

Company registration number: 04903645

Charity registration number: 1102239

Watford FC's Community Sports & Education Trust

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 30 June 2023

Azets Audit Services Limited
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

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Watford FC's Community Sports & Education Trust

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Watford FC's Community Sports & Education Trust

Reference and Administrative Details

Chairman

Mr S J Macqueen

Secretary

Mr P J Wastall

Principal Office

Vicarage Road Stadium
Watford
Hertfordshire
WD18 0ER

Company Registration Number

04903645

Charity Registration Number

1102239

Auditor

Azets Audit Services Limited
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Watford FC's Community Sports & Education Trust

Trustees' Report

This report provides a summary of the Trust's activities covering the period from 1st July 2022 to 30th June 2023. The report details progress made against our principal areas of work. It highlights our key achievements, provides insight into some of the areas for development and what we hope to achieve during 2023/24.

Trustees

Trustees/Directors at the year ended 30 June 2023, and to date, and dates of appointment if after 30 June 2022, are as follows:

Mr. S. J. Macqueen (Chair)
Miss M. J. Gabbitass (Vice Chair)

Appointed

Miss H. Battram	19.07.23
Mr. K. Dawan	19.07.23
Mrs. R. A. Inskipp	19.07.23
Mr. P. M. O'Brien	19.04.23
Mr. I. K. Taker	19.04.23

Trustee resignations from the Board, since the year commencing 1 July 2022 are as follows:

Mrs. G. L. Clarke	19.04.23
Mr. P. A. Clark	17.11.22
Mr. E. J. Coan	19.04.23
Dr. J. Davis Smith, CBE	04.10.23
Mr. C. J. Luff, MBE	19.04.23
Mr. C. J. Norton	19.04.23
Miss E. R. Saunders	10.10.22
Professor S. R. Timperley	19.04.23

The above Trustee resignations are as a result of the completion of their maximum tenure in role.

A comprehensive recruitment process was completed and our new Trustees add a further range of diverse knowledge and experience to the Board.

Executive Summary

The Trust continued to provide a diverse range of community projects, activities, events, and initiatives for a broad cross section of the community. It continued to build on its proud track record of delivering important services for local communities and of working in partnership, collaborating with a range of organisations to provide support for those in need.

The Trust remains committed to continuous improvement and this is demonstrated in the review section of this report where the Trust is making plans to ensure that it is fit for the future. The achievements and performance section of this report provides evidence to confirm that the Trust has continued to improve lives and enhance communities.

Watford FC's Community Sports & Education Trust

Trustees' Report

Objectives for Public Benefit

Trustees work closely with staff to ensure that the Trust's strategic and operational priorities set for the year meet the charity objects detailed in its governing document and the Charity Commission's general guidance on public benefit.

In broad terms the Trust's objectives for the benefit of the public are to:

- Provide and promote sport, physical activity, and learning opportunities to the communities it serves.
- Assist in providing facilities and opportunities for all sections of the community, in the interests of social welfare and with the objective of making a difference to people's lives.
- Develop and implement new community-based projects, activities, initiatives, and events which respond to communities needs and help promote community cohesion.

The Trust has established strong and meaningful partnerships with a range of partners across the public, private and voluntary sectors and works collaboratively when delivering its services. The objectives for public benefit primarily come from the Trust's key priority areas of work which are: Health & Wellbeing, Learning & Skills, Social Inclusion and Football & Sports Development. This is further complemented by us running and managing two community hubs which provide further opportunities and experiences which have a positive impact on people's lives.

The Trust recognises the importance of monitoring and evaluating its work on an ongoing basis. It produces an Impact Report on a yearly basis which provides evidence on a range of outcomes and impact. For this year the Trust produced a special impact report which combined 30 stories for 30 years, celebrating the Trust's 30th year anniversary, as well as our impact across 2022/23. This report is widely circulated to fans, community partners and funders and a copy of it is freely available to the public by going to the Trust's website at www.watfordfccsetrust.com and upon request.

It is hoped that the rest of this report demonstrates many aspects of the public benefit which the charity provides. Further details of the Trust's various projects, activities and events delivered during this reporting year are detailed below.

HEALTH & WELLBEING

Our Golden Memories project runs for people living with dementia and their carers. As well as weekly sessions running at the stadium and at one of our community hubs, we also had over 100 people attended an event at the stadium, held as part of Dementia Awareness Week.

Shape Up Harrow courses were run at various locations across Harrow providing adults with the opportunity to lose weight and become more physically active. As a result of the success of the project Harrow Public Health commissioned the service for another two years, providing funding of £75,000 per year.

Extra Time has been running for over 10 years and provides recreational and social activities for older adults continued at three venues across Watford and Harrow. A range of activities are provided on a weekly basis ranging from short matt bowls, table tennis, to badminton, chair exercises, dance, and board games.

Our Positive Minds mental health project for primary school children continued with over 200 schools involved this academic year, and over 10,000 children supported with mental health awareness/education.

Watford FC's Community Sports & Education Trust

Trustees' Report

During the year an impact report was produced for our Active Watford & Three Rivers project covering the period between 2019 - 2022. This highlighted the targets achieved and benefits gained by beneficiaries involved in this behaviour change programme which focuses on helping people to go from being inactive to active.

Our Man On! Sessions continued at multiple venues across south-west Hertfordshire providing a wellbeing session for men aged 18-65, using a combination of a football session and wellbeing workshops.

Comic Relief continued to fund our Empower programme for children aged 9-12 years who require support with their mental health and wellbeing. Courses continued to provide cohorts of young people with sessions combining physical activity and cognitive behavioural therapy.

Youth Link is our social prescribing service linking children and young people to relevant non-clinical supervision. Alongside our Positive Minds and Empower projects it completes a suite of services aimed at supporting young people with their mental health.

LEARNING & SKILLS

Premier League Inspires is our curriculum-based project aimed at young people who are at risk of not fulfilling their potential. From September 2022, the project was delivered on a weekly basis in seventeen regular schools with eighteen cohorts completing the programme. These cohorts completed three different areas of work including personal development, mental wellbeing, and social action over the three terms. The project engaged with 215 young people on a regular basis with those young people having 760 different risk factors attributed. Within those eighteen cohorts, three of those were female focused groups who completed the changemaker project. Alongside this we welcomed over 200 young people to targeted events, taster sessions and mentoring opportunities.

One highlight of January 2023 was our Tackling Tough Conversations Event which was held at our Meriden Community Centre. This event focused on creating a safe space for young people to discuss topical societal issues within Watford and have access to local charities and organisations who can support. The event consisted of a Kicks taster session, introduction to boxing by a local boxing club, Dignify workshop, GamCare workshop and a talk by Impressionable Minds on drug abuse. In total we welcomed 84 vulnerable young people from our Inspires cohorts to the Centre for the day and received positive feedback from both young people and accompanying staff. As part of our cultural capital opportunities and to celebrate International Women's Day in March 2023 Premier League Inspires hosted an International Women's Day event at the Training Ground. The event was supported by other Trust colleagues, Hertfordshire Football Association and Watford Women's First Team. The event was open to all females on Premier League Inspires as well as other girls interested in those partner schools. In total 97 females attended the event from local Secondary Schools. TK Maxx & Homesense Foundation confirmed continued funding of £15,000 towards our Inspires programme.

Unfortunately, due to changes to the National Citizen Service contract our delivery of this personal development programme for 16- and 17-year-olds was minimal.

Watford FC's Community Sports & Education Trust

Trustees' Report

SOCIAL INCLUSION

Our Premier League Kicks project engaged with 1900 young people aged 8-18 during this year. This included 516 females, 194 individuals with disabilities and 24 different ethnicities. 650 young people took part in an educational workshop and 645 competed in a tournament, fixture, or event.

51 young people completed over 10 hours of structured volunteering and 17 hard-to-reach individuals were chosen for a 10-week mentoring programme. Participants also took part in three social action projects and over 250 completed a nationally recognised qualification.

The Kicks programme offered over 35 hours of weekly provision including football, youth clubs, basketball, dance, boxing and Mini Kicks across Watford, Harrow, St Albans, and Hillingdon as well as formalized youth boards and weekly youth voice sessions.

In addition to the above, our inclusive participants won the Kicks Disability Football Festival 2023.

FOOTBALL & SPORTS DEVELOPMENT

A diverse range of opportunities were provided under this theme of work, which included the following:

Holiday Coaching Courses were offered for young people aged between six to 12 years of age and took place at a range of community locations across South-West Hertfordshire and the London Borough of Harrow. Football development activities took place across all school holiday periods (except Christmas) recording a total of 3,251 visits for local children and young people, during the year.

Matchday Activities were run during the season with 12 matchday packages delivered to 1,300 young people and their families before men's first-team home league matches. These young people took part in a 90-minute training session at Westfield Academy in Watford, before making their way to Vicarage Road to take in an EFL Championship match.

In addition to the standard matchday packages, 'Train Like a Pro' was delivered in the indoor dome at the training ground, where 250 children were able to experience the WFC training ground and enjoy a session in the indoor training dome before watching Watford v Preston North End at Vicarage Road.

This period saw us restructure our boys' and girls' player pathway delivery model to double the number of male and female grassroots footballers aged seven to 16 years by the end of the season, compared to 2021/22. Some 700 grassroots players age U7-U16 (boys and girls) attended weekly training within our player development pathway.

We were also awarded a licence by The FA to deliver an Emerging Talent Centre as part of The FA's new women and girls' development pathway and delivered weekly training and school holiday festival fixtures across six age groups, comprising of nearly 100 players.

In terms of coaching programmes provided for schools we delivered breakfast clubs, in-curriculum coaching, lunchtime and after school clubs in primary schools in Hertfordshire and Harrow, delivering nearly 200 hours per week during the academic year. We also continued to deliver our two funded programmes: 'Premier League Primary Stars' across 70 classes and teachers. Our delivery was assessed as "exemplary" by the Premier League Charitable fund for this reporting period.

We have also continued to provide the EFL Trust's 'Move & Learn - Joy of Moving' to over 2,500 students in 42 schools.

Both these partner programmes have festivals and tournaments as part of national competitions which we took part in, with success in the U11 Kids Cup in the final at Wembley stadium.

Watford FC's Community Sports & Education Trust

Trustees' Report

We continued to run three Football & Education Schemes which combine football and academic studies for boys between 16 and 18 years of age, in partnership with schools and colleges in Hertfordshire and Harrow. 83 students accessed educational and football opportunities in the 22/23 academic year.

In June 2023 our second cohort of students graduated on our Foundation Degree (FdA Football Development and Coaching) in partnership with Middlesex University.

We continued to deliver our disability talent hub at Watford FC's training ground providing coaching opportunities for talented players aged 7-16 years old, as part of The FA's England talent pathway.

The operational delivery of Watford FC Women's first teams and development squads returned to the Trust in August of 2022. The 2022/23 season was a hugely successful one with the women's first team narrowly losing in extra time in the League Cup Final, winning the National League Premier South division and the play-off final to secure promotion to Barclays Women's Championship.

COMMUNITY FACILITIES (run and managed by the Trust)

Cedars Youth & Community Centre – With the centre celebrating 11 years of being open, a major piece of facility development was achieved in September and October following a successful funding application to the Football Foundation resulting in an award of £99,823 to replace the sports hall floor, the astroturf carpet, the lighting for both zones to LED fittings and bulbs and also for the whole of the centre to have a conversion to LED lighting too, with cost saving measures in mind. Football at the centre continues to grow with circa 1400 attending each week. Funding of £19,500 was secured from the London Marathon Foundation for the refurbishment of social space and replacing equipment.

Meriden Community Centre – The car park was resurfaced via funding from the Council and Trust. Following energy efficiency measures which have taken place since 2016, the centre received an independent report (commissioned by Watford Borough Council) to advise us that the Energy Performance Certificate (EPC) rating for the building, had increased from a G grade to a B grade. Further reviews will be undertaken during 2024. Footfall at the centre has reached circa 1100 each week.

Between the two centres they continued to provide space for key stakeholders to offer blood donations, a food bank, and vaccinations for babies/children.

Equality, Diversity & Inclusion

Our Equality, Diversity & Inclusion Strategy (2022 – 2025) was developed and launched. An EDI Learning and Awareness calendar for 2022/23 was developed in conjunction with the club. This provided a broad range of opportunities, examples included a menopause webinar, autism awareness training, dementia friendly training, Herts Pride, holocaust survivor visit, etc.

The membership of the EDI Champions group was refreshed, as was our EDI action plan and project equality reviews.

Watford FC's Community Sports & Education Trust

Trustees' Report

Fighting Fit Football won the National FA Grassroots Football Awards, Project of the Year. This group of adults, affected by Parkinson's, use the dome each Monday night as their training venue and credit this use, facilitated free of charge by the Trust, as being key to enabling the group to exercise and play together as a form of 'free medicine' to help allay the effects of their condition.

Through the Trust and club working collaboratively the club was re-awarded with the Premier League EDI advanced level standard. The EDI work was shortlisted as part of the English Football League EDI awards and received third place in the EDI Business Awards.

The Trust continued to work with a range of community partners throughout the year. Examples of just some of the partners include Ahmadiyya Muslim Youth Association (national football tournament), Iftar Event with Watford Muslim Youth Centre – (included a stadium tour & Trust staff fasting for three days in support). Other groups the Trust worked with included the Frank Soo Foundation, One Vision which was a Stephen Lawrence event with Police and other partners, Music Football Fatherhood including support for fathers around Father's Day. The Trust also worked alongside the club and the Alzheimer's Society to make Watford FC's Vicarage Road Stadium Dementia friendly.

Fundraising

Several fundraising events took place during the year, which included Gala Dinner raising £8,500, a 24-hour football marathon raising £11,000 and a creative Stadium for Ants (miniature design of Watford FC's stadium), which raised £1,698 through the sale of raffle tickets.

The first ever Taylor Trek event took place with 114 people participating. Sponsorship of £4,000 came from Mercer & Hole with Wenzels the bakers providing lunch for those taking part.

Business Partnerships

It proved a difficult year to try and attract new sponsors. However, we were able to establish a sponsorship agreement worth £20,000 with the Bugler Group and M.K. Ginder & Sons who are a long-standing partner of the Trust renewed their £5,000 annual sponsorship. Steven Eagell Toyota also continued their long-standing support of us by agreeing to provide a sponsored van for a further year.

Volunteering

Our team of over 40 volunteers continued to provide excellent support across the Trust's range of activities.

Review

Reviews of Trust activities took place on a regular basis throughout the year with Trustees via Board and operational meetings, to ensure that services were delivered in line with the Trust's key objectives. The senior leadership team also reviewed projects, activities, and events to ensure the delivery was in line with priorities set for the year, as well as the Trust's wider business plan.

From the reviews the following actions were identified as priorities for 2023/24.

- Develop and launch a new five strategy for the Trust during early 2024.
- Alongside the new strategy develop a new theory of change model and a monitoring and evaluation framework so that we can measure our impact and performance against the outcomes set in the new strategy.

Watford FC's Community Sports & Education Trust

Trustees' Report

- Produce and distribute an annual impact report demonstrating the positive impact the Trust has in local communities.
- Develop a new reporting structure across the organisation so that all colleagues have a voice and can shape change and improvements within the Trust. This includes establishing new focus groups, a new Managers group and new sub-committees.
- Undertake the Investors in People audit assessment and further develop our People Strategy.
- Develop a Fundraising & Income Generation Strategy.
- Recruit an Environmental Sustainability Officer and develop an Environmental Sustainability Action Plan.
- Run our annual fundraising Gala Dinner.
- Run our third 'Taylor Trek' community fundraising event.
- Explore opportunities which the apprenticeship levy presents both in terms of upskilling staff, as well as taking on apprentices in the future.
- Recruit a Funding Officer and Partnerships Executive to help with the sustainability of existing projects and to try and increase unrestricted funding.

Reserves Policy

The Trust has put in place its 'Reserves policy' to help plan and manage its resources appropriately to ensure that the level set matches its ongoing requirements and to inform relevant stakeholders.

It is the policy of the Trust to increase the level of free reserves generated to provide sufficient funds to cover between three and six months operating costs, without which the charity could not function and continue to deliver its day-to-day operations.

In addition, we hold free reserves to maintain our community hubs, including sustainability and infrastructure improvements where identified.

This level has been agreed on the basis that the reserves amount will provide the Trust with adequate financial stability and the means for it to meet its charitable objects.

This policy will be monitored and reported on during the month end reviews and Board meetings, to establish whether any changes to this policy are deemed necessary and to ensure that the reserves are adequate to fulfil our continuing obligations.

The Board acknowledge that the level of free reserves changes during the year and can be a good indicator of the underlying financial health of the charity; this can also be an indicator of potential problems. The level of reserves will also be monitored throughout the year as part of the normal monitoring and budgetary reporting process.

Watford FC's Community Sports & Education Trust


Trustees' Report

Achievements & Performance

The following were also highlights during the year, in addition to the achievements already detailed in this report.

- Capability Code of Practice Audit – the Trust was rated 'Very Good'. The area of the audit requiring most work is Environmental Sustainability.
- Toy Drive initiative (Club & Trust) supporting disadvantaged families at Christmas.
- Board – recruitment of five new Trustees.
- Funding – £20,000 secured for youth engagement projects in Harrow, £14,000 for Harrow Falls Prevention Programme, £10,000 for Man On Harrow, £21,000 for a mental health programme in Harrow schools, £65,000 to provide Empower holiday camps to support young people's mental health.
- New Systems implemented – leisure management software system (EZ Facility) and online recruitment platform (Team Tailor).

The annual report was approved by the trustees of the charity on **22.03.24** and signed on its behalf by:


.....
Mr P J Wastall
Company Secretary

Watford FC's Community Sports & Education Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Watford FC's Community Sports & Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

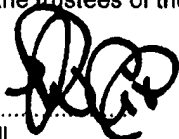
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

Public Benefit Statement

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers of duties. The public benefit of the Charity's activities are outlined under 'Objectives for public benefit' above.

Approved by the trustees of the charity on 12.03.24 and signed on its behalf by:



Mr P J Wastall
Company Secretary

Watford FC's Community Sports & Education Trust

Independent Auditor's Report to the Members of Watford FC's Community Sports & Education Trust

Opinion

We have audited the financial statements of Watford FC's Community Sports & Education Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 30 June 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, 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 or a material misstatement of the other information.

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.

Watford FC's Community Sports & Education Trust

Independent Auditor's Report to the Members of Watford FC's Community Sports & Education Trust

Opinion 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 our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees' Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 18), the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Watford FC's Community Sports & Education Trust

Independent Auditor's Report to the Members of Watford FC's Community Sports & Education Trust

Extent to which the audit was considered 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

David Lawrence BSc (Hons) FCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited, Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Date: 25 March 2024

Watford FC's Community Sports & Education Trust

**Consolidated Statement of Financial Activities for the Year Ended 30 June
2023**

(Including Consolidated Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	111,917	44,000	155,917
Charitable activities	4	1,443,828	2,046,964	3,490,792
Other trading activities	5	32,348	-	32,348
Investment income	6	58,461	-	58,461
Total income		<u>1,646,554</u>	<u>2,090,964</u>	<u>3,737,518</u>
Expenditure on:				
Raising funds	7	(46,974)	-	(46,974)
Charitable activities	8	<u>(1,765,565)</u>	<u>(1,885,226)</u>	<u>(3,650,791)</u>
Total expenditure		<u>(1,812,539)</u>	<u>(1,885,226)</u>	<u>(3,697,765)</u>
Net (expenditure)/income		(165,985)	205,738	39,753
Transfers between funds		<u>483,660</u>	<u>(483,660)</u>	<u>-</u>
Net movement in funds		317,675	(277,922)	39,753
Reconciliation of funds				
Total funds brought forward		<u>2,026,105</u>	<u>5,255,467</u>	<u>7,281,572</u>
Total funds carried forward	20	<u>2,343,780</u>	<u>4,977,545</u>	<u>7,321,325</u>

Watford FC's Community Sports & Education Trust

**Consolidated Statement of Financial Activities for the Year Ended 30 June
2023**

(Including Consolidated Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	323,799	40,000	363,799
Charitable activities	4	1,456,658	2,300,662	3,757,320
Other trading activities	5	41,919	-	41,919
Investment income	6	11,783	-	11,783
Total income		<u>1,834,159</u>	<u>2,340,662</u>	<u>4,174,821</u>
Expenditure on:				
Raising funds	7	(38,682)	-	(38,682)
Charitable activities	8	<u>(1,567,876)</u>	<u>(1,868,081)</u>	<u>(3,435,957)</u>
Total expenditure		<u>(1,606,558)</u>	<u>(1,868,081)</u>	<u>(3,474,639)</u>
Net (expenditure)/income		227,601	472,581	700,182
Transfers between funds		<u>84,725</u>	<u>(84,725)</u>	<u>-</u>
Net movement in funds		312,326	387,856	700,182
Reconciliation of funds				
Total funds brought forward		<u>1,713,779</u>	<u>4,867,611</u>	<u>6,581,390</u>
Total funds carried forward	20	<u>2,026,105</u>	<u>5,255,467</u>	<u>7,281,572</u>

Watford FC's Community Sports & Education Trust

(Registration number: 04903645)

Consolidated Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	4,240,983	4,308,308
Investments	14	318,961	318,961
		<u>4,559,944</u>	<u>4,627,269</u>
Current assets			
Debtors	15	194,416	204,301
Cash at bank and in hand	16	3,043,773	2,925,081
		<u>3,238,189</u>	<u>3,129,382</u>
Creditors: Amounts falling due within one year	17	<u>(460,858)</u>	<u>(441,229)</u>
Net current assets		<u>2,777,331</u>	<u>2,688,154</u>
Total assets less current liabilities		<u>7,337,275</u>	<u>7,315,423</u>
Provisions		<u>(15,950)</u>	<u>(33,850)</u>
Net assets		<u>7,321,325</u>	<u>7,281,573</u>
Funds of the group:			
Restricted income funds		4,977,545	5,255,467
Unrestricted income funds			
Unrestricted income funds		<u>2,343,780</u>	<u>2,026,105</u>
Total funds	20	<u>7,321,325</u>	<u>7,281,572</u>

The financial statements on pages 14 to 36 were approved by the trustees and authorised for issue on 22/03/24 and signed on their behalf by:

M. S. Gabbitass

Miss M J Gabbitass

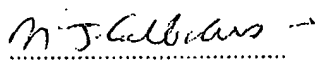
Vice Chairman and Trustee

Watford FC's Community Sports & Education Trust

(Registration number: 04903645)
Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	4,268,819	4,379,247
Investments	14	318,963	318,963
		<u>4,587,782</u>	<u>4,698,210</u>
Current assets			
Debtors	15	734,951	844,276
Cash at bank and in hand	16	2,735,794	2,528,823
		<u>3,470,745</u>	<u>3,373,099</u>
Creditors: Amounts falling due within one year	17	<u>(419,001)</u>	<u>(492,087)</u>
Net current assets		<u>3,051,743</u>	<u>2,881,012</u>
Net assets		<u>7,639,526</u>	<u>7,579,222</u>
Funds of the Charity:			
Restricted income funds		5,046,895	5,324,817
Unrestricted income funds			
Unrestricted income funds		<u>2,592,631</u>	<u>2,254,405</u>
Total funds	20	<u>7,639,526</u>	<u>7,579,222</u>

The financial statements on pages 22 to 44 were approved by the trustees and authorised for issue on 22/03/24 and signed on their behalf by:


Miss M J Gabbitass
Vice Chairman and Trustee

Watford FC's Community Sports & Education Trust

Consolidated Statement of Cash Flows for the Year Ended 30 June 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		21,535	698,882
Adjustments to cash flows from non-cash items			
Depreciation	13	196,093	243,520
Investment income	6	(58,641)	(11,783)
		<u>158,987</u>	<u>930,619</u>
Working capital adjustments			
Decrease/(increase) in debtors	15	9,885	140,828
(Decrease)/increase in creditors	17	19,629	(79,611)
		<u>29,514</u>	<u>61,217</u>
Net cash flows from operating activities		<u>29,514</u>	<u>61,217</u>
Cash flows from investing activities			
Interest receivable and similar income	6	58,641	11,783
Purchase of tangible fixed assets	13	(134,774)	-
Disposal of tangible fixed assets		6,324	-
		<u>(69,809)</u>	<u>11,783</u>
Net cash flows from investing activities		<u>(69,809)</u>	<u>11,783</u>
Net increase in cash and cash equivalents		118,692	1,003,619
Cash and cash equivalents at 1 July 2022		<u>2,925,081</u>	<u>1,921,462</u>
Cash and cash equivalents at 30 June 2023		<u>3,043,773</u>	<u>2,925,081</u>

All of the cash flows are derived from continuing operations during the above two periods.

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

1 General information

Watford FC's Community Sports & Education Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Vicarage Road Stadium, Watford, Hertfordshire WD18 0ER. The nature of the charity's operations is set out in the Report of the Trustees.

2 Accounting policies

Statement of compliance

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

Watford FC's Community Sports & Education Trust 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 notes.

Basis of consolidation

The consolidated accounts incorporate the results of Watford FC's Community Sports & Education Trust and its subsidiary undertakings on a line by line basis. The consolidated entity is referred to as 'the group'.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

We have paid particular attention to the likely effects on the business of the current Covid-19 outbreak and the directors remain confident that sufficient funding is in place and that the company has adequate resources to enable the company to continue as a going concern for the foreseeable future.

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Deferred income arises where funds have been received but the contractual terms of the monies have not yet been met.

Donations and legacies

Tickets and other items donated for resale by the charity are included as income when they are sold. Donated services are recognised in the financial statements where there is an identifiable cost to the donor.

Grants receivable

Grant income is classified depending on the terms of the donation and where income relates to a period, specified by the donor or sponsor, it is recognised over the length of that period.

Lottery and investment income

Lottery income and investment income, which consists of loan interest receivable, are accounted for on a receivables basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs

Support costs comprise the management of the charity's assets, organisational administration and property costs. Certain expenditure is directly attributable to specific activities and has been included within those categories. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Staff salaries are apportioned between cost categories based on the estimate of time spent.

Summary of disclosure exemptions

Section 408(4) exemption from the requirement to present the parent company Profit & Loss account (i.e. Statement of Financial Activities) for the period has been taken.

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Taxation

The is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Deferred tax is recognised in respect of all timing differences between capital allowances and depreciation reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible fixed assets

All classes of tangible fixed assets are recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture & equipment	10% straight line
Community Centre	2% straight line
Motor vehicles	25% reducing balance
Astroturf pitch	between 4% and 10% straight line

Fixed asset investments

Fixed asset investments are stated at their historic cost value at the year end. Any permanent diminution in the value of fixed asset investments is provided for in the financial statements.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

Contributions payable by the charitable company to an individual's personal pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	2023	2022
	£	£
Donations and legacies	155,917	354,799
Grants, including capital grants	-	9,000
	<u>155,917</u>	<u>363,799</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

4 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2023 £	Total 2022 £
Courses	589,466	1,504,075	2,019,530	2,303,125
Meriden Community Centre	126,039	100,889	226,928	199,797
Cedars Community Centre	337,797	442,000	779,797	715,199
Watford Women	390,757	-	390,757	539,199
	<u>1,443,828</u>	<u>2,046,964</u>	<u>3,490,792</u>	<u>3,757,320</u>

5 Income from other trading activities

	2023 £	2022 £
Membership and match day income	32,348	41,919
	<u>32,348</u>	<u>41,919</u>

6 Investment income

	2023 £	2022 £
Interest receivable on bank deposits	39,466	5,442
Interest receivable on loans to related parties	18,995	6,341
	<u>58,461</u>	<u>11,783</u>

7 Costs of raising funds: Commercial trading operations

	2023 £	2022 £
Publicity and merchandise	46,974	38,682
Lotteries and competitions	-	-
	<u>46,974</u>	<u>38,682</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

8 Expenditure on charitable activities

	Direct costs £	Support costs £	Total 2023 £	Total 2022 £
Courses	1,602,520	982,072	2,584,592	2,121,560
Cedars Community Centre	265,149	69,292	334,441	457,593
Meriden Community Centre	217,199	126,054	343,253	318,906
Watford Women	336,715	51,790	388,505	539,198
	<u>2,421,583</u>	<u>1,229,208</u>	<u>3,650,791</u>	<u>3,437,257</u>

9 Analysis of support costs

	Courses £	Cedars £	Meriden £	Watford Women £	Total 2023 £	Total 2022 £
Auditor's remuneration	12,450	-	-	2,400	14,850	14,170
Professional fees	43,718	-	-	1,314	45,032	9,785
Wages	703,192	15,747	9,889	47,526	776,354	536,833
Social security	67,661	-	-	-	67,661	68,071
Pensions	20,023	-	-	-	20,023	20,160
Premises costs	-	29,117	27,930	-	57,047	50,893
Telephone, postage, general advertising and stationery	-	12,106	57,112	-	69,218	43,769
Computer expenses	-	-	5,295	-	5,295	12,383
Motor vehicle costs and travel expenses	34,221	-	-	-	34,221	29,643
Hospitality	14,842	105	-	-	14,947	1,736
Repairs, renewals and cleaning	6,406	12,217	25,828	-	44,451	44,514
Bank charges	10,096	-	-	550	10,646	7,868
Irrecoverable VAT	87,993	-	-	-	87,993	82,426
Deferred tax	(18,530)	-	-	-	(18,530)	-
	<u>982,072</u>	<u>69,292</u>	<u>126,054</u>	<u>51,790</u>	<u>1,229,208</u>	<u>922,251</u>

10 Net income/expenditure

Net income/expenditure for the year include:

	2023 £	2022 £
Audit fees	14,850	14,170
Depreciation of fixed assets	<u>196,093</u>	<u>243,520</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Wages and salaries	2,112,046	1,950,754
Social security costs	151,437	132,399
Pension costs	57,619	46,359
	<u>2,321,102</u>	<u>2,129,512</u>

The monthly average number of persons (including senior management team) employed by the group during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Coaching staff	64	52
Administration	46	40
Cedars community centre	9	8
Meriden community centre	6	5
Watford Women	2	4
	<u>127</u>	<u>109</u>

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Watford FC's Community Sports & Education Trust
Notes to the Financial Statements for the Year Ended 30 June 2023

13 Tangible fixed assets

Group

	Cedars Community Centre £	Cedars Astroturf £	Furniture and equipment £	Motor vehicles £	Meriden Community Centre £	Meriden Astroturf £	Total £
Cost							
At 1 July 2022	3,846,799	349,268	476,928	58,520	1,152,108	323,468	6,207,091
Additions	51,224	83,550	-	-	-	-	134,774
Disposals	-	(180,000)	(5,376)	-	-	-	(185,376)
At 30 June 2023	<u>3,898,023</u>	<u>252,818</u>	<u>471,552</u>	<u>58,520</u>	<u>1,152,108</u>	<u>323,468</u>	<u>6,156,489</u>
Depreciation							
At 1 July 2022	734,169	252,915	421,081	55,224	309,702	125,692	1,898,783
Charge for the year	88,350	14,356	12,167	822	58,352	24,046	198,093
Elimination in respect of disposals	-	(180,000)	-	-	-	-	(180,000)
At 30 June 2023	<u>820,519</u>	<u>87,271</u>	<u>433,248</u>	<u>56,046</u>	<u>368,054</u>	<u>149,738</u>	<u>1,914,876</u>
Net book value							
At 30 June 2023	<u>3,077,504</u>	<u>165,547</u>	<u>38,304</u>	<u>2,474</u>	<u>784,054</u>	<u>173,730</u>	<u>4,241,613</u>
At 30 June 2022	<u>3,112,630</u>	<u>96,353</u>	<u>55,847</u>	<u>3,296</u>	<u>842,406</u>	<u>197,776</u>	<u>4,308,308</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Charity

	Cedars Community Centre £	Furniture and equipment £	Meriden Community Centre £	Total £
Cost				
At 1 July 2022	4,216,387	126,608	1,152,108	5,495,103
Additions	51,224	-	-	51,224
Disposals	-	(5,376)	-	(5,376)
At 30 June 2023	<u>4,267,611</u>	<u>121,232</u>	<u>1,152,108</u>	<u>5,540,951</u>
Depreciation				
At 1 July 2022	734,169	71,985	309,702	1,115,856
Charge for the year	86,981	10,943	58,352	156,276
At 30 June 2023	<u>821,150</u>	<u>82,928</u>	<u>368,054</u>	<u>1,272,132</u>
Net book value				
At 30 June 2023	<u>3,446,461</u>	<u>38,304</u>	<u>784,054</u>	<u>4,268,819</u>
At 30 June 2022	<u>3,482,218</u>	<u>54,623</u>	<u>842,406</u>	<u>4,379,247</u>

14 Fixed asset investments

Group

	2023 £	2022 £
Loans	<u>318,961</u>	<u>318,961</u>
	<u>318,961</u>	<u>318,961</u>

Charity

	2023 £	2022 £
Shares in group undertakings	2	2
Loans	<u>318,961</u>	<u>318,961</u>
	<u>318,963</u>	<u>318,963</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 July 2022	2	2
At 30 June 2023	2	2
Net book value		
At 30 June 2023	2	2
At 30 June 2022	2	2

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
Watford Trust Trading Limited	England and Wales	Ordinary	100%	100%	The hiring of community centre facilities
Watford FC Women Limited	England and Wales	Ordinary	100%	100%	Running Watford Women FC

Watford Trust Trading Limited (WTT) - Company Number: 06692917

During the year, WTT charged the charity £18,000 (2022: £18,000) for astroturf pitch usage, £828 (2022: £1,104) for motor vehicle usage, £1,224 (2022: £35,028) for equipment usage and £18,000 (2022: £18,000) for astroturf pitch maintenance.

Included in debtors is a balance of £548,547 (2022: £623,547) due from the subsidiary.

	2023 £
Aggregate capital and reserves	39,370
Profit/(Loss) for the year	(22,803)

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Watford FC Women Limited (WW) - Company Number: 08549712

Included in debtors is a balance of £- (2022 - £3,866).

	2023 £
Aggregate capital and reserves	<u>(40,731)</u>

15 Debtors

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Trade debtors	131,393	100,551	101,271	98,961
Due from group undertakings	-	-	571,076	680,163
Due from participating interest	-	2,819	-	-
Prepayments	62,604	100,931	62,604	65,152
Other Debtors	419	-	-	-
	<u>194,416</u>	<u>204,301</u>	<u>734,951</u>	<u>844,276</u>

16 Cash and cash equivalents

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Cash on hand	336	980	336	980
Cash at bank	3,043,437	2,924,101	2,735,458	2,527,843
	<u>3,043,773</u>	<u>2,925,081</u>	<u>2,735,794</u>	<u>2,528,823</u>

17 Creditors: amounts falling due within one year

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Trade creditors	66,440	78,149	58,988	75,774
Other taxation and social security	63,556	57,365	52,498	48,328
Owed to related parties	-	-	-	67,923
Other creditors	330,863	305,714	307,515	300,062
	<u>460,859</u>	<u>441,228</u>	<u>419,001</u>	<u>492,087</u>

Deferred income

	2023 £
Deferred income at 1 July 2022	235,861
Resources deferred in the period	165,941
Amounts released from previous periods	<u>(235,861)</u>
Deferred income at year end	<u>165,941</u>
Arisen as a result of income depending on future conditions becoming probable that they will be met.	

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

18 Provisions

Group

	2023 £
Short term timing differences	<u>15,950</u>

19 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

20 Funds

Group

	Balance at 1 July 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2023 £
Unrestricted funds					
<i>General</i>					
General Fund	2,026,105	1,646,554	(1,812,539)	(16,340)	1,843,780
Designated reserves	-	-	-	500,000	500,000
Total unrestricted funds	<u>2,026,105</u>	<u>1,646,554</u>	<u>(1,812,539)</u>	<u>483,660</u>	<u>2,343,780</u>
Restricted funds					
Social Inclusion	132,779	313,972	(260,899)	(27,981)	157,871
Health & Wellbeing	415,598	561,003	(593,796)	(47,027)	335,778
Learning & Skills	275,658	389,317	(211,079)	(259,868)	194,028
Football & Sports Development	170,099	520,415	(400,598)	(71,128)	218,788
My Place	2,055,553	-	(69,566)	-	1,985,987
Cedars Community Centre	857,360	205,368	(186,054)	(70,694)	805,980
Meriden Community Centre	1,348,414	100,889	(163,234)	(6,962)	1,279,107
Total restricted funds	<u>5,255,467</u>	<u>2,090,964</u>	<u>(1,885,226)</u>	<u>(483,660)</u>	<u>4,977,545</u>
Total funds	<u>7,281,571</u>	<u>3,737,518</u>	<u>(3,697,765)</u>	<u>-</u>	<u>7,321,325</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Group (prior year)

	Balance at 1 July 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2022 £
Unrestricted funds					
General					
General Fund	1,713,779	1,834,159	(1,606,558)	84,725	2,026,105
Restricted funds					
Social Inclusion	115,632	352,853	(285,644)	(50,062)	132,779
Health & Wellbeing	291,799	824,017	(624,634)	(75,584)	415,598
Learning & Skills	16,034	496,524	(229,651)	(7,250)	275,658
Football & Sports Development	78,336	460,873	(316,374)	(52,736)	170,099
My Place	2,141,903	-	(86,350)	-	2,055,553
Cedars Community Centre	805,536	134,234	(160,921)	78,511	857,360
Meriden Community Centre	1,418,371	72,159	(164,507)	22,396	1,348,419
Total restricted funds	4,867,611	2,340,660	(1,868,081)	(84,725)	5,255,466
Total funds	6,581,390	4,174,819	(3,474,639)	-	7,281,571

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Charity

	Balance at 1 July 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2023 £
Unrestricted funds					
<i>General</i>					
General Fund	2,254,405	1,326,674	(1,472,108)	(16,340)	2,092,631
Designated reserves	-	-	-	500,000	500,000
Total unrestricted funds	2,254,405	1,326,674	(1,472,108)	483,660	2,592,631
Restricted funds					
Social Inclusion	133,360	313,972	(260,899)	(27,981)	158,452
Health & Wellbeing	415,598	561,003	(593,796)	(47,027)	335,778
Learning & Skills	275,658	389,317	(211,079)	(259,868)	194,028
Football & Sports Development	170,099	520,415	(400,598)	(71,128)	218,788
My Place	2,124,320	-	(69,566)	-	2,054,754
Cedars Community Centre	857,368	205,368	(186,054)	(70,694)	805,988
Meriden Community Centre	1,348,414	100,889	(163,234)	(6,962)	1,279,107
Total restricted funds	5,324,817	2,090,964	(1,885,226)	(483,660)	5,046,895
Total funds	7,579,221	3,417,638	(3,357,334)	-	7,639,526

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

Charity (prior year)

	Balance at 1 July 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2022 £
Unrestricted funds					
<i>General</i>					
General Fund	1,947,396	1,320,574	(1,098,290)	84,725	2,254,405
Restricted funds					
Social Inclusion	116,213	352,853	(285,644)	(50,062)	133,360
Health & Wellbeing	291,799	824,017	(624,634)	(75,584)	415,598
Learning & Skills	16,034	496,525	(229,651)	(7,250)	275,658
Football & Sports Development	78,336	460,873	(316,374)	(52,736)	170,099
My Place	2,210,670	-	(86,350)	-	2,124,320
Cedars Community Centre	805,544	134,234	(160,921)	78,511	857,368
Meriden Community Centre	1,418,371	72,159	(164,513)	22,396	1,348,413
Total restricted funds	<u>4,936,967</u>	<u>2,340,661</u>	<u>(1,868,087)</u>	<u>(84,725)</u>	<u>5,324,816</u>
Total funds	<u>6,884,363</u>	<u>3,661,235</u>	<u>(2,966,377)</u>	<u>-</u>	<u>7,579,221</u>

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

The specific purposes for which the funds are to be applied are as follows:

Designated funds – The Senior Leadership Team have identified significant areas of investment in the Trust as we look to deliver our new strategy launching in 2024. Lessons learnt from the pandemic have highlighted a need to embrace the everchanging digital world and there are several system improvements that we would like to make.

We also wish to continue key services where current funding has ended to enable the delivery of core services to our wider community. There is also a desire to invest in capital works and equipment within our business and at our two community facilities to enhance functionality and improve environmental sustainability.

Transfers from Restricted Funds during the year ended 30 June 2023 are in respect of completed projects or represent costs that had been incurred from unrestricted funds. No sums are liable to be repaid in respect of these amounts.

(i) **Social Inclusion** - Projects are run to provide positive opportunities and experiences for disadvantaged and hard to engage young people. This is done through offering a range of sports based youth diversionary activities. The objectives of the projects are to reduce anti-social behaviour, youth crime, enhance community cohesion, encourage good citizenship and provide volunteering and employment opportunities for young people.

Our flagship community programme, PL Kicks is funded by the Premier League Charitable Fund.

(ii) **Healthy Living** – The Trust runs a number of Health and Wellbeing projects that cover a variety of areas including supporting those living with dementia, weight loss and active lifestyle encouragement, children's mental health awareness and education, wellbeing workshops, recreational and social activities for older adults and social prescribing services for young people.

Core funders include the Premier League Charitable Fund, Local Authorities, Comic Relief and grant giving Trusts.

(iii) **Learning & Skills** – Projects include a life skills and personal development programmes for 16 and 17 year olds along with a curriculum based programme to inspire children and young people to develop skills and positive attitudes to succeed in life. Core funders include Reed in Partnership, EFL Trust and the Premier League Charitable Fund.

(iv) **Football & Sports Development** – Projects provide 16-19 year olds with the opportunity to combine football coaching and matches with a BTEC qualification within a college or school environment. In addition, students are able to gain coaching qualifications which enhance their CV's and general employment prospects with some students going on to work for the Trust. Funding comes directly from the schools or colleges the Trust is partnered with.

(v) **MyPlace** – Relates to Cedars Youth & Community Centre in Harrow which the Trust runs and manages via a long term lease with Harrow Council.

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

(vii) Cedars Community Centre - Funding came from a range of sources and the centre continues to support a number of projects and activities with its variety of facilities and courses. Recent improvements have been made to both the centre and the astroturf facility with both usage and environmental sustainability in mind.

(viii) Meriden Community Centre - Funding comes from Watford Borough Council who support the costs associated with the Trust running and managing the centre. There is also capital funding which relates to refurbishment of the centre and associated facilities.

21 Analysis of net assets between funds

Group

	Unrestricted funds		
	General £	Restricted funds £	Total funds at 30 June 2023 £
Tangible fixed assets	380,055	3,860,928	4,240,983
Fixed asset investments	318,961	-	318,961
Current assets	1,644,764	1,116,617	2,761,381
Total net assets	2,343,780	4,977,545	7,321,325

Charity

	Unrestricted funds		
	General £	Restricted funds £	Total funds at 30 June 2023 £
Tangible fixed assets	24,650	4,244,169	4,268,819
Fixed asset investments	318,963	-	318,963
Current assets	2,249,018	802,726	2,941,316
Total net assets	2,592,631	5,046,895	7,639,526

Watford FC's Community Sports & Education Trust

Notes to the Financial Statements for the Year Ended 30 June 2023

22 Related party transactions

Charity

During the year the charity made the following related party transactions:

The Watford Association Football Club Limited

The charitable company is associated, by virtue of a common director, with The Watford Association Football Club Limited (WAFC).

During the year WAFC charged the company £- (2022: £43,243) for goods and services and £977 (2022: £12,241) for recharged expenses.

On 29 June 2005 the company loaned £668,961 to WAFC which was due for repayment on 29 June 2010. Loan repayment extensions were granted by the Trustees in subsequent years. On 14 April 2016, there was a further extension whereby £150,000 was due for repayment. The balance due in less than one year is £100,000 (2022: £50,000) more than one year is £219,000 (2022: £269,000).

The loan bears interest at 2% above Barclays Bank base rate and is secured by a legal charge over WAFC's freehold stadium. The directors of the company who are also directors of WAFC declared an interest in the transaction and were not involved in the decision to grant the loan. During the year the interest receivable from WAFC amounted to £18,995 (2022: £6,341).

23 Trustees' remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.