

Rugby Football Foundation

Registered number: 04608134

Annual Report and financial statements

For the year ended 30 June 2022

RUGBY FOOTBALL FOUNDATION

COMPANY INFORMATION

Trustees

P R Johnson
S K Williams
K L C Marlor
R Clarke
S Mazumder

Company registered number 04608134

Charity registered number 1100277

Registered office Rugby House
Twickenham Stadium
200 Whitton Road
Twickenham
Middlesex
TW2 7BA

Company secretary C R Skaife

Independent auditor BDO LLP
55 Baker Street
London
W1U 7EU

RUGBY FOOTBALL FOUNDATION

Page

CONTENTS

Trustees' Report	4 - 14
Trustees' responsibilities statement	15
Independent auditor's report	16 - 19
Statement of financial activities	20 – 21
Balance sheet	22
Notes to the financial statements	23 - 33

RUGBY FOOTBALL FOUNDATION

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022

Introduction

The trustees, who are also the directors for the purposes of company law, submit their report and the financial statements of the Rugby Football Foundation for the year ended 30 June 2022.

Structure, Governance and Management

Incorporation

The Rugby Football Foundation, a company limited by guarantee, (No. 4608134) was incorporated on 4 December 2002 by a Memorandum and Articles of Association, and is a registered charity (No. 1100277). The registered office of the charity is:

Rugby House
Twickenham Stadium
200 Whitton Road
Twickenham
Middlesex
TW2 7BA

Trustees

In accordance with the memorandum and articles, one third of the trustees are required to retire by rotation, determined by how long they have been in office since their last appointment or reappointment. If no trustee agrees to resign, the longest serving trustees are put forward for retirement. If the Rugby Football Union (RFU) does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed reappointed, unless the RFU decides not to fill the vacancy or not to reappoint the trustee. In the year, the RFU did not fill the vacancy and P Johnson was willing to be reappointed to the board of trustees.

The appointment of trustees is determined by the RFU Board of Directors. Trustees are appointed on the basis of the expertise that they can bring to the charity. An induction for new trustees is provided with access to previous trustee papers and an overview of the charity and its operations.

The trustees who have served during the year and to the date of this report were:

P Johnson
S Williams
R Clarke
K Marlor
S Mazumder (appointed 23 December 2021)
M Wharton (resigned 31 July 2021)

Any decision which materially affects the operation of the charity and its objectives is determined by trustees' majority vote.

The Trustees delegate the day to day management of the Foundation to Sue Day (Chief Operational and Financial Officer) and Steve Grainger (Rugby Development Director).

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

Objects and Activities of the Foundation

The objects of the Foundation are for the benefit of the public to:

- promote community participation in healthy recreation by providing facilities for playing rugby union football and other sports (facilities means land, buildings, equipment and organising sporting activities);
- provide and assist in providing facilities for sport, recreation or other leisure time 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;
- advance the education of children and young people through such means as the trustees think fit in accordance with the law of charity; and
- advance the education of the public in the history and development of rugby football and its antecedent, through providing curation advice to the World Rugby Museum.

The Foundation is a public benefit entity, the Trustees have considered the guidance on public benefit and confirm that they have complied with their duty.

Powers

To further its objects the Foundation may:

- undertake programmes for the development of amateur sport;
- provide grants and loans for capital improvements to stadiums and grounds of community amateur sports clubs, charitable sports clubs and other bodies;
- provide and assist in the provision of money, materials or other help;
- organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities; and
- publish books, pamphlets, reports, leaflets, journals, films, and instructional matter; and promote, encourage, carry out or commission research, surveys, studies or other work, making the useful results available.

Community Rugby Programme

During the year, the Foundation signed an agreement with the RFU, whereby the RFU grants a set amount each year to fund community work to further the charitable purposes of the Foundation, as set out in the objects above. The agreement was signed in July 2021 and adjusted later on in the year once a better understanding on the ability to deliver the community work with the grant for the year being £18,523,000 (2021: £14,149,000).

The Foundation's charitable objects include promoting community participation in rugby for the benefit of the public. A subsidiary of the Rugby Football Union, Rugby Football Development Limited, has the expertise and experience to run a community rugby development programme which encourages community participation. The core purpose is to "strengthen our member clubs and to grow the game in communities around them." Underpinning this are six key drivers:

1. Retaining & Developing Players.
2. Recruiting New Players.
3. Recruiting & Retaining High Quality Coaches, Volunteers & Referees.
4. Effective & Efficient Facilities.
5. Effective & Efficient Management and Governance.
6. Integration with the Local Community.

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

It is accepted that regular participation in sport improves health and is of public benefit. The programme includes initiatives to promote wider participation in rugby especially among 14-24 year olds, expanding rugby in schools through the All Schools Programme and to promote school/club links to encourage school leavers to continue playing rugby. Women's rugby is another area where the programme seeks to encourage and develop more opportunities for women and girls to play at all levels of the amateur game.

The Foundation contracted with Rugby Football Development Limited (RFDL) for delivery of an agreed programme during the year. The agreement was signed in July 2021 and updated once it was better understood on the ability to deliver the agreed programme. The fee for this service was £18,523,000 (2021: £14,149,000). The activity ensuing from this arrangement has given rise to the restricted funds seen in this year's financial statements. The 17th year of this programme (the programme started on 1st July 2005) has been a successful one, with Rugby Football Development Limited delivering the programme within budget, in accordance with the charitable objects of the Foundation, and to a standard deemed satisfactory by the trustees. Details of expenditure is provided in the quarterly financial report sent to Trustees. This quarterly review of expenditure allows the Trustees to analyse how the funds are being used to grow the game.

Annual Review

One of the RFU's Strategic Priorities is to enrich lives by introducing more people to rugby union and developing the sport for future generations.

Through RFDL, we began the implementation of this strategy during one of the toughest periods in rugby union's history. With a new staffing structure in RFDL in place, we are focusing on three key areas: helping clubs to be self-sustaining, the development of coaches and match officials, and the competition structure and player experience.

The recovery of rugby is of fundamental and critical importance. The community game is the lifeblood of our sport and needs simple, focused support that delivers real benefit, including support to become commercially innovative and self-sustaining and campaigns and programmes to attract new audiences to the sport.

Significant work has been carried out in reshaping community game leagues. What is needed now is a period of certainty and stability as we emerge from COVID-19 and the RFU takes the leadership role in reshaping and improving the game for the benefit of all involved.

It is critical to continually update our understanding of the experiences of all participants in the game. The National Rugby Survey of 8,000 players, volunteers and staff in the community game in January 2022 showed that 80% of adult male players were satisfied or very satisfied with their overall experience in rugby over the season. An impressive 93% of age grade players were satisfied or very satisfied with their overall season's experience and 78% of clubs reported that they were in the same or a better financial position in 2021 compared to pre-COVID-19. We monitored match completion rates and player affiliations, analysed player and volunteer demographics, interviewed young players, volunteers and infrequent players to understand their experiences of the 2021-22 season.

Reshaping our adult men's community game leagues responded to feedback from the game and, together with the introduction of new formats, including the Touch Union and Game On adaptations, aims to improve current players' experiences and to attract new players.

The success of the Red Roses continues to support the women's and girls' game to grow, Allianz Inner Warrior has seen 23,000 women attend Inner Warrior camps since the programme began in 2016. These camps, run by clubs nationwide, continue to be a great introduction to rugby for those that have never played or who want to return to the sport.

Our Club Support Webinar and Virtual Workshop programme has been key in upskilling volunteers in the community game. A total of 28 sessions had 1,388 attending and 3,000 views of recordings which enabled people to watch at convenient times. To avoid webinar fatigue, we plan to have 50% of our support sessions

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

held live and to evolve other approaches such as Zoom events. We developed two further support resources, Volunteer Recruitment and Welcoming Club, delivered to clubs locally by the Club Developers.

Attendances on training courses returned to pre-pandemic levels and changes to England Rugby Coaching and Refereeing Awards, including online support, webinars and communities of practice, alongside face-to-face training, saw more effective support for coaches and referees. In total, we recorded over 70,000 engagements, with huge numbers accessing video guides and resources on social media feeds and YouTube. Following a 12-month hiatus, 226 people completed the 10-month England Rugby Advanced Coaching Award. More than a thousand have completed the new Introduction to Refereeing Course launched in March. In 2022-23, we will continue to support the growth of the women's and girls' game and, as part of the Rugby World Cup Legacy, aim to support over 500 women coaches and referees

The debenture donation campaign that extended into the current financial year, allowed the RFU to buy back 75-year Debenture Loans at their present-day value, with debenture holders directing that such amounts be donated to the charity, was a great success thanks to our loyal and supportive debenture holders.

COVID-19 has had an impact in the current financial year and is likely to impact in years to come. The main source of revenue and expenditure relates to the Community Rugby Programme which is provided by the Rugby Football Union (RFU). The RFU have reshaped their business structure in response to the pandemic however this will not mitigate the lost revenue they have suffered from being able to host England games at Twickenham Stadium with full attendance. Due to this reduction in revenue the level of grant being provided is likely to be reduced to reflect the lower revenues.

Groundmatch and other RFF Grants and Loan Schemes

The loans and grants direct to clubs have moved to RFU and RFDL respectively. This change only impacted new awards made from July 2019 and have not impacted awards made before this date which have remained with the RFF.

While the impetus of social spaces in community clubs continues to improve the welcome to the whole rugby family, there is a substantial investment in grass pitches as the weather patterns become more challenging for club groundspeople.

The Interest Free Loan Budget for 2021/22 was set at £100k. £nil in total was advanced during the year meaning the budget for 2022/23 was set at £100k.

The monitoring and managing of repayment of existing loans remains extremely efficient while being supportive of clubs in genuine difficulty. In extreme cases restructuring is negotiated, typically by reducing the amount or frequency of payments to make it financially viable for the club.

World Rugby Museum

The operations of the World Rugby Museum were limited during the year due to the COVID-19 impact with groups not returning in the current year due to a lack of uncertainty in the prior year of any future restrictions. This combined with the impact of Brexit that has caused a reduction in school tours coming from the continent.

The day-to-day management of the World Rugby Museum was transferred from the RFU to Twickenham Experience Ltd in September 2020. This has no impact on the oversight and policy making performed by the RFF.

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

The All Schools Programme

CBRE All Schools was started in 2012 to introduce rugby and its core values into state secondary schools with the aim of linking them to rugby clubs. In the process, the target is to make school life healthier and happier, reduce anti-social behaviour, enhance learning and increase self-esteem for students. It is a key legacy programme for Rugby World Cup 2015 which presented a once in a generation opportunity to deliver the greatest participatory legacy for the game.

The target of taking rugby to a further 750 state secondary schools was reached in September 2019 and celebrated at Luton's Lealands High School, with the campaign's ambassador, the Duke of Sussex, present. Representatives from All Schools then featured on the Twickenham pitch at the England v Wales Six Nations game.

Rugby United Project

Across the country there are individuals and communities who are missing out what rugby has to offer. The benefits to physical and mental health, the friendships and social connections, and the values and life skills it embodies. They are missing out not because they don't enjoy the game or have a preference to other sports but rather due to lack of engagement, a lack of opportunity, and barriers to entry which infer that rugby is not for them.

Being true to our principles of rugby as a game for all, we must keep striving to engage with all parts of society to show what makes our sport the joy and passion for millions across the country. We must show that everyone is welcome into all aspects of the game, from playing and coaching to volunteering at a club or becoming a match official.

The RFU has a rich history of active engagement to bring rugby to targeted demographics. Since 2012 the All Schools programme brought rugby into more state schools and increased exposure to lower socio-economic groups, it has transitioned over 10,500 schoolchildren into a club setting. Since 2017 the Inner Warrior campaign helps clubs recruit female players and has already led over 25,000 women and girls to access rugby via Warrior Camps. This outreach work continues today as we seek new ways to attract participation and secure the future of the game.

A new project -Rugby United- will empower community clubs who are seeking to make long term cultural change in how they engage and become more accessible to their local communities, in order to attract players, coaches, volunteers, and match officials from Black and South Asian groups

RFU baselining research has revealed a particular gap in the population of Black and South Asian people involved in rugby, 4% vs 20% by population. This project will offer resources, guidance and an opportunity to share learnings for clubs who are invested in engaging Black and South Asian groups, welcoming them into the rugby family and sharing what the sport has to offer.

This project will focus on three strands of activity:

- **Open Doors** - Help clubs to ensure that their organisation and venues are welcoming and open for use by a range of community groups and organisations to promote local engagement
- **Role Models** - Targeted recruitment of coaches, volunteers and match officials directly from local communities, particularly from Black and South Asian groups, so that involvement and representation are in all aspects of the game

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

- **Play** - Providing attractive playing opportunities for young boys and girls. The right playing offers, at the right time in such a way that any barriers are considered and overcome, specifically targeting Black and South Asian 14-18-year olds.

Rugby United will create 30 local projects across England over the next three years with each local project involving 2-3 community clubs working together in a similar geographic area as well as involving local schools.

Through the work and learnings made from this project, the RFU will construct a new framework and guidance for how clubs can engage their local communities, particularly Black and South Asian groups that have not been exposed to rugby before. Rugby United will champion the value of inclusion, communities and players, to secure and grow the future of rugby clubs and the sport.

The trustees in the year designated £1,000,000 of unrestricted funds to be spent on the project with the aim that this will be matched by fundraising another £1,000,000 over the next four years.

Reserves

At the year end, the total reserves of the charity were £10,552,581 (2021: £9,897,265). £80,786 of this was restricted to specific purposes (2021: £151,019), leaving £10,471,795 available for the general purposes of the charity (2021: £9,746,246). The increase from prior year in unrestricted is mostly due to Debenture Donation Programme continuing for the first six months of the financial year.

The trustees have reviewed the level of unrestricted reserves that are appropriate for the Foundation. Reserves are needed to cover any excess of expenditure over income, whether due to timing differences or to shortfalls in funding. From 2019/20 onwards the RFU has ceased to make its annual donation towards grants as those grants are no longer administered through RFF. However, it will provide support should the unrestricted reserves not be sufficient to support normal business activities.

It had been determined that the minimum level of unrestricted reserves that should be held at any time must be at least equal to a year's interest charge on the current balance outstanding on the RFU loan and six months' worth of the budgeted operating expenses, plus the value of approved but unpaid grants at the year end. This policy is reviewed by a sub-committee of two trustees on a regular basis.

The RFU is committed to paying any RFF grants that have been approved but not paid at year end, as they fall due. Therefore the trustees consider that the minimum level of unrestricted reserves as at 30 June 2022 to be £72,614. The actual level of unrestricted reserves at 30 June 2022 was £10,471,795 which is comfortably in excess of our minimum required level. The trustees note that the excess of actual reserves over the minimum required level is reasonable, given that the Foundation has contingent liabilities of £4,784 in the form of approved grants and 12 months of budgeted overheads of £8,750. There have been no grants or loans approved in the year as these projects are now operated out of RFU and RFDL respectively with any balance remaining relating to grants approved in prior years not yet paid. The significant reserves have been earmarked to be spent on the Community Rugby Programme through various projects under the 'Rugby for Good' headline over a period of time within the means of the charity. The 'Rugby for Good' banner captures the Rugby United Project as well as supporting initiatives selected by the debenture holders.

Restricted funds comprise four funds, the World Rugby Museum, the Community Rugby Programme, Rugby United and Supporting Women entering rugby. The Community Rugby Programme is for the promotion of participation in rugby for the benefit of the public and the World Rugby Museum is for the exhibition of historical information and artefacts relating to Rugby.

Rugby United Project intends to make a long-term cultural change in the club setting, making them more accessible and inviting to communities and groups who may not previously believed that rugby is a sport for them with the initial metrics based on social inclusion, empowerment and perception. The Supporting Women Entering and Participating into Rugby is with the aim to encourage Women to join and take part in rugby.

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

Reserves (continued)

The brought forward values of restricted funds relate to the Community Rugby Programme, as each year the World Rugby Museum breaks even. For the year ended 30 June 2022 income for the World Rugby Museum was £413,233 and expenditure was £413,233. The Community Rugby Programme fund has income of £18,523,000 and expenditure of £18,619,270.

Investment policy

It is the policy of the Foundation to place its investments in cash deposits which provide appropriate liquidity and which are deemed to be of low risk.

Strategic Report

Achievements, Performance and Financial Review

During the year the RFF received a grant of £18,523,000 (2021: £14,149,000) from the RFU to fund community work that further the charitable purposes of the Foundation. The Foundation entered into a contract with Rugby Football Development Limited (RFDL) to the value of £18,523,000 (2021: £14,149,000) for RFDL to deliver that work. This included an extensive programme for the development of the community participation in amateur rugby including supporting grassroots clubs to improve the playing environment for participants, improve coaching standards and club management via its community rugby development programme and its grants/loan programme.

In shaping the objectives for the year and planning activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging and given careful consideration to ensuring that support is targeted to maximise community participation and ensure accessibility for those on low income.

The net movement in Unrestricted funds was a profit of £725,549 and in Restricted funds was a loss of £70,233 during the year.

As a one-off exceptional transaction in December 2020, the RFU started to approach existing debenture holders offering them the opportunity to sell some or all of their debenture loans at their present value to the RFU on the basis that they direct any proceeds due to them to the Rugby Football Foundation (RFF). The purpose of the campaign is to secure funding of grassroots rugby close to pre-COVID-19 levels in future years. The campaign has seen 6,014 debentures donated and the funds will be used for a number of projects across the community game.

During the year, largely due to the extension of the Debenture Donation campaign, the Foundation received donations to unrestricted funds amounting to £856,593 (2021: £9,418,554).

The Foundation has made capital grants, amounting to £nil (2021: £13,933), and interest free loans, amounting to £nil (2021: £18,600), to rugby clubs during the year. The capital grants were available to amateur clubs and focus on helping them sustain their current activities and increase participation

At 30 June 2022 the Foundation have approved no further capital grants (2021: nil), and no further loans (2021: nil).

With net current assets sitting at £10,162,995 on the 30 June 2022, the assets of the Foundation will be Total net assets of £10,552,581, showing a very good long term position.

RUGBY FOOTBALL FOUNDATION
TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)

Achievements, Performance and Financial Review (continued)

The long-term plan is for the Foundation to utilize the excess funds to enter into initiatives to increase the participation levels of rugby across England e.g. Rugby United and targeted projects to facilitate the playing of rugby by ensuring the support is there e.g. first aiders programme, encouraging referee numbers etc. The spends will be spent down over a time in a sustainable and targeted manner to ensure maximum effect.

The trustees carefully managed in 2022/23 to ensure the Foundation is in the best possible position.

Going concern

The financial statements have been prepared on a going concern basis.

The Charity's operations are self-sustaining in usual business conditions, and had net assets and net current assets as at 30 June 2022. Based on the forecast scenarios prepared by the Charity, the Trustees have a reasonable expectation that the Charity will continue to operate and meet its liabilities as they fall due for the foreseeable future.

The charitable activities of the Charity are dependent on the ongoing operations of the Rugby Football Union (RFU), its ultimate parent undertaking, and until charitable activities resume to an appropriate level, the Charity is dependent on the RFU for financial support in the form of non-recall of intercompany balances and certain operating expenditure. The RFU has confirmed to the Trustees its intention to continue to provide funding and to not recall intercompany balances unless the Charity has the financial means to do so and otherwise meet its liabilities as they fall due. Further detail can be found in note 1.3.

Risk Management

The Trustees have carried out a review of the charity's activities which sets out the risks to which it is exposed.

As part of this review the Trustees have implemented a risk management strategy which comprises:

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

The Trustees confirm that procedures are in place to manage the major risks which have been identified.

Risk Management (continued)

Risk	Detail	Mitigation	Action
Governance	Charity Commission judges RFF governance insufficient.	Governance Improvement has been implemented by CFO, RDD and L&G Director.	To be monitored by the trustees through meetings and constant dialogue.
Reliance on member organisation (RFU)	Dependency on the member organisation reduces the control over income streams and broader support. If the RFU and group companies were to call in inter-company balances owed this would put a significant financial strain on the Charity.	<ul style="list-style-type: none"> Regular engagement with RFU board/RFF trustees. Providing value and demonstrating this to the RFU for the grant provided. Maintain the minimum reserves. 	<ul style="list-style-type: none"> Keep dialogue open between RFU board and RFF trustees. Ensure not to over commit financially to projects.
RFF/RFDL Contract	RFDL not able to fulfill responsibilities as set out in the contract and there is no alternative provider available.	RFDL overseen by experienced Rugby Development director and team minimising likelihood. RD director also attends RFF board so could flag any issues early so that they could be managed.	The Rugby Development Director to continue to provide regular updates at the RFF trustees meeting.
People	RFF has no dedicated staff resource and relies on the RFU capacity to fulfill RFU functions. Risk that RFU could divert all resource to RFU matters.	RFU Executive staff attend RFF board and now overseeing operational plan. Specifically, Company Secretary team making sure actions are followed up.	Company Secretary keeping an up to date action log with updates being provided to the trustees at meetings.
Significant adverse event in the game	Significant event (such as safeguarding incident or catastrophic injury) is traced back to funding through the RFF which has a reputational impact.	Incidents of this type managed through central RFU risk management and monitored by Board	The RFU have a strong governance structure that is proactive to minimize the risk of such an event occurring.
Loan defaults	Increase in incidents of defaulting on loan payments.	<p>Scrutiny and Due Diligence in advance of loans made.</p> <p>Active policy of collaboration with clubs if a default occurs.</p>	Quarterly meetings between finance and the development team to manage clubs that missed payments are unable to pay with discussions on how to assist them.

Devolved fundraising and awareness function	RFF fundraising team is part of the wider RFU fundraising team. This potentially introduces the risk of lack of strategic alignment in actions and messaging.	<ul style="list-style-type: none"> · RFF trustees represented by day to day managers. · Regular engagement with the RFU to ensure consistent approach, included as part of fundraising strategy set with clear objectives linked to foundations' objectives. · A donation framework has been introduced for background checks on potential donors. The RFF trustees were represented on the collaboration in creating the policy. 	<ul style="list-style-type: none"> · Management ensure that the donation framework is followed on a day to day basis · The framework for donations will be monitored regularly to ensure it remains appropriate and fit for purpose.
Decision making	Decisions with implications on the RFF are not made with appropriate scrutiny.	Governance Improvement plan has been implemented by CFO, RDD and L&G Director.	Governance plan continued to be followed and key decisions are made by the trustees in meetings.
Risks to grassroots participation	<p>Growing and sustaining the community game at all levels, both men's and women's and across all age grades, is critical for the future success of rugby in order to develop the elite players of the future, and in order to make sure that as many people as possible benefit from involvement in the game of rugby.</p> <p>There is increased competition from other forms of leisure activity, and a new generation of consumers who have different expectations present potential risks to our participation levels unless we adapt accordingly.</p>	To appeal to the new player and fan base, new opportunities to play different forms to appeal to them. Technology is supporting this strategy with new ways of engaging with individuals with rugby content, delivered digitally.	Review of how the community program is being delivered to appeal to the new player and fan base and to retain current players to ensure the growth of the sport.
COVID-19 impact	The pandemic has had a significant impact on all aspects of the Community game with it stopping for a period of time.	The return has been successful however has been impacted due to past lockdowns.	To continue to monitor and work with Government if required.

**RUGBY FOOTBALL FOUNDATION
TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2022 (continued)**

Risk Management (continued)

In order to mitigate and spread the risks of the Foundation, and, although generous support was received during the year from the Rugby Football Union, it is the intention of the Foundation to continue to seek additional alternative sources of funding in the coming year. A key element in the management of financial risk is the setting of a reserves policy and its regular review by Trustees.

Fundraising Activities

Section 1 62a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. The Foundation does not undertake fundraising from the general public but from time to time does apply for grant funding from grant-awarding entities. Any such amounts receivable are presented in the financial statements as ‘voluntary income’ and includes legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the trustees. The Foundation is not bound by any undertaking to be bound by any regulatory scheme.

RUGBY FOOTBALL FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Auditor

BDO LLP were appointed to act as auditor for the Foundation for the 2021/22 year. This appointment is reviewed annually by the board under advice from the Rugby Football Union.

Each of the Trustees at the date of approval of this report confirms that:

1. so far as the Trustees are aware, there is no relevant audit information of which the Foundation's auditors are unaware; and
2. the Trustees have taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

This report was approved by the Trustees and signed on their behalf by:



P Johnson
Trustee

Date: 20 December 2022

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF RUGBY FOOTBALL FOUNDATION

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 June 2022 and of 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.

We have audited the financial statements of Rugby Football Foundation ("the Charitable Company for the year ended 30 June 2022 which comprise the statement of financial activities (incorporating an income and expenditure account), the charity balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF RUGBY FOOTBALL FOUNDATION (CONTINUED)

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF RUGBY FOOTBALL FOUNDATION (CONTINUED)

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

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:

- We obtained an understanding of the legal and regulatory frameworks through our accumulated knowledge and consideration of sector information that is applicable to the Charitable Company. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice, the Charities Act 2011, the Companies Act 2006, Data Protection Act 2018 and Bribery Act 2010.
- We understood how the Charitable Company is complying with those legal and regulatory frameworks by making enquiries to management. We corroborated our enquiries through our review of minutes.
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.
- We considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are inappropriate or unusual.
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to grant recognition and going concern.
- We read minutes of meetings of the Board during the year and post year-end.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF RUGBY FOOTBALL FOUNDATION (CONTINUED)

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

73D8B18FE9AC4C9...

Jill Halford (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

Date: 20 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**RUGBY FOOTBALL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022**

		Unrestricted funds	Restricted funds	Total funds	Total funds
		2022	2022	2022	2021
	Note	£	£	£	£
Income:					
Donations:					
Donations from the RFU	2	-	18,523,000	18,523,000	14,149,000
Other donations	2	771,191	85,402	856,593	9,418,554
Total donations income		771,191	18,608,402	19,379,593	23,567,554
Income from charitable activities:					
World Rugby Museum		-	413,233	413,233	337,025
Total income		771,191	19,021,635	19,792,826	23,904,579
Expenditure:					
Expenditure on raising funds:					
Fundraising costs		(9,077)	(59,365)	(68,442)	(216)
Expenditure on charitable activities	5	(36,565)	(19,032,503)	(19,069,068)	(14,691,892)
Total expenditure	8	(45,642)	(19,091,868)	(19,137,510)	(14,692,108)
Net movement in funds		725,549	(70,233)	655,316	9,212,471
Reconciliation of funds:					
Total funds brought forward		9,746,246	151,019	9,897,265	684,794
Total funds carried forward		10,471,795	80,786	10,552,581	9,897,265

The Statement of Financial activities includes all gains and losses recognised in the year.

The notes on pages 23 to 33 form part of these financial statements.

**RUGBY FOOTBALL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income:			
Donations:			
Donations from the RFU	-	14,149,000	14,149,000
Other donations	9,418,554	-	9,418,554
Total donations income	9,418,554	14,149,000	23,567,554
Income from charitable activities:			
World Rugby Museum	-	337,025	337,025
Total income	9,418,554	14,486,025	23,904,579
Expenditure on:			
Raising funds			
Fundraising costs	(216)	-	(216)
Expenditure on charitable activities	(9,815)	(14,682,077)	(14,691,892)
Total expenditure	(10,031)	(14,682,077)	(14,692,108)
Net movement in funds	9,408,523	(196,052)	9,212,471
Reconciliation of funds:			
Total funds brought forward	337,723	347,071	684,794
Total funds carried forward	9,746,246	151,019	9,897,265

The Statement of Financial activities includes all gains and losses recognised in the year.

The notes on pages 23 to 33 form part of these financial statements.

RUGBY FOOTBALL FOUNDATION
BALANCE SHEET AS AT 30 JUNE 2022
REGISTERED NUMBER: 04608134

	Note	2022 £	2021 £
Fixed assets			
Loans due from clubs	9	5,498,704	6,462,997
		<u>5,498,704</u>	<u>6,462,997</u>
Current assets			
Debtors	11	18,461,914	14,249,704
Cash at bank and in hand		2,402,682	1,940,279
		<u>20,864,596</u>	<u>16,189,983</u>
Total assets		<u>26,363,300</u>	<u>22,652,980</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(10,701,602)	(6,082,913)
Net current assets/(liabilities)		<u>10,162,994</u>	<u>10,107,070</u>
Long-term liabilities			
Creditors: amounts falling due after more than one year	13	(5,109,117)	(6,672,802)
Total liabilities		<u>(15,810,719)</u>	<u>(12,755,715)</u>
Total net assets		<u><u>10,552,581</u></u>	<u><u>9,897,265</u></u>
Charity Funds			
Restricted funds	15	80,786	151,019
Unrestricted funds	15	10,471,795	9,746,246
Total funds		<u><u>10,552,581</u></u>	<u><u>9,897,265</u></u>

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees and are signed on their behalf by:


P Johnson
Date: 20 December 2022

The notes on pages 23 to 33 form part of these financial statements.

RUGBY FOOTBALL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1.1 General Information

The Rugby Football Foundation is a company limited by guarantee and registered in England and Wales, registration number 04608134, and registered charity number 1100277. The registered office is Rugby House, Twickenham Stadium, 200 Whitton Road, Twickenham, Middlesex, TW2 7BA.

1.2 Basis of preparation of financial statements

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 (FRS 102) (effective 1 January 2019 (Charities SORP (FRS 102))), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Rugby Football Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity has taken advantage of the exemptions under Financial Reporting Standard FRS 102 from preparing a cash flow statement as it is a wholly controlled subsidiary and Rugby Football Union's consolidated financial statements include the cash flows of the Charity.

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling (£) and rounded to the nearest pound.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The Charity is a member of a group that shares financial resources between group members. The ultimate controlling party has confirmed to the Trustees its intention to continue to provide funding to enable the charity to meet its liabilities as they fall due for the foreseeable future. The Trustees have therefore prepared the financial statements on a going concern basis. Should such funding from the ultimate controlling party not be forthcoming, the going concern basis of preparation may no longer be appropriate and significant adjustments may be required to these financial statements.

The charitable activities of the Charity are dependent on the ongoing operations of the Rugby Football Union (RFU), its ultimate parent undertaking, and until activities resume to an appropriate level, the Charity is dependent on the RFU for financial support in the form of non-recall of intercompany balances and certain operating expenditure. The RFU has confirmed to the Trustees its intention to continue to provide funding and to not recall intercompany balances unless the Company has the financial means to do so and otherwise meet its liabilities as they fall due.

The RFF has received over the past two financial years £8.3m of donations from debenture holders which have improved the unrestricted reserve to £8.0m with a further £1.7m transferred from unrestricted to restricted in the year with spend aimed at certain projects. This has provided the charity with a greater degree of certainty over the resources available and support the conclusion it is appropriate to prepare the financial statements as a going concern.

The Trustees have reviewed financial projections for the Rugby Football Union that show it will be able to provide this funding and have therefore prepared the financial statements on a going concern basis. These assessments have factored in a number of scenarios with upside and downside to differing degrees factored in for the next financial year and beyond. The RFU has two committed facilities with a combined value of £90m with its bankers which expire in October 2024 with an option to extend for two years.

RUGBY FOOTBALL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

1.3 Going concern (continued)

Notwithstanding this uncertainty, the Directors have a reasonable expectation that the Charity as part of the wider RFU Group will have adequate resources to continue in existence for a period of not less than 12 months from the date of approval of these financial statements and have concluded that it is appropriate to adopt the going concern basis of preparation of these financial statements.

The Charity's financial statements do not include adjustments that would result if the Charity were unable to continue as a going concern.

1.4 Donations and grants receivable

Donations and grants are recognised in the Statement of Financial Activities when there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation.

Designated unrestricted funds represent approved grants where payment is subject to the recipient meeting certain conditions which have not been met at year end.

Restricted funds are incoming resources receivable specifically for the Community Rugby Programme, other project grants and the operation of the World Rugby Museum, as discussed in the Trustees' report.

1.6 Expenditure

Expenditure, including irrecoverable VAT, is accounted for in the Statement of Financial Activities on an accruals basis and classified under headings which aggregate all the costs which relate to that heading. Payments under contract are recognised to the extent that the contract has been completed in the year in question.

Support costs include the costs relating to the general administration of the charity within its objectives as opposed to the costs of issuing grants, Community Rugby Programme and operation of the World Rugby Museum.

1.7 Loans

Fixed asset investments are programme related investments and are a form of financial instrument. They are initially recognised at their transaction cost. They are subsequently measured at cost less impairment.

1.8 Grants

Grants awarded to clubs are recognised as a liability when approved by the Trustees, are communicated to the recipient and are subject to conditions that fall outside the control of the Foundation. In instances where such conditions fall within the control of the Foundation, the commitment is noted within contingent liabilities, as opposed to being recognised as a liability.

1.9 Debtors

Short term debtors are measured at the transaction price, less any impairment. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Creditors

Short term creditors are measured at the transaction price.

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

1.11 Accounting judgements and estimates

The Trustees consider the significant accounting judgements and estimates that are relevant to the charity to be the consideration of recoverable value of the loans to rugby clubs, together with the timings and amounts repayable to the charity. A full review of loans repayable by clubs is performed on a quarterly basis. This review will consider if the loan in part or in full has become irrecoverable, an impairment loss is recognised in the statement of financial activities. From this year's review, management have concluded there is no impairment necessary.

Other significant accounting judgements and estimates include the appropriate recognition of income from grants and donations according to their criteria.

2. Donations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Debenture Donations	615,218	-	615,218	7,690,155
Gift Aid	143,198	-	143,198	1,708,514
Other donations	12,775	85,402	98,177	19,885
Sub total	771,191	85,402	856,593	9,418,554
	-	18,523,000	18,523,000	14,149,000
Total donations	771,191	18,608,402	19,379,593	23,267,554

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Debenture Donations	7,690,155	-	7,690,155	-
Gift Aid	1,708,514	-	1,708,514	-
Other donations	19,885	-	19,885	5,296
Sub total	9,418,554	-	9,418,554	5,296
Donations from the RFU	-	14,149,000	14,149,000	24,100,000
Total donations	9,418,554	14,149,000	23,567,554	24,105,296

3. Taxation

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

4. Trustees expenses

During the year, no (2021: nil) Trustee received out of pocket expenses (2021: £nil) relating to travel, accommodation and subsistence costs.

The Trustees received no remuneration during the year (2021: nil). One trustee is an employee of the RFU. The trustee receives a salary from the RFU however this is not in relation to their role as a trustee of the RFF.

In the prior year, one Trustee made a donation to the Charity as part of the debenture waiver campaign totaling £6,531 with additional Gift Aid claimed of £1,633.

5. Analysis of expenditure on charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
World Rugby Museum	-	413,233	413,233	337,025
Grants to clubs (see note 6)	-	-	-	13,933
Community Rugby Programme (see note 7)	-	18,619,270	18,619,270	14,345,052
Club loans - RFU loan interest	23,067	-	23,067	6,673
Bad Debt Provision	-	-	-	(24,029)
Support costs (see note 10)	13,498	-	13,498	13,454
Total	36,565	19,032,503	19,069,068	14,692,108

6. Grants to clubs

	2022 £	2021 £
Groundsmatch grants	-	13,933
Helping hand grants	-	-
Exceptional grants	-	-
Total	-	13,933

No grants were awarded in 2021/22.

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

7. Community Rugby Programme

Expenditure on the Community Rugby Programme is made up of the following:

	2022	2021
	£	£
Community rugby funding	18,523,000	14,149,000
Legacy Partners - Area 4	-	5,350
All Schools Programme	96,270	190,702
Total	18,619,270	14,345,052

Expenditure on Charitable activities, the Community Rugby Programme, was £18,619,270 (2021: £14,345,052), all of which was restricted (2021: All restricted).

8. Expenditure

Total expenditure includes the following charges

	2022	2021
	£	£
Auditors' remuneration	6,930	6,600

The auditor's remuneration is solely for the performance of the year-end audit.

9. Loans

The loans, which have been made to rugby clubs, are interest free and repayable over a maximum period of 15 years.

A reconciliation from last year's loans to this year's is set out below:

	2022	2021
	£	£
Loans due from clubs at 30 June	6,462,997	7,442,600
Loans repaid	(964,293)	(1,022,232)
Loans advanced	-	18,600
Loans written off	-	24,029
Loans due from clubs at 30 June	5,498,704	6,462,997

RUGBY FOOTBALL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

10. Support Costs

	2022	2021
	£	£
Professional fees	8,488	12,197
Insurance	4,462	590
Bank charges	548	451
Other	-	216
Total	13,498	13,454

All support costs have been identified as Governance costs for the basis of apportionment. The Charity does not have any employees.

11. Debtors: Amounts falling due within one year

	2022	2021
	£	£
Amounts owed by group undertakings (see note 17)	16,984,757	12,541,190
Prepayments and accrued income	1,477,157	1,708,514
Total	18,461,914	14,249,704

12. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings (see note 17)	10,675,407	6,056,137
Accruals and deferred income	26,195	26,776
Total	10,701,602	6,082,913

13. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Secured loan from the Rugby Football Union	5,109,117	6,672,802

The loan has been borrowed to fund advances to rugby clubs to develop their facilities. The loan bears interest at the Bank of England base rate, capped at 5 per cent, per annum. The repayment schedule of the loan is dependent on repayments from clubs but no repayments are due within the next year. The Foundation has the ability to borrow up to a maximum of £8,000,000 (2021: £8,000,000) from the Rugby Football Union.

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

14. Analysis of net assets between funds

	General & Designated Unrestricted Funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Loans	5,498,704	-	5,498,704
Cash at bank and in hand	2,402,682	-	2,402,682
Debtors	1,397,726	17,064,188	18,461,914
Creditors due within one year	6,281,800	(16,983,402)	(10,701,602)
Creditors due in more than one year	(5,109,117)	-	(5,109,117)
Total	10,471,795	80,786	10,552,581

	General & Designated Unrestricted Funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Loans	6,462,997	-	6,462,997
Cash at bank and in hand	1,940,279	-	1,940,279
Debtors	1,708,514	12,541,188	14,249,702
Creditors due within one year	6,307,258	(12,390,169)	(6,082,911)
Creditors due in more than one year	(6,672,802)	-	(6,672,802)
Total	9,746,246	151,019	9,897,265

15. Movement in funds

Unrestricted funds

	General Unrestricted funds 2022 £	Designated Unrestricted funds 2022 £	Total Unrestricted funds 2022 £	Total Unrestricted funds 2021 £
At 1 July	9,578,674	167,572	9,746,246	337,723
Net surplus for the year	582,351	143,198	725,549	9,240,951
Transfer to designated funds	(1,688,473)	1,688,473	-	-
At 30 June	8,472,552	1,999,243	10,471,795	9,578,674

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

15. Movement in funds (continued)

	General Unrestricted funds 2021 £	Designated Unrestricted funds 2021 £	Total Unrestricted funds 2021 £	Total Unrestricted funds 2020 £
At 1 July	149,545	188,178	337,723	646,726
Net surplus/(deficit) for the year	9,429,129	(20,606)	9,408,523	(309,003)
Transfer to restricted funds	-	-	-	-
At 30 June	9,578,674	167,572	9,746,246	337,723

Restricted funds

	2022 £	2021 £
At 1 July	151,019	347,071
Net (deficit) for the year	(70,233)	(196,052)
At 30 June	80,786	151,019

Restricted funds

	2021 £	2020 £
At 1 July	347,071	594,407
Net (deficit) for the year	(196,052)	(247,336)
At 30 June	151,019	347,071

	Community Rugby Programme	World Rugby Museum	All Schools project £	Legacy Partners Area 4 £	Rugby United £	Support Women into Rugby £	Total £
At 1 July 2021	-	-	114,023	36,996	-	-	151,019
Net (deficit)/surplus in the year	-	-	(96,270)	-	25,109	928	(70,233)
At 30 June 2022	-	-	17,753	36,996	25,109	928	80,786

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

15. Movement in funds (continued)

	Community Rugby Programme	World Rugby Museum	All Schools project	Legacy Partners Area 4	Rugby United	Support Women into Rugby	Total
			£	£	£	£	£
At 1 July 2020	-	-	304,725	42,346	-	-	347,071
Net (deficit) in the year	-	-	(190,702)	(5,350)	-	-	(196,052)
At 30 June 2021	-	-	114,023	36,996	-	-	151,019

Restricted funds comprise of four funds, the World Rugby Museum, Community Rugby Programme (covering All Schools Project and Legacy Partners Area 4), Rugby United and Support Women entering into Rugby.

The Community Rugby Programme is for the promotion of participation in rugby for the benefit of the public and the World Rugby Museum is for the exhibition of historical information and artefacts relating to Rugby. Rugby United Project intends to make a long term cultural change in the club setting, making them more accessible and inviting to communities and groups who may not previously believed that rugby is a sport for them with the initial metrics based on social inclusion, empowerment and perception. The Debenture Donation Projects is a portion of the donation that has been restricted by the holders electing three projects for the funds to be spent on: grow referee numbers, supporting clubs grow the number of volunteers and grow the number of first aiders.

The brought forward values of the restricted funds relate to World Rugby Museum and Community Rugby Programme. The carried forward balance additionally includes the Rugby United Project and Debenture Donation Projects.

For the year ended 30 June 2022, the World Rugby Museum had income of £413,233 and expenditure of £413,233.

The Community Rugby Programme had income £18,523,000 and expenditure of £18,619,270.

Designated unrestricted funds represent 2 areas the first are approved grants where payment is subject to the recipient meeting certain conditions, which have not been met at year end. At the year-end these monies had not been paid and will be accounted for in 2022/23 provided that the conditions are met to the Foundation's satisfaction.

The second are funds that have been allocated for spend by the Trustees in the year on a number of projects. £1m has been designated by the Trustees to the Rugby United project with the intention to make long-term cultural change in the club setting, making them more accessible and inviting to communities and groups who may not have previously believed that rugby is a sport for them with initial metrics based on social inclusion, empowerment and perception. The remaining designation and receipt in the year of £688,473 has been designated by the Trustees after the Debenture Holders who donated voted for three projects to be spent on: growing referee numbers, supporting clubs grow the number of volunteers and grow the number of first aiders at club.

RUGBY FOOTBALL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 (continued)

16. Contingent Liabilities

The Charity has classified the grant received from the Rugby Football Union, for the community rugby development programme, and the fee paid to Rugby Football Development Limited, as restricted funds.

Prior to 30 June 2022 the Rugby Football Foundation approached the Rugby Football Union to ascertain whether or not they would require that the net surplus/ (deficit) be returned to them, as is their right under the signed grant agreement. Consultation with the Rugby Football Union has confirmed that this will not be the case and therefore provision has not been made for this amount.

As explained in the Trustees' report, the Foundation no longer approves grants (2021: £nil) or loans (2021: £nil) although are committed to paying any grants and loans that have been approved but not paid, as they fall due.

17. Related party transactions

	2022	2021
	£	£
Amounts owed by RFU	16,984,757	12,541,190
Amounts owed by IPF	-	-
Amounts owed by RFDL	-	-
Amounts owed to RFU	5,109,117	6,672,802
Amounts owed to IPF	5,187	5,188
Amounts owed to RFU - loan interest	19,265	18,656
Amounts owed to RFDL	10,670,219	6,050,949

The Foundation is a quasi-subsiidiary of the Rugby Football Union. All transactions conducted with the Rugby Football Union and Rugby Football Development Limited (a fully owned subsidiary of the Rugby Football Union) have been summarised in the table above and are disclosed as amounts owed by/to group undertakings within debtors and creditors.

In the year the following related party transactions have occurred:

- the Foundation received a grant £18,523,009 from the RFU (2021: £14,149,000)
- the Foundation was charged interest of £23,067 (2021: £6,673) by the RFU in respect of the loan
- the Foundation was recharged fundraising costs of £68,443 (2021: £nil) by the RFU
- the Foundation was charged for services provided to it by Rugby Football Development Limited under the Community Rugby Programme £18,523,000 (2021: £14,149,000)
- the Foundation was charged £190,702 for services provided to it by Rugby Football Development Limited under the All Schools Programme £96,270 (2021: £190,702)

18. Status of the company

The company is limited by guarantee.

19. Ultimate controlling party

The Rugby Football Foundation is limited by guarantee, so has no share capital and therefore no legal controlling party. On the basis of the Company being considered to be a quasi-subsiidiary of the Rugby Football Union, its financial results and position are consolidated into the Group accounts of the Rugby Football Union. Copies of these Group accounts can be obtained from Rugby House, Twickenham Stadium, 200 Whitton Road, Twickenham, Middlesex, TW2 7BA, UK. RFU is a registered society in England (company number IP27981R).

The Directors consider the Company's ultimate controlling party to be the Rugby Football Union, the governing body for rugby in England.

20. Financial instruments

The Charity has basic financial instruments including debtors, creditors and intragroup balances. All debtors and creditors are financial instruments measured at amortised cost.

The Charity is exposed to credit risk in relation to financial assets such as debtors and intragroup receivables.

The Charity is not exposed to significant interest rate or foreign currency rate risk.