

Charity Registration No. 1124896

Company Registration No. 06412345 (England and Wales)

**NEWCASTLE UNITED FOUNDATION
(A CHARITABLE COMPANY LIMITED BY
GUARANTEE)**

**TRUSTEES' REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2023**

NEWCASTLE UNITED FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Alexander F Ameobi S Bullock (Appointed 1 January 2023) D Eales J P B Marshall G Mason M F Percy M R Thompson B Thorpe
Charity number	1124896
Company number	06412345
Registered office	NUCASTLE Diana Street Newcastle Upon Tyne United Kingdom NE4 6BQ
Auditor	RSM UK Audit LLP Chartered Accountants 1 St. James' Gate Newcastle upon Tyne United Kingdom NE1 4AD
Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

The day-to-day operations of Newcastle United Foundation were led by the Senior Management Team consisting of the CEO Steve Beharall, Director of Programmes and Impact Andy Foster, Director of Finance and Resources Helen Wilson, Head of Compliance Steve Mack, Head of Facilities and Foundation Business Malcolm Munro and Head of HR and Administration Katie Tasker.

The day-to-day operations of the Foundation were restructured during the year to reduce silo working to create clear lines of accountability and responsibility for delivery, sales, quality, account management, impact and reporting.

The new delivery structure included three senior appointments; Liam Atkin Senior Programme Operations, Alex Curran Senior Manager for Sport and Wellbeing and Gavin Ferry Senior Manager for Learning and Skills.

Governance was led by trustees including a Finance and Risk Committee and our subsidiary company Newcastle United Foundation Projects board, both meeting quarterly to lead on specific areas of business for the board of trustees.

An essential part in the success of our charity are the people we employ and during the period, with the support of Newcastle United Football Club, we started an evaluation of every job description across the Foundation. Working with an expert advisor, each job was evaluated against the job description on a national, regional and local level with a commitment to ensuring we have fair and competitive salaries.

July 2023 brought the end to our 2020-23 business plan objectives and allowed us the opportunity to review progress against target and reflect on our assumptions when planning this business cycle in 2019. In addition to our business-as-usual functions, we agreed with our board of trustees the following focus for our work during this period:

1. To be ambitious for our communities, aspiring to be the best we can be.

We made a commitment to search for and take opportunities where we can to expand programmes, staffing and impact across our portfolio of work, taking a view that more quality and transformative work will help us to raise aspirations across our community.

2. To create safe places for our community, programmes, people and participants.

This was a focus on the construction of NUCASTLE and developing programmes that would be suitable for the local community whilst ensuring we didn't displace programmes across our region to relocate them to NUCASTLE.

3. To increase our reach and impact, through our programmes, facilities and resources.

We wanted to be able to articulate the difference we make on our programme delivery and from within NUCASTLE, ensuring we have a complimentary offer across each of our local authority areas. We had to also ensure we have the resources we needed to make sure NUCASTLE was a success.

4. To be admired and respected for the quality of our work and our people.

We wanted third party endorsement through reputable awards for our programmes and in recognition of the impact of our staff delivering and supporting communities.

Our themes of work allowed us to delegate accountability and responsibility for areas of the business plan across the senior management team under the leadership of the Chief Executive Officer.

1. Capital Build and Facilities:

What we hoped to achieve in 2020	What we achieved by July 2023
Capital build to open in 2021	We officially opened NUCASTLE in March 2022 following a soft launch with staff in December 2021 to prepare for facility operations
Lemington Football Centre profitability including an established junior girls' team hub	We have developed a partnership with a local junior team to use the facility on an ongoing basis and have ambitious plans including a feasibility study to redevelop the site
A realistic and achievable business plan for Murray House (NUCASTLE)	Now named NUCASTLE, we have a business plan that exceeds our initial plans and allowed us to invest an additional £43,960 worth of free activities for the local community in addition to other free to attend adult and junior sessions
NU Futures community hubs developed in community assets	We now have hub sites in Ashington Hirst and Howden and launched a new site in the Metrocentre later in 2023

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

2. Key Relationships and Communications:

What we hoped to achieve in 2020	What we achieved by July 2023
An established partnership with Newcastle United Football Club, allowing access to communications and supporter base	Our relationship with Newcastle United is stronger than ever and we work collaboratively on commercial partnerships to reinvest back into local priorities – we now work together on partnerships that will benefit our local community
Key relationships account managed, and grants maintained through impactful delivery	Growth in grants (excluding NUCASTLE) from £2m to £2.16m
Strong track record of delivery with partners and subcontracts including Prince's Trust TEAM, BTEC and EFL Trust (NCS)	We have 42 learners on our subcontracted BTEC esports qualification with Newcastle College and have grown our Prince's Trust TEAM employability programme to six cohorts a year. The EFL Trust lost the contract for NCS, but we have maintained a small cohort to continue the work

3. Systems and Compliance:

What we hoped to achieve in 2020	What we achieved by July 2023
A digital plan is created and a culture of thinking digital first!	Our initial assumptions for a digital plan were under resourced and, whilst we have increased our technology stack, we will continue this focus of work into 2023-26
Systems that work together including IT, finance, website, CRM and HR	Our technology stack provides us with the systems we need to work efficiently, however they require manual uploads, and we require a more automated option
Compliance with the Premier League Capability Code of Practice (CCOP)	We were successful in our submission to Premier League Charitable Fund and our application received an exemplary standard of 93%

4. Impact:

What we hoped to achieve in 2020	What we achieved by July 2023
Getting more out of the programmes we have through general efficiencies	Our utilisation of staffing for programme delivery remains optimal and we were successful in restructuring the week to a Monday to Friday for most staff with others on a flexible work programme
An impact framework across all delivery programmes	Completed and we now focus on ensuring all programmes have an equality impact assessment
The ability to track and monitor the pathways and destinations of participants and learners	We hold important data on the impact of our programmes on individuals but need to focus on how we track the destinations as well as internal participant referrals
Operation plans linked to the business plan KPIs	Department and individual appraisal targets were linked to the 2020-23 business plan
A SMT data pack that can pull data from digital systems to quickly demonstrate impact	Our monthly metrics are manually uploaded and don't allow the ability to access quick data and we continue to develop a dashboard that automatically integrates live data

5. Safeguarding, Quality and People:

What we hoped to achieve in 2020	What we achieved by July 2023
A successful Premier League Safeguarding Audit	Each audit has been a success, and we continue to meet and exceed audit expectations with areas of national best practice for our esports programmes
A people plan across the Foundation	We have made some progress in this area but will continue this as a priority into the next business plan cycle
Talent management to support the identification and development of key staff	A focus on people managers and middle management to ensure our line management supports our ambition to be a great place to work
Pathways – lateral and vertical with Newcastle United and key partners or stakeholders	Lateral movement into key roles at Newcastle United including corporate communications and supporter services
Recruitment and attraction planning	We have continued to grow our head count from 192 employees in 2022 to 209 employees in 2023 and now have dedicated workforce development coordinator linking with HE and FE to identify a talent pipeline

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

6. Financial forecast:

What we hoped to achieve in 2020	What we achieved by July 2023
Growth in turnover excluding NUCASTLE (forecast): 20/21: £4.1m, 21/22: £4.4m, 22/23: £4.7m	20/21: £4.4m 21/22: £5.6m 22/23: £6.4m
Growth in earned income and reduction in raised income: 20/21: Earned/Raised 40%/60% 21/22: Earned/Raised 46%-54% 22/23: Earned/Raised 50%-50%	20/21: Earned/Raised 34%-66% 21/22: Earned/Raised 39%-61% 22/23: Earned/Raised 41%-59% The target of earned to raised income was not achieved, however this was due to higher grant income than expected which reflects positively on NUF's track record of delivery and ability to secure additional grants from existing funders and new providers
A financial forecast mitigating multiple future scenarios	Due to our financial forecasting, we were able to continue our programme delivery during the covid disruptions throughout 2020 and our sustainable and balanced budgets allowed us to navigate the pandemic

Our year end reviews highlighted the positive progress across programmes with no areas of concern. Most targets were met and often exceeded with mitigations for any targets not achieved. We focused on evidencing the impact of our work through developing theories of change and outcomes across our programmes and then measured participant progress towards these outcomes. The table below shows the outcomes we generated for participants and the % of participants who achieved each outcome where measured.

Feel more connected	89%
Improved mental wellbeing	84%
Improved physical wellbeing	94%
Increased aspirations and motivation	90%
Increased fun and activity levels	98%
Improved social skills	81%
Improved life skills	86%
Improved employability skills	98%

Individual programme highlights:

- Advanced and Performance Football Centres for girls were oversubscribed due, in part, to the positive impact of Newcastle United Women – in addition, boys' centres were busier than previous years leading to an increased income
- Holiday Courses outperformed previous years for both participation and income
- Newcastle United Foundation Power Chair team played live on BT Sport and narrowly lost out on qualifying for Champions League Football while our Newcastle United Foundation Down syndrome team won the international Donosti Cup in Spain, celebrating at St. James' Park with a half-time lap of honour at the pre-season Sela Cup competition
- We secured 72 participants into employment through our employability programme
- Over 9,000 students aged 11 to 16 received careers guidance through our NU Futures programme, working across every secondary school in the North of Tyne Combined Authority covering Newcastle, North Tyneside and Northumberland
- We hosted, and won, the European Football for Development Network (EFDN) European Walking Football Tournament against 16 other European clubs

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Common organisational highlights included:

- There is a growing need and demand for additional sessions across programme delivery which we will build into our planning for 2023/24 with a focus on key areas of the region
- Our new organisational staffing department structures are providing efficiencies, more collaboration and better day to day line management
- The quality of individual case studies and impact on individuals and groups continues to help us tell an emotive and impactful story about our work
- The outcome of observations was good or outstanding for the majority of staff
- Our work with targeted groups including support to refugees and families seeking asylum, the LGBTQ+ community and women and girls has grown and continues to provide positive outcomes
- The newly established girls' player pathway, establishing the Elite Talent Centre (ETC) which is part funded by the FA (£25,000) and matched by Newcastle United (£50,000) ensuring it is free to access for all players
- Our commitment to physical activity, delivering almost 1,000,000 hours of physical activity in the year

Common organisational challenges included:

- Participant behaviour is more challenging than ever to manage in school and community settings
- As we have grown, our ability to cover staff absence requires careful consideration on a weekly basis
- The protected time for colleagues to ensure data entry and administration
- Internal communication particularly around funding requirements and reporting dates across departments
- For the first time an underrepresentation of female staff, particularly Community Coaches
- The increase of travel costs for participants and schools

Programme Focus – YOLO and Chances

Following two tragic deaths across our community through knife crime, as well as a growing number of young people carrying knives in our community, we instructed Clennell Education Solutions to provide an external report on our ability to manage safeguarding and risk on our youth violence and early intervention programmes YOLO and Chances.

The report involved a deep dive into our programmes, interviews with staff and our capacity and experience to assess risk on programme and before participants are referred to us. The recommendations were shared with our funding partners in the Northumbria Police and Crime Commissioner's Violence Reduction Unit to ensure a collaborative approach and to evolve the programme and planning, ensuring we keep staff and participants safe on programme.

NUCASTLE

As we continue to evolve and develop our programmes from NUCASTLE, our world-class community hub, we are proud of the impact we are having for our community. The facility is used for Foundation programmes and also generates commercial revenue to be invested back into the charity from hire of the space by external community partners. The revenue from both sources exceeded the original business plan, as shown in the table below.

The income generated from NUCASTLE for 2023/23 exceeded target by £116,290

	2022/23 Actual	2022/23 Business Plan	Variance
TOTAL INCOME – FOUNDATION	£181,190	£96,273	£84,917
TOTAL INCOME – EXTERNAL	£188,853	£157,480	£31,373
TOTAL INCOME	£370,043	£253,753	£116,290
Foundation %	49%	38%	
External %	51%	62%	

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

The internal Foundation programmes included:

- 866 block booking sessions with 21,021 attendees
- 314 events hosted – 197 external and 117 internal with 6,242 attendees
- Our free community sessions included 5,381 juniors, 1,343 adult sessions and 4,321 for family sessions

In addition to the business plan for NUCASTLE we are proud to have provided several free community activities based on local need, working with the West End Schools Trust and other community partners. In total we gave away commercial opportunities for free access to NUCASTLE including our classrooms, 4G rooftop pitch, esports and HADO parties with a total value of £43,960.

Business Planning

In August 2022 we started the process of planning for the next iteration of our business plan to cover the period August 2023 to July 2026. This began with a review of current data, insight and preparation of a data gathering template which allowed us to gather and consolidate quantitative and qualitative data from interviews with staff from across the Foundation. We held a separate trustee visioning session which also included key colleagues from Newcastle United Football Club to ensure the vision for our charity continues to have purpose and ambition. The senior management team held an away day to ensure we had the time and focus to discuss and debate the future needs of the Foundation and communities we serve.

In January 2023 we presented the first draft of the 2023-26 business plan to trustees and other key stakeholders and ensured we used the remaining months leading up to July to work towards a final draft and associated budgets and resources to support.

In June 2023 we started a board effectiveness review to support our governance and to create a forward plan of actions for the chair of trustees, the senior management team and trustees. A desktop review was undertaken by an external expert including analysis of Premier League COOP guidance, governing documents and policies, as well as previous board minutes and sub committee's structure. Each trustee and member of the senior management team took part in a series of questionnaires and interviews to better understand their view on our governance, interactions and effectiveness. We expect to develop a 12-month action plan to take into the next business plan cycle.

Brand and Communications

Throughout the 12-month period, the impact of the Foundation's work across the North East has been shared regionally, nationally and internationally through the charity's marketing and communications efforts, underpinning brand awareness and credibility in the third sector.

Digitally, official social media accounts for the Foundation (Instagram, LinkedIn, Facebook, X [formerly Twitter], YouTube) had a total audience of more than 60k followers. Across all channels, the Foundation gathered 7.044m impressions (the number of times content is seen) and more than 373,000 engagements (the number of times audiences interacted with content). This engagement rate demonstrates a significant 46% increase year-on-year and produces an average 5.3% engagement rate per impression, well above the "good" engagement rate between 1% – 3.5%.

The period also represents important growth in the Foundation's digital operations via its website – nufoundation.org.uk, generating 448k page views. The website is a key tool to showcase the Foundation's work and is crucial to the Foundation's e-commerce output, directly responsible for securing income e.g., Holiday Courses. Dedicated action has been taken to develop and drive traffic to the website, generated through the creation of high quality, optimised content with targeted landing pages engaging our online audiences via social media, e-communications and digital ads.

Strong relationships with regional and national media, as well as Newcastle United's content and communications teams, has seen the Foundation's work shared and enjoyed globally. The close working relationship with the Club has allowed for greater access to secure appearances and visits from men's and women's first team players, generating significant interest in the Foundation.

Stories throughout the period have been shared or captured by external media across broadcast, digital and print publications, including; BBC Look North, BBC Match of the Day, BBC Newcastle, The Chronicle/Chronicle Live, ITV Tyne Tees, ITV X, Global Radio, NUFC TV, Sky Sports/Sky Sports News, Premier League Productions and their international rights holders and more.

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Sustainability

We have now measured the impact of the Foundation's operations on the environment and created a policy, procedure and action plan to reduce our emissions to carbon neutral for Scope 1 (direct) and Scope 2 (indirect) emissions by 2030, and a commitment to reducing Scope 3 (indirect) emissions by 2040.

Financial review

The table below summarises the financial position for financial years 2023 and 2022:

	2023	2022	Variance
Total incoming resources*	£6,380,690	£7,995,068	(£1,614,378)
Total outgoing resources	-£6,246,867	-£5,517,514	(£729,353)
Net incoming resources**	£133,823	£2,477,554	(£2,343,731)
*incoming resources excluding NUCASTLE capital grants	£6,380,690	£5,632,785	£747,905
**Net incoming resources excluding NUCASTLE capital grants and depreciation	£283,894	£115,271	£168,623

The incoming resources include the capital grants and donations for NUCASTLE. In the prior year these totalled £2.4m and are classified as restricted income in the consolidated accounts. Last year was the final period for NUCASTLE capital income as the full amount has been received. The NUCASTLE construction costs have been incurred with an outstanding commitment of £108k in the form of a retention payment which has been carried forward on the balance sheet.

Excluding the NUCASTLE restricted income, the total income and endowments has increased by £748k compared to the prior year. This consists of a decrease in donations and legacies of £29k, an increase in charitable activities of £731k, other trading activities of £22k and investment income of £25k.

The donations and legacies income includes donations and gifts which decreased by £270k. This is largely due to the staff remuneration contributions from Newcastle United Football Club which was £341k in 2023, a reduction of £292k compared to the prior year. The reduction represents a move away from reliance on the one-off annual bonus to NUF salaries at externally benchmarked levels from 23/24. NUF and Newcastle United Football Club have agreed an alternative interim package of support to facilitate this change in approach. The gift in kind donation has increased by £230k to £322k due to a more complete quantification of the support from Newcastle United Football Club. The grants received has increased by £10k.

The increase in charitable activities income consists of growth in all areas of the charitable activities as NUF expands and increases its operations. Fees and sales have increased by £173k and £288k respectively and grants have decreased by £65k.

Expenditure has increased by £730k. Expenditure on charitable activities as a proportion remained at 96% of total activities. The expenditure on charitable activities increased by £691k. This is due to an increase in the gift in kind, the direct project costs as a result of programme growth, and the NUCASTLE costs with 22/23 being the first full year of operation.

Reserves policy

A large proportion of the Foundation's annual running costs are met by the receipt of grant funding (subject to any relevant performance conditions). The trustees seek to maintain the level of free reserves to cover at least three months' running costs of current activities and monitor the position twice a year. Under this calculation, the target level of reserves at the end of 31 July 2023 would be £1,128k. Reserves at 31 July 2023 are shown in the table below, compared to the prior year.

	2023	2022
Reserves	£10,725,635	£10,591,812
Restricted Reserves	£9,226,103	£9,553,343
Unrestricted Fixed Assets	£505,831	£548,612
Free Reserves	£933,157	£848,888

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

The free reserves are slightly below the three-month running costs. The level of reserves is crucial to the financial health of the Foundation as it faces the risks and challenges associated with the initial operation of NUCASTLE.

Going concern

In conclusion, after making appropriate enquires, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Investment policy and performance

The trustees have powers to invest funds as they see fit as set out in the memorandum and articles of association. At the present time, surplus cash reserves are held in short to medium term deposit accounts.

Risk management

The trustees maintain a comprehensive risk register, which is reviewed on a regular basis. Key risks are the recruitment and retention of staff, future funding streams, safeguarding and the operational and financial risks related to running NUCASTLE. The Board have considered the impact of these and other risks and are satisfied that the systems and procedures the charity has in place are sufficient to mitigate these.

Plan for the Future

Following a year of consultation and planning we agreed the 2023-26 strategic business plan to ensure our charitable objectives meet the needs of our community and that we continue to grow our impact by raising aspirations and creating opportunities. We have the ability to inspire people through the local passion for football, our players and the Premier League as well as through our inspirational workforce of teachers, coaches, projects officers and coordinators. We continue to develop inspiring products like our world class home, NUCASTLE and also through our portfolio of programmes to support with employability, health and wellbeing and education

Below are the four strategic priorities that sit above the day to day business of our charity:

SG1	NUCASTLE	Ensuring that NUCASTLE is an accessible community facility that increases physical activity, develops skills and provides greater opportunities for local people.
SG2	Programmes and Participation	To increase programme participation opportunities where they are needed most supporting the health and wellbeing of our community.
SG3	Employability and Social Mobility	To increase employability outcomes & support targeted social mobility within our community.
SG4	Newcastle and the North East	Be a leading advocate for Newcastle & the North East, taking a national and global approach to raising funds in support of our vision and mission.

To support the strategic objectives, we have identified five strategic enablers

SE1	Finance	Diversify our income to improve financial sustainability & resilience.
SE2	Systems, data & Insight	We will use systems, data & insight to better understand the needs of our community and demonstrate our impact to our beneficiaries.
SE3	People Plan	Create a detailed people development plan which champions Equality, Diversity & Inclusivity and enables us to recruit, develop and retain great people.
SE4	NUFC & Partners	Further develop our partnership with Newcastle United & create additional key partnerships to ensure a collaborative approach to deliver our vision.
SE5	Emotive Stories	Tell emotive stories about our impact to inspire people to collaborate, support and engage with us.

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Structure, governance and management

Constitution

Newcastle United Foundation is a company limited by guarantee, governed by its memorandum and articles of association dated 25 October 2007 and amended on 29 January 2010. On 8 July 2008 it registered as a charitable company with the Charity Commission (registered number 1124896).

The trustees, who are also the directors for the purpose of company law, and who served during the year and subsequent to the year-end were:

J P B Marshall
C Alexander
F Ameobi
S Bullock (appointed 1 January 2023)
D Eales
S A Harper (resigned 4 September 2023)
G Mason
M F Percy
M R Thompson
B Thorpe

Method of appointment or election of trustees

As set out in the articles of association, trustees are appointed by members. The subscribers to the memorandum and such other persons or organisations as are admitted to membership in accordance with its articles are members of the charity.

None of the trustees has any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure and decision making

Trustees meet six times a year for formal board meetings, in addition to which the Chief Executive Officer of Newcastle United Foundation meets with the chair of the trustees monthly for a business review meeting. Trustees provide leadership for the Foundation's strategy and monitor the performance to ensure the charity is staying focused on the declared mission. The trustees also provide valuable networking support and access to various other stakeholders. Board meetings also take place between four and six times a year for the Foundation's subsidiary; Newcastle United Foundation Projects Limited. The Foundation also has two sub-committees of the board: Finance and Risk and the Newcastle United Foundation Projects Board.

The Chief Executive Officer is appointed by the trustees to manage the day-to-day operations of the charitable company and lead the senior management team. The senior management team ensures the Foundation achieves its mission and delivers its business plan, as well as working together to address key issues involved with running the organisation. During the year the Senior Management Team comprised Chief Executive Officer – Steve Beharall, Director of Programmes and Impact – Andy Foster, Director of Finance and Resources – Helen Wilson, Head of Compliance – Steve Mack, Head of Facilities and Foundation Business – Malcolm Munro, Head of HR & Administration – Katie Tasker.

The pay of key management personnel is reviewed annually. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charity can afford any proposed increase.

Trustee induction and training

New trustees receive an induction pack which includes the memorandum and articles of association, business plan and recent financial performance of the charitable company. They are all asked to sign a Declaration of Eligibility to Act, a Declaration of Interests form and Confidentiality statement. Trustees, once appointed, receive relevant ongoing support and training in their role.

NEWCASTLE UNITED FOUNDATION

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Related party relationships

Although Newcastle United Foundation is governed and financed independently of Newcastle United Football Company Limited (the Club), the Club supports the charitable company in many ways, including through gifts in kind of match tickets, discounted season tickets for staff and merchandise. Further information can be found in the notes to the accounts.

The Foundation is grateful for the continued support of the Club's owners, the Senior Management Team and staff, in particular the Safeguarding, Equality and Diversity, Legal, Facilities, Payroll and IT departments which also service the Foundation.

Auditor

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

Disclosure of information to auditor

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

The trustees' report was approved by the Board of Trustees.



.....
J P B Marshall

Chair
Dated: 29/02/24

NEWCASTLE UNITED FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2023

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

Company Law requires the trustees to prepare financial statements for each financial year which 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 charitable company for that year.

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

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

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

NEWCASTLE UNITED FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NEWCASTLE UNITED FOUNDATION

Opinion

We have audited the financial statements of Newcastle United Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NEWCASTLE UNITED FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NEWCASTLE UNITED FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 9, 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of

NEWCASTLE UNITED FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NEWCASTLE UNITED FOUNDATION

material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, tax legislation and the parent charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, and inspecting correspondence and minutes.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and safeguarding. We performed audit procedures to inquire of management, including the Health and Safety Manager and Safeguarding Manager, whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

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

Lucy Robson

01/03/24

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

NEWCASTLE UNITED FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2023

		Unrestricted funds	Restricted funds general	Restricted capital funds NUCASTLE	Total 2023	Total 2022
	Notes	£	£	£	£	£
<u>Income from:</u>						
Donations and legacies	3	437,911	620,815	-	1,058,726	1,088,156
Charitable activities	4	2,370,817	2,587,879	-	4,958,696	6,590,353
Other trading activities	5	335,877	-	-	335,877	313,883
Investments	6	27,391	-	-	27,391	2,676
Total income and endowments		3,171,996	3,208,694	-	6,380,690	7,995,068
<u>Expenditure on:</u>						
Raising funds	7	188,786	54,591	-	243,377	205,694
Charitable activities	8	2,672,218	3,331,272	-	6,003,490	5,311,820
Total resources		2,861,004	3,385,863	-	6,246,867	5,517,514
Transfers between funds		150,071	-	(150,071)	-	-
Net movement in funds		461,063	(177,169)	(150,071)	133,823	2,477,554
Total funds brought forward		1,038,469	1,438,736	8,114,607	10,591,812	8,114,258
Total funds carried forward		1,499,532	1,261,567	7,964,536	10,725,635	10,591,812

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

All income and expenditure derive from continuing activities.

NEWCASTLE UNITED FOUNDATION**CONSOLIDATED BALANCE SHEET****AS AT 31 JULY 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	7,817,608		8,007,975	
Intangible assets	13	8,701		11,186	
		<u>7,826,309</u>		<u>8,019,161</u>	
Current assets					
Debtors	16	1,214,083		2,080,111	
Cash at bank and in hand		<u>3,137,625</u>		<u>2,349,856</u>	
		4,351,708		4,429,967	
Creditors: amounts falling due within one year	17	<u>(1,452,382)</u>		<u>(1,857,316)</u>	
Net current assets		<u>2,899,326</u>		<u>2,572,651</u>	
Total assets less current liabilities		<u>10,725,635</u>		<u>10,591,812</u>	
<u>Restricted funds</u>					
NUCASTLE capital fund		7,964,536		8,114,607	
General restricted funds		<u>1,261,567</u>		<u>1,438,736</u>	
		9,226,103		9,553,343	
<u>Unrestricted funds</u>					
General unrestricted funds		1,438,988		1,038,469	
Designated funds		<u>60,544</u>		<u>-</u>	
		1,499,532		1,038,469	
	20	<u>10,725,635</u>		<u>10,591,812</u>	

The financial statements were approved by the Trustees on 29/02/24



.....
J P B Marshall
Chair

NEWCASTLE UNITED FOUNDATION**COMPANY BALANCE SHEET****AS AT 31 JULY 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	159,076		175,582	
Intangible assets	13	8,701		11,186	
Investments	15	1		1	
		<u>167,778</u>		<u>186,769</u>	
Current assets					
Debtors	16	2,405,979		3,406,098	
Cash at bank and in hand		<u>2,439,320</u>		<u>1,408,183</u>	
		4,845,299		4,814,281	
Creditors: amounts falling due within one year	17	<u>(1,135,711)</u>		<u>(1,294,106)</u>	
Net current assets		<u>3,709,588</u>		<u>3,520,175</u>	
Total assets less current liabilities		<u>3,877,366</u>		<u>3,706,944</u>	
<u>Restricted funds</u>					
NUCASTLE capital fund		1,254,865		1,254,865	
General restricted funds		<u>1,342,836</u>		<u>1,566,405</u>	
		2,597,701		2,821,270	
<u>Unrestricted funds</u>					
General unrestricted funds		1,219,121		885,674	
Designated funds		<u>60,544</u>		<u>-</u>	
		1,279,665		885,674	
	20	<u>3,877,366</u>		<u>3,706,944</u>	

As permitted by Section 408 of the Companies Act 2006, the statement of financial activities of the parent company is not presented as part of these accounts. The parent company's total incoming resources for the financial year amounted to £5,602,393 (2022: £5,184,776) and the net movement in funds for the financial year amounted to a surplus of £170,422 (2022: £194,700).

29/02/24

The financial statements were approved by the Trustees on



.....
J P B Marshall
Chair

NEWCASTLE UNITED FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	22		861,536		2,703,090
Investing activities					
Purchase of tangible fixed assets		(111,660)		(3,717,896)	
Purchase of intangible fixed assets		-		(12,375)	
Proceeds on disposal of tangible assets		10,502		14,599	
Interest received		27,391		2,676	
Net cash used in investing activities			(73,767)		(3,712,996)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			787,769		(1,009,906)
Cash and cash equivalents at beginning of year			2,349,856		3,359,762
Cash and cash equivalents at end of year			3,137,625		2,349,856

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

Charity information

Newcastle United Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is NUCASTLE, Diana Street, Newcastle Upon Tyne, United Kingdom, NE4 6BQ.

Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The charity has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flows and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiaries, Newcastle United Foundation Projects Limited (company number: 10423688), on a line-by-line basis. A separate Statement of Financial Activities for the charity has not been presented because the Foundation has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

All financial statements are made up to 31 July 2023. Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used in line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the charity will continue in operational existence for the foreseeable future.

The group and charity have prepared forecasts to February 2025 and considered expected activity beyond this which reflect the ongoing group operational plan.

Based on the forecasts prepared, the Trustees are satisfied that the group and charity can meet its liabilities as they fall due for at least 12 months from approval of the financial statements.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies (Continued)

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind are included in the statement of financial activities at a reasonable estimate of their value at the time they are utilised by the charity, with an equivalent amount recognised as charitable expenditure. No amounts are included in the financial statements for time donated by volunteers.

Donated services, which include match day tickets and office rental, are included in income at a valuation which is an estimate of the financial cost borne by the donor, where such a cost is quantifiable and measurable.

Interest on funds held on deposit is included when receivable and the amount can be measured by the charity, this is normally upon notification of the interest paid and payable by the Bank.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of attracting voluntary income, and those incurred in trading activities that raise funds.
- Expenditure on charitable activities includes the costs of specific programmes undertaken to further the purposes of the charity and their associated support costs.
- Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Support costs included governance costs, which are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.
- Support costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of apportionment of income.

All expenditure is inclusive of irrecoverable VAT.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	5 year straight line
----------	----------------------

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies (Continued)

Tangible fixed assets

Individual tangible fixed assets costing £500 or more are capitalised. Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Where fixed assets are donated, the fair value of the donation is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category, and depreciated over its useful economic life.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Plant and equipment	5 years straight line
Fixtures and fittings	3 - 5 years straight line
Computer equipment	3 - 5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Financial instruments

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

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

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

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies (Continued)

Basic financial assets

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

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds general £	Restricted capital funds NUCASTLE £	Total 2023 £	Total 2022 £
Donations and gifts	115,524	336,278	-	451,802	721,655
Grants received	-	284,537	-	284,537	274,285
Gifts in kind	322,387	-	-	322,387	92,216
	<u>437,911</u>	<u>620,815</u>	<u>-</u>	<u>1,058,726</u>	<u>1,088,156</u>
For the year ended 31 July 2022	<u>222,885</u>	<u>865,271</u>	<u>-</u>		<u>1,088,156</u>

Gifts in kind

Gifts in kind comprise complimentary and discounted match day tickets and hospitality, matchday advertising and staff time.

4 Income from charitable activities

By source of funding	Unrestricted funds £	Restricted funds general £	Restricted capital funds NUCASTLE £	Total 2023 £	Total 2022 £
Football coaching & education - fees received	681,662	-	-	681,662	508,702
Sale of services as part of charitable activities	1,682,516	16,200	-	1,698,716	1,411,312
Contractual payments from governments or public authorities	-	702,478	-	702,478	532,975
Grants received for the provision of services	6,639	1,703,836	-	1,710,475	1,775,081
Capital grants	-	165,365	-	165,365	2,362,283
	<u>2,370,817</u>	<u>2,587,879</u>	<u>-</u>	<u>4,958,696</u>	<u>6,590,353</u>
For the year ended 31 July 2022	<u>1,932,210</u>	<u>2,295,860</u>	<u>2,362,283</u>		<u>6,590,353</u>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

4 Income from charitable activities (Continued)

By charitable activity	Unrestricted funds	Restricted funds general	Restricted capital funds NUCASTLE	Total 2023	Total 2022
	£	£	£	£	£
Income from:					
Football and sports development	593,245	605,350	-	1,198,595	714,133
Primary schools	778,604	340,943	-	1,119,547	1,086,453
Community	-	-	-	-	947,600
Health	542	329,182	-	329,724	341,247
NU Futures	-	-	-	-	1,112,820
NU Futures 16+	574,749	675,101	-	1,249,850	-
NU Futures 11-16	197,578	424,661	-	622,239	-
NUCASTLE operating activities	218,853	204,476	-	423,329	-
NUCASTLE capital	-	-	-	-	2,362,283
Other	7,247	8,165	-	15,412	25,817
	<u>2,370,818</u>	<u>2,587,878</u>	<u>-</u>	<u>4,958,696</u>	<u>6,590,353</u>

Following a review of activities in the year, management have changed the internal grouping of charitable activities to better describe them. This has resulted in activities previously denoted as NU Futures and Community now being described as NU Futures 11-16, NU Futures 16+ and NUCASTLE operating activities.

5 Income from other trading activities

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Fundraising events	261,379	-	261,379	259,362
Matchday lottery	74,498	-	74,498	54,521
	<u>335,877</u>	<u>-</u>	<u>335,877</u>	<u>313,883</u>
Other trading activities	335,877	-	335,877	313,883
	<u>313,883</u>	<u>-</u>	<u>313,883</u>	<u>313,883</u>
For the year ended 31 July 2022	<u>313,883</u>	<u>-</u>	<u>313,883</u>	<u>313,883</u>

6 Income from investments

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Interest receivable	24,764	-	24,764	2,676
Sale of investments	2,627	-	2,627	-
Investments	27,391	-	27,391	-
	<u>2,676</u>	<u>-</u>	<u>2,676</u>	<u>2,676</u>
For the year ended 31 July 2022	<u>2,676</u>	<u>-</u>	<u>2,676</u>	<u>2,676</u>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

7 Expenditure on raising funds

	Unrestricted funds	Restricted funds general	Restricted capital funds NUCASTLE	Total 2023	Total 2022
	£	£	£	£	£
Fundraising events	57,654	-	-	57,654	11,439
Online auctions and sale of goods and services	-	-	-	-	1,690
Matchday lottery	22,193	-	-	22,193	12,438
Staff costs	63,844	-	-	63,844	101,597
Other direct costs	35,062	-	-	35,062	5,116
Support costs	10,033	54,591	-	64,624	73,414
	<u>188,786</u>	<u>54,591</u>	<u>-</u>	<u>243,377</u>	<u>205,694</u>
For the year ended 31 July 2022	<u>181,086</u>	<u>24,608</u>	<u>-</u>		<u>205,694</u>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

8 Expenditure on charitable activities

	Football and sports development £	Primary Schools £	Community £	Health £	NU Futures 16+ £	NU Futures 11-16 £	NUCASTLE operational £	NU Futures £	Total 2023 £	Total 2022 £
Staff costs	707,832	989,976	-	215,380	785,105	494,682	354,727	-	3,547,702	3,322,689
Depreciation	8,524	-	-	-	24,151	-	57,442	-	90,117	32,380
Direct project costs	380,958	106,321	-	47,125	167,712	51,307	277,642	-	1,031,065	881,648
Provision of donated tickets and facilities	85,266	80,647	-	23,256	88,574	44,644	-	-	322,387	92,216
	1,182,580	1,176,944	-	285,761	1,065,542	590,633	689,811	-	4,991,271	4,328,933
Share of support costs (see note 9)	237,155	224,309	-	64,683	246,356	124,171	83,277	-	979,951	957,530
Share of governance costs (see note 9)	7,809	7,386	-	2,130	8,112	4,089	2,742	-	32,268	25,357
Total	1,427,544	1,408,639	-	352,574	1,320,010	718,893	775,830	-	6,003,490	5,311,820
Analysis by fund										
Unrestricted funds	753,451	878,511	-	34,246	440,974	258,862	306,173	-	2,672,217	2,268,954
Restricted funds - general	674,093	530,128	-	318,328	879,036	460,031	469,657	-	3,331,273	3,042,866
Restricted funds - NUCASTLE	-	-	-	-	-	-	-	-	-	-
	1,427,544	1,408,639	-	352,574	1,320,010	718,893	775,830	-	6,003,490	5,311,820
For the year ended 31 July 2022										
Unrestricted funds	667,865	801,742	332,522	22,686	-	-	-	444,139	-	2,268,954
Restricted funds	411,857	613,934	685,628	396,678	-	-	-	934,769	-	3,042,866
Restricted funds - NUCASTLE	-	-	-	-	-	-	-	-	-	-
	1,079,722	1,415,676	1,018,150	419,364	-	-	-	1,378,908	-	5,311,820

Following a review of activities in the year, management have changed the internal grouping of charitable activities to better describe them. This has resulted in activities previously denoted as Community and NU Futures now being described as NU Futures 11-16, NU Futures 16+ and NUCASTLE operational.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

9 Support costs

	Support costs £	Governance costs £	2023 £	2022 £	Basis of allocation
Staff and general costs	593,133	-	593,133	528,483	Income
Depreciation	180,048	-	180,048	129,705	Income
NUCASTLE costs	269,332	-	269,332	370,860	Income
Governance costs	-	34,330	34,330	27,253	Income
	<u>1,042,513</u>	<u>34,330</u>	<u>1,076,843</u>	<u>1,056,301</u>	
Analysed between					
Raising funds	62,562	2,060	64,622	73,414	
Charitable activities	979,951	32,270	1,012,221	982,887	
	<u>1,042,513</u>	<u>34,330</u>	<u>1,076,843</u>	<u>1,056,301</u>	

10 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging		
Fees payable to the company's auditor for the audit of the company's financial statements	24,310	22,310
Depreciation of owned tangible fixed assets	270,165	162,163
Amortisation of intangible fixed assets	2,485	1,189
Loss/(profit) on disposal of tangible fixed assets	21,360	(7,293)
Operating lease charges	<u>7,353</u>	<u>7,353</u>
Non-audit fees:		
Taxation compliance services	3,000	2,950
Assurance services	2,500	-
Other non-audit services	<u>5,450</u>	<u>5,650</u>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Football and sports development	-	16
Community	-	14
Primary schools	39	40
Fundraising	-	7
Support	22	15
Health	-	6
NU Futures	-	25
Programme Operations	67	-
NUCASTLE	9	-
	<u>137</u>	<u>123</u>

Following a review of activities in the year, management have changed the internal grouping of employee departments to better describe them in line with similar changes to the charitable activity split.

Employment costs	2023 £	2022 £
Wages and salaries	3,845,965	3,582,563
Social security costs	310,488	305,408
Other pension costs	81,836	64,799
	<u>4,238,289</u>	<u>3,952,770</u>

In addition to the above number of employees, an average of 72 (2022: 69) sessional coaches were employed during the year.

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1

Key management have been determined to be the senior management team, defined as those having authority and responsibility delegated to them by the trustees for planning, directing and controlling the activities of the charity. The total employee benefits of the key management personnel were £418,978 (2022: £346,167).

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Expenses reimbursed amounted to £nil (2022: £nil).

13 Intangible fixed assets

	Software £
Group and charity	
Cost	
At 1 August 2022	12,375
Additions	-
At 31 July 2023	<u>12,375</u>
Amortisation and impairment	
At 1 August 2022	1,189
Amortisation charged for the year	2,485
At 31 July 2023	<u>3,674</u>
Carrying amount	
At 31 July 2023	<u>8,701</u>
At 31 July 2022	<u>11,186</u>

Amortisation is charged to support costs which is then allocated to raising funds and charitable expenditure based on the split of income received.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

14 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Total £
At 1 August 2022	7,537,032	426,112	54,471	250,449	8,268,064
Additions	-	41,177	-	70,483	111,660
Disposals	-	(39,827)	-	-	(39,827)
At 31 July 2023	7,537,032	427,462	54,471	320,932	8,339,897
Depreciation and impairment					
At 1 August 2022	66,483	92,493	21,971	79,142	260,089
Depreciation charged in the year	150,071	62,430	1,959	55,705	270,165
Depreciation eliminated on disposal	-	(7,965)	-	-	(7,965)
At 31 July 2023	216,554	146,958	23,930	134,847	522,289
At 31 July 2023	7,320,478	280,504	30,541	186,085	7,817,608
At 31 July 2022	7,470,549	333,619	32,500	171,307	8,007,975

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

14 Tangible fixed assets (continued)

Charity	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Total £
At 1 August 2022	75,000	77,674	54,471	134,936	342,081
Additions	-	880	-	21,115	21,995
Disposals	-	-	-	-	-
At 31 July 2023	75,000	78,554	54,471	156,051	364,076
Depreciation and impairment					
At 1 August 2022	-	69,525	21,971	75,003	166,499
Depreciation charged in the year	-	7,209	1,959	29,333	38,501
Depreciation eliminated on disposal	-	-	-	-	-
At 31 July 2023	-	76,734	23,930	104,336	205,000
At 31 July 2023	75,000	1,820	30,541	51,715	159,076
At 31 July 2022	75,000	8,149	32,500	59,933	175,582

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

15 Fixed asset investments

	Shares in group undertakings
	£
Cost	
At 1 August 2022	1
	<hr/>
At 31 July 2023	1
	<hr/>
Carrying amount	
At 31 July 2023	1
	<hr/> <hr/>
At 31 July 2022	1
	<hr/> <hr/>

Newcastle United Foundation Projects Limited (company no: 10423688):

	2023 £	2022 £
Summary Statement of Comprehensive Income		
Income	1,109,549	607,037
Expenditure	(1,086,891)	(531,719)
	<hr/>	<hr/>
	22,658	75,318
Taxation	-	(20,188)
	<hr/>	<hr/>
Net profit after tax	22,658	55,130
	<hr/>	<hr/>

	2023 £	2022 £
The assets and liabilities of the subsidiary were:		
Fixed assets	7,655,720	7,829,580
Current assets	787,681	1,841,711
Creditors: amounts falling due within one year	(540,268)	(756,415)
Creditors: amounts falling due after more than one year	(7,860,329)	(8,894,730)
Provisions	(20,188)	(20,188)
	<hr/>	<hr/>
Total net assets	22,616	(42)
	<hr/>	<hr/>
Aggregated share capital and reserves	22,616	(42)
	<hr/> <hr/>	<hr/> <hr/>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

15 Fixed asset investments (Continued)

Newcastle United Women's Football Club Limited:

	2022
	£
Summary Statement of Comprehensive Income	
Turnover	61,812
Expenses	(59,243)
	<u>2,569</u>
Taxation	-
	<u>2,569</u>
Net profit after tax	<u>2,569</u>

	2022
	£
The assets and liabilities of the subsidiary were:	
Current assets	6,975
Creditors: amounts falling due within one year	(4,348)
	<u>2,627</u>
Total net assets	<u>2,627</u>
Aggregated share capital and reserves	<u>2,627</u>

Newcastle United Women's Football Club was transferred from the charity to Newcastle United Football Company Limited at fair market value on 25 July 2022. No activity or balances have therefore been consolidated in the financial statements for the year ended 31 July 2023.

16 Debtors

	Group	2022	Charity	2022
	2023	£	2023	£
Amounts falling due within one year:	£	£	£	£
Trade debtors	407,506	487,245	376,994	281,811
Amounts due from group undertakings	-	-	130,770	69,618
Other debtors	9,165	490,293	9,165	-
Prepayments and accrued income	797,412	1,102,573	738,548	976,162
	<u>1,214,083</u>	<u>2,080,111</u>	<u>1,255,477</u>	<u>1,327,591</u>
	2023	2022	2023	2022
Amounts falling due after more than one year:	£	£	£	£
Amounts due from group undertakings	-	-	1,150,502	2,078,507
	<u>1,214,083</u>	<u>2,080,111</u>	<u>2,405,979</u>	<u>3,406,098</u>
Total debtors	1,214,083	2,080,111	2,405,979	3,406,098

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

16 Debtors (Continued)

Amounts due from group undertakings represents an intercompany loan of £1,233,992 of which £83,490 is due in less than one year, and £1,150,502 is due after more than one year. The loan is due for repayment on 31 July 2027. Interest is charged at 2% above Bank of England base rate. The loan is secured over current and future property owned by the subsidiary.

17 Creditors: amounts falling due within one year

		Group 2023	2022	Charity 2023	2022
	Notes	£	£	£	£
Trade creditors		226,281	138,128	166,635	63,357
Amounts due to group undertakings		-	-	-	81,274
Amounts due to Newcastle United Football Company Limited		5,009	10,044	5,009	13,644
Other taxation and social security		82,678	374,635	66,542	316,425
Other creditors		34,048	28,085	13,861	28,085
Accruals		591,125	351,363	458,963	180,725
Deferred income	18	513,241	955,061	424,701	610,597
		<u>1,452,382</u>	<u>1,857,316</u>	<u>1,135,711</u>	<u>1,294,107</u>

18 Deferred income

Group	2023 £	2022 £
Balance as at 1 August	955,061	826,506
Released from previous years	(905,061)	(777,506)
Resources deferred in the year	463,241	906,061
	<u>513,241</u>	<u>955,061</u>
Charity	2023 £	2022 £
Balance as at 1 August	610,597	715,573
Released from previous years	(560,597)	(666,239)
Resources deferred in the year	374,701	561,263
	<u>424,701</u>	<u>610,597</u>

Deferred income includes income from Postcode Lottery, Newcastle Building Society, Northumbrian Water, National Lottery, Bernicia, North Tyneside Council, Gateshead Council, Karbon Homes, Inspire Sport, and Premier League Charitable Fund.

NEWCASTLE UNITED FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £81,836 (2022: £64,799). Contributions totalling £13,273 (2022: £28,104) were payable to the fund at the balance sheet date.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

20 Analysis of charitable funds

For the year ended 31 July 2023:

Group	Movement in funds				Balance at 31 July 2023
	Balance at 1 August 2022	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Unrestricted funds					
General funds	1,038,469	3,171,996	(2,861,004)	89,527	1,438,988
Designated funds – sinking fund	-	-	-	60,544	60,544
	1,038,469	3,171,996	(2,861,004)	150,071	1,499,532
Restricted funds					
Head office	94,610	341,045	(54,591)	-	381,064
Football development	170,912	650,132	(674,093)	(16,113)	130,838
Primary schools	244,889	425,649	(530,128)	-	140,410
Community	657,126	-	-	(657,126)	-
Health	97,533	346,723	(318,328)	-	125,928
NU Futures	173,666	-	-	(173,666)	-
NUCASTLE capital	8,114,607	-	-	(150,071)	7,964,536
NUCASTLE operational	-	228,235	(469,655)	-	(241,420)
NU Futures 11-16	-	469,059	(460,031)	120,538	129,566
NU Futures 16+	-	747,851	(879,037)	726,367	595,181
Restricted funds	9,553,343	3,208,694	(3,385,863)	(150,071)	9,226,103
Total funds	10,591,812	6,380,690	(6,246,867)	-	10,725,635

Charity	Movement in funds				Balance at 31 July 2023
	Balance at 1 August 2022	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Unrestricted funds					
General funds	885,674	2,739,371	(2,345,380)	(60,544)	1,219,121
Designated funds – sinking fund	-	-	-	60,544	60,544
	885,674	2,739,371	(2,345,380)	-	1,279,665
Restricted funds					
Head office	435,571	341,045	(79,137)	-	697,479
Football development	177,862	650,132	(727,389)	(16,113)	84,492
Primary schools	184,888	425,649	(557,133)	-	53,404
Community	657,126	-	-	(657,126)	-
Health	97,533	346,723	(340,988)	-	103,268
NU Futures	13,425	-	-	(13,425)	-
NUCASTLE capital	1,254,865	-	-	-	1,254,865
NU Futures 11-16	-	469,059	(512,640)	120,538	76,957
NU Futures 16+	-	630,414	(869,304)	566,126	327,236
Restricted funds	2,821,270	2,863,022	(3,086,591)	-	2,597,701
Total funds	3,706,944	5,602,393	(5,431,971)	-	3,877,366

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

20 Analysis of charitable funds (Continued)

Unrestricted funds

Unrestricted funds are available to be spent for any purposes of the charity.

Designated funds

Designated funds were earmarked by the trustees during the year ended 31 July 2023 for future capital replacements.

Restricted funds

Restricted funds are those funds where the income received is restricted to provide specific programmes and activities within the wider programme of the Foundation. This includes donations received for specific purposes and grants received for the provision of specific programmes. Restricted funds have been split by charitable activity with further details below.

Football and sports development

Participative football coaching for children and young adults with a focus on underrepresented areas such as disability football and women and girls' football.

Primary schools

Inspiring primary school children to learn, be active and develop important life skills through physical education, numeracy and literacy and character development.

Community

In the prior year there were a diverse range of programmes providing intervention and support to vulnerable children and young adults. During the year this fund was reallocated to NU Futures 11-16 and NU Futures 16+.

Health

A range of physical and mental wellbeing programmes including walking football for over 50s and 'Be a Game Changer' which is a mental health campaign targeted at male football fans.

NU Futures

Programmes focussing on personal development and employability for secondary school pupils and young adults. During the year this fund was reallocated to NU Futures 11-16 and NU Futures 16+.

NU Futures 11-16

Projects with a focus on increasing aspirations through learning and skills based activity in a classroom and on the pitch for 11 to 16 year olds. Includes targeted intervention for those who are disengaged from education.

NU Futures 16+

An inspirational and engaging programme for young people aged 16 to 25 who face disadvantages and specific barriers to a fulfilling future career.

NUCASTLE

The state-of-the-art hub from which members of the community engage in sport, develop skills, achieve qualifications, build confidence and progress in further training or employment.

The transfer between restricted and unrestricted funds represents the quantum of depreciation charged during the period on the fixed assets held within restricted funds.

Other transfers represent the change in internal grouping of charitable activities during the year.

There is a shortfall on the NUCASTLE operational fund which is expected due to the facility being in its inaugural year of operation. However, commercial income is increasing due to higher demand for the facilities, more tailored offerings and enhanced marketing campaigns.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

20 Analysis of charitable funds (Continued)

For the year ended 31 July 2022:

Group	Movement in funds				Balance at 31 July 2022
	Balance at 1 August 2021	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Unrestricted funds					
General funds	950,372	2,471,654	(2,450,040)	66,483	1,038,469
Designated funds	-	-	-	-	-
	<u>950,372</u>	<u>2,471,654</u>	<u>(2,450,040)</u>	<u>66,483</u>	<u>1,038,469</u>
Restricted funds					
Head office	106,465	342,831	(354,686)	-	94,610
Football development	180,620	347,573	(357,281)	-	170,912
Learning and skills	314,830	460,964	(530,905)	-	244,889
Community	576,161	694,174	(613,209)	-	657,126
Health	97,537	370,596	(370,600)	-	97,533
NU Futures	69,466	944,993	(840,793)	-	173,666
NUCASTLE capital	5,818,807	2,362,283	-	(66,483)	8,114,607
	<u>7,163,886</u>	<u>5,523,414</u>	<u>(3,067,474)</u>	<u>(66,483)</u>	<u>9,553,343</u>
Restricted funds					
Total funds	<u>8,114,258</u>	<u>7,995,068</u>	<u>(5,517,514)</u>	<u>-</u>	<u>10,591,812</u>

Charity	Movement in funds				Balance at 31 July 2022
	Balance at 1 August 2021	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Unrestricted funds					
General funds	776,519	2,128,194	(2,019,039)	-	885,674
Designated funds	-	-	-	-	-
	<u>776,519</u>	<u>2,128,194</u>	<u>(2,019,039)</u>	<u>-</u>	<u>885,674</u>
Restricted funds					
Head office	353,616	436,021	(354,066)	-	435,571
Football development	187,586	317,242	(326,966)	-	177,862
Learning and skills	254,829	460,964	(530,905)	-	184,888
Community	576,161	694,174	(613,209)	-	657,126
Health	97,537	370,596	(370,600)	-	97,533
NU Futures	11,132	777,585	(775,292)	-	13,425
NUCASTLE capital	1,254,865	-	-	-	1,254,865
	<u>2,735,726</u>	<u>3,056,582</u>	<u>(2,971,038)</u>	<u>-</u>	<u>2,821,270</u>
Restricted funds					
Total funds	<u>3,512,245</u>	<u>5,184,776</u>	<u>(4,990,077)</u>	<u>-</u>	<u>3,706,944</u>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

21 Analysis of group net assets between funds

For the year ended 31 July 2023:

	Unrestricted funds	Restricted funds general	Restricted capital funds NUCASTLE	Total
Group	£	£	£	£
Tangible fixed assets	497,130	-	7,320,478	7,817,608
Intangible fixed assets	8,701	-	-	8,701
Net current assets	993,701	1,261,567	644,058	2,899,326
	<u>1,499,532</u>	<u>1,261,567</u>	<u>7,964,536</u>	<u>10,725,635</u>

Charity

Tangible fixed assets	84,076	-	75,000	159,076
Intangible fixed assets	8,701	-	-	8,701
Investments	1	-	-	1
Net current assets	1,186,887	1,342,836	1,179,865	3,709,588
	<u>1,279,665</u>	<u>1,342,836</u>	<u>1,254,865</u>	<u>3,877,366</u>

For the year ended 31 July 2022:

	Unrestricted funds	Restricted funds general	Restricted capital funds NUCASTLE	Total
Group	£	£	£	£
Tangible fixed assets	537,426	-	7,470,549	8,007,975
Intangible fixed assets	11,186	-	-	11,186
Net current assets	489,857	1,438,736	644,058	2,572,651
	<u>1,038,469</u>	<u>1,438,736</u>	<u>8,114,607</u>	<u>10,591,812</u>

Charity

Tangible fixed assets	100,582	-	75,000	175,582
Intangible fixed assets	11,186	-	-	11,186
Investments	1	-	-	1
Net current assets	773,905	1,566,405	1,179,865	3,520,175
	<u>885,674</u>	<u>1,566,405</u>	<u>1,254,865</u>	<u>3,706,944</u>

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

22	Cash generated from operations	2023 £	2022 £
	Surplus for the year	133,823	2,477,554
	Adjustments for:		
	Investment income recognised in statement of financial activities	(27,391)	(2,676)
	Depreciation of tangible fixed assets	270,165	161,184
	Amortisation of intangible assets	2,485	1,189
	Loss/ (profit) on disposal of tangible fixed assets	21,360	(7,293)
	Movements in working capital:		
	Decrease in debtors	866,028	389,445
	Increase/(decrease) in creditors	36,886	(444,868)
	(Decrease)/increase in deferred income	(441,820)	128,555
	Cash generated from operations	861,536	2,703,090

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	7,353	7,353
Between one and five years	14,853	19,705
In over five years	222,500	225,000
	244,706	252,058

The operating lease commitments relate to a lease of vending machines and Lemington Sports Ground. The vending machines lease is for a period of 3 years and the Lemington Sports Ground lease is negotiated over the term of 99 years and rentals are fixed for 5 years.

NEWCASTLE UNITED FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

24 Related party transactions

The trustees consider that Newcastle United Limited and its subsidiary Newcastle United Football Company Limited (NUFC) are related parties of the charity by virtue of significant influence.

The charity receives substantial in-kind support from NUFC, in particular the licence to use the Club's brand and right to use the playing facilities at the first team training centre. The impact on the charity, were these facilities not to be made available free of charge, would be hugely significant in both operational and financial terms.

NUFC is also a significant donor to the charity, through other quantifiable gifts in kind such as complimentary and discounted match day tickets and hospitality, matchday advertising and staff resources, all of which amounted to £322,387 (2022: £92,216).

During the year, NUFC made a donation amounting to £340,715 (2022: £632,987). This is NUFC's contribution to NUF's staff remuneration package and the reduction represents a move away from reliance on the one-off annual bonus to externally benchmarked salary levels from 23/24.

Other payments made by the charity to NUFC during the year amounted to £465,332 (2022: £344,764) including stadium tours, match tickets for resale, together with recharges of costs incurred on the charity's behalf, including IT costs, staff time, telephone usage and office supplies.

During the year Newcastle United Foundation made payments to its wholly owned subsidiary Newcastle United Foundation Projects Limited of £181,190 (2022: £nil) for recharges of rent. At the year end the outstanding loan balance between the companies was £1,281,272 (2022: £2,148,125) and interest payable to charity on this loan totalled £87,992 (2022: £50,748).

25 Volunteers

Newcastle United Foundation has volunteers who gave their time across all foundation programmes. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is 32 volunteers.