81,489
Health & Wellbeing	58,788	203,760	262,548	135,947
Foundation Activity	161,434	-	161,434	298,107
Partnerships	118,454	25,630	144,084	-
Support costs	<u>1,162,789</u>	<u>-</u>	<u>1,162,789</u>	<u>849,354</u>
	<u>1,952,208</u>	<u>2,089,194</u>	<u>4,041,402</u>	<u>3,465,082</u>

£1,888,217 of the above expenditure in 2021 was attributable to restricted funds and £1,576,865 of the above expenditure in 2021 was attributable to unrestricted funds.

7. Allocation of support costs	2022 £	2021 £
Governance (see note 8)	9,300	8,400
Staff costs	630,102	597,129
Depreciation	8,839	11,051
Loss on disposal of fixed assets	238	-
Office costs	66,137	49,571
Legal and professional	18,555	13,639
Information technology	-	1,350
Advertising	8,577	6,649
Donation in kind	364,540	138,165
Other	56,501	23,400
	<u>1,162,789</u>	<u>849,354</u>

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

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<b>8. Governance costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Audit and accountancy fees	9,300	8,400
	<hr/>	<hr/>
<b>9. Net income/(expenditure) for the year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
This is stated after charging:-		
Amortisation of intangible fixed assets	-	5,124
Depreciation of tangible fixed assets	45,931	34,051
Auditors' remuneration - audit	9,300	8,400
Operating lease rentals	66,033	60,532
	<hr/>	<hr/>

### 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 £9,300 (2021 - £8,400).

### 12. Trustees' and key management personnel remuneration and expenses

M Parish, the Chief Executive is also a Trustee of the Charity. His remuneration in his capacity as Chief Executive for the year was £107,000 (2021- £60,720 for the period from appointment) and employer pension contributions were £4,500 (2021- £1,268). No other trustees received nor waived any remuneration during the year.

One (2021: one) trustee had travel expenses reimbursed during the year to the value of £449. (2021 - £Nil).

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 £384,589 (2021 - £366,050 ).

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

### 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:-

	2022 Number	2022 FTE	2021 Number	2021 FTE
Total	71	67	56	54

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

	2022 £	2021 £
Wages and salaries	2,010,164	1,585,475
Social security costs	168,963	136,276
Defined contribution pension costs	138,160	119,827
	<u>2,317,286</u>	<u>1,841,578</u>
Recharged wages	95,707	-
Donations in kind	183,282	174,729
	<u>2,596,275</u>	<u>2,016,307</u>

Total redundancy/termination payments amounted to £19,000 (2021 £Nil) and related to the Fundraising Manager role being made redundant during the year.

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

	Number	Number
£60,001 - £70,000	2	-
£100,001 - £110,000	1	1

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

<b>14. Intangible fixed assets</b>	<b>Booking System</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1st June 2021	15,372	15,372
Additions	-	-
Disposals	(2,880)	(2,880)
At 31st May 2022	12,492	12,492
<b>Amortisation</b>		
At 1st June 2021	15,372	15,372
Charge for the year	-	-
Disposals	(2,880)	(2,880)
At 31st May 2022	12,492	12,492
<b>Net book value</b>		
At 31st May 2022	-	-
At 31st May 2021	-	-
<b>15. Tangible fixed assets</b>	<b>Computers &amp; other equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1st June 2021	158,199	158,199
Additions	24,075	24,075
Disposals	(2,254)	(2,254)
At 31st May 2022	180,020	180,020
<b>Depreciation</b>		
At 1st June 2021	69,291	69,291
Charge for the year	45,931	45,931
Disposals	(1,556)	(1,556)
At 31st May 2022	113,666	113,666
<b>Net book value</b>		
At 31st May 2022	66,354	66,354
At 31st May 2021	88,908	88,908



# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

### 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:-

	2022 £	2021 £
<b>Balance sheet</b>		
Debtors	1	1
	<u>1</u>	<u>1</u>
Net assets (represented by share capital)	1	1
	<u>1</u>	<u>1</u>

### 17. Debtors

	2022 £	2021 £
Trade debtors	128,830	113,834
Amounts owed by related undertaking	263,164	13,805
Other debtors	284,098	133,555
Prepayments and accrued income	28,201	48,180
	<u>704,293</u>	<u>309,374</u>

### 18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	57,030	134,457
Amounts due to subsidiary undertaking	1	1
Other tax and social security costs	44,265	35,929
Accruals and deferred income	735,621	640,310
Other creditors	10,377	24,334
	<u>847,294</u>	<u>835,031</u>

### 19. Deferred income

	£
At 1st June 2021	532,884
Additions during the year	458,633
Amounts released to income	(532,884)
	<u>458,633</u>
At 31st May 2022	458,633

Deferred income represents grants received in advance from various sources.

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

### 20. Fund reconciliation

#### Unrestricted funds

	As at 01.06.21 £	Income £	Expenditure £	Transfers £	As at 31.05.22 £
General funds	1,365,070	4,082,464	(2,949,513)	3,376	2,501,397
Designated funds:					
Cash reserves	150,000	-	-	-	150,000
	<u>1,515,070</u>	<u>4,082,464</u>	<u>(2,949,513)</u>	<u>3,376</u>	<u>2,651,397</u>

#### 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 01.06.21 £	Income £	Expenditure £	Transfers £	As at 31.05.22 £
Football & Sports Development	98,248	632,560	(628,870)	1,315	103,253
Community Engagement	103,541	317,002	(302,695)	-	117,848
Youth Work	25,367	309,641	(257,724)	-	77,284
Education & Skills	-	140,000	(140,000)	-	-
Employment & Training	30,331	634,748	(530,515)	-	134,564
Health & Wellbeing	63,552	192,934	(203,760)	-	52,726
Partnerships	-	63,834	(25,630)	-	38,204
Support Costs	4,691	-	-	(4,691)	-
	<u>325,730</u>	<u>2,290,719</u>	<u>(2,089,194)</u>	<u>(3,376)</u>	<u>523,879</u>

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

### 20. Fund reconciliation (continued)

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

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>
 Restricted funds	 As at 01.06.20 £	 Income £	 Expenditure £	 Transfers £	 As at 31.05.21 £
Football & Sport 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
	<u>95,229</u>	<u>2,105,094</u>	<u>(1,888,217)</u>	<u>13,625</u>	<u>325,731</u>

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.

### 20. Fund reconciliation (continued)

#### Restricted funds (continued)

##### 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 the Liverpool City Region.

##### 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. This is funded via the PLPFA.

##### National Citizen Service (NCS)

A youth programme targeting 16-17 year-olds to encourage social mixing and community engagement taking place across summer and autumn holiday periods.

##### Onside (Alternative Education)

The Onside programme funded by the PLPFA aims to support a wide range of young people aged 11-16-year-old in schools across Merseyside. The programme targets those who are at risk of leaving mainstream education and/or on the cusp of criminality and identified by Merseyside Police.

### 20. Fund reconciliation (continued)

#### Restricted funds (continued)

##### #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.

##### 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 for engagement.

##### 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.

##### Sound Minds

A music and mental health programme funded by the Karlsson Játiva Charitable Foundation supporting young people to manage their mental wellbeing effectively.

##### Global Works

A sport-based employability programme delivered across New York and New Jersey that also comprises corporate mentoring and tailored career support that targets those furthest from the job market. Target - 160 participants each year.

##### 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.

##### 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, respiratory conditions and endocrine patients 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.

##### Man2Man

A new men's mental health programme in partnership with Seans Place, a Liverpool based charity supporting men from across the region.

##### 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.

# LIVERPOOL FC FOUNDATION

## Notes to the Financial Statements For the year ended 31st May 2022

### 20. Fund reconciliation (continued)

#### Restricted funds (continued)

##### Trent Alexander Arnold Games Programme

Fun football play sessions for children aged 4-6 years old.

##### 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 2022 are represented by:			
Tangible fixed assets	66,354	-	66,354
Investments	1	-	1
Cash	2,728,044	523,879	3,251,923
Other net current assets	(143,002)	-	(143,002)
	<u>2,651,397</u>	<u>523,879</u>	<u>3,175,276</u>

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

	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 2022

<b>22. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for year	1,334,475	64,174
Depreciation of tangible fixed assets	45,931	34,051
Amortisation of intangible fixed assets	-	5,124
Loss on disposal of fixed assets	698	131
Interest received	(919)	(932)
(Increase)/Decrease in debtors	(394,918)	(40,310)
(Decrease)/Increase in creditors	12,263	(117,767)
	<u>997,530</u>	<u>(55,529)</u>
<b>23. Financial commitments</b>		

The company had capital commitments of £Nil at 31st May 2022 (2021 - £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 £547,862 (2021 - £312,894) 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 £427,891 (2021 - £340,247).

Expenditure invoiced by the club amounted to £365,074 (2021 - £251,834).

The balance due from the Club at 31st May 2022 amounted to £263,164 (2021 - £13,805).

### 25. Analysis of net debt

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