

**Charity Registration No. 1125817**

**Company Registration No. 06333232 (England and Wales)**

**READING FC COMMUNITY TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

# READING FC COMMUNITY TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	DR Downs AM Reaney B Stabler N Coupe J Carter D Anthony D Hall PS Batth M Bradley G Connolly	(Appointed 1 October 2020) (Appointed 28 February 2021) (Appointed 12 July 2021)
<b>Charity number</b>	1125817	
<b>Company number</b>	06333232	
<b>Registered office</b>	Select Car Leasing Stadium Junction 11 M4 Reading RG2 0FL	
<b>Auditor</b>	Myers Clark Egale 1 80 St Albans Road Watford Hertfordshire WD17 1DL	
<b>Bankers</b>	HSBC Bank Plc 26 Broad Street Reading Berkshire RG1 2BU	
<b>Solicitors</b>	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE	

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# READING FC COMMUNITY TRUST

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# **READING FC COMMUNITY TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 30 JUNE 2021**

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The trustees present the annual report and financial statements of the charity for the year ended 30 June 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, 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)" (as amended for accounting periods commencing from 1 January 2019)

#### **OBJECTIVES AND ACTIVITIES**

The charity's objectives as set out in the constitution are to assist in advancing education, to promote or assist in promoting community participation in healthy recreation, to provide or assist in the provision of facilities for recreation, to provide or assist in the interest of social welfare and with the object of improving the conditions of life for those whom the facilities are provided, to relieve sickness and disability and to preserve and protect health, and to promote any other purpose which is charitable according to English Law.

The aim of the charity is to have a positive influence on young people and the wider community through football and is expressed through its logo 'Care Develop Educate'.

The Trust also makes pledges to its local community. These are as follows:

#### **1. pledge to young people:**

- o Create a positive learning environment
- o Enhance development
- o Provide football development opportunities at all levels of the game
- o Promote role models
- o Develop understanding, of and within, the game
- o Help build confidence, self-esteem and promote personal development
- o Improve individual performance
- o Encourage healthier lifestyles

#### **2. pledge to the Community:**

- o Create and maintain stronger links between the local community and the football club
- o Promote and develop a wide range of facilities
- o Help to support safer, stronger and more secure communities
- o Using football as a vehicle we will educate our local communities
- o Support volunteering and providing employment opportunities
- o Increase participation in football and active recreation
- o Provide wider community usage of the club
- o Support the development of individuals and groups regardless of their race, culture, religion, gender, ability, sexual orientation, ethnicity or social status

#### **3. pledge to those existing and potential partners:**

- o Bring together traditional and non-traditional football activities and environments
- o Help identify pathways leading to additional training, volunteering and career opportunities
- o Inspire innovative football activities and opportunities
- o Promote, enhance and develop good working relationships
- o Provide a professional and positive working environment

# READING FC COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2021

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In furtherance of these aims the charity undertakes a variety of activities with children and young people within three main streams of activity:

### Schools Programme

The charity works very closely with the schools in its area, bringing football, healthy lifestyles and education programmes into schools, using football as a vehicle to drive the importance of education and other life skills. A number of these activities are free to participants with some of them requiring fees to attend activities.

- **After School clubs** – 1-hour football/multi-sport coaching sessions run on a weekly basis throughout the year
- **Lunch time clubs** – supervised football/multi-sport sessions run on a weekly basis throughout the year
- **PPA** – delivering sports/PE sessions in schools to cover teachers whilst they are in their planning, preparation and assessment time [PPA]
- **Workshops** - providing a variety of sport or lifestyle based sessions
- **Premier League Primary Stars** – activities delivered in and out of school to increase the level of PE provision within primary schools, up-skill teachers/teaching assistants and work alongside children in their core subjects [literacy, numeracy and PSHE] to help motivate and inspire them
- **School football/multisport festivals and tournaments** – cluster or individual schools coming to the stadium and playing events in the training dome or on the 3G pitch facilitated by the Trust
- **Inset days** – school day football based sessions
- **Choices** – Intervention sessions with targeted pupils based around sport in primary and secondary schools
- **Mentoring programme** – 1 to 1 mentoring work with targeted pupils helping to tackle any behaviour issues within school

### Out of school activities

The charity runs a series of coaching and training sessions for boys and girls that are run in the evenings, weekends and school holidays.

- **Soccer Schools** - football coaching that is provided to young people between the ages 5-13 in all school holidays
- **Development centres** – additional football coaching over 30 weeks throughout the year for 5-14 year olds
- **Advanced centre** – additional football coaching over 30 weeks throughout the year for under 7s – 15s, on invitation only [talented players]
- **Elite centre** – as before but of no cost to the players [the better talented players]
- **Girls only Elite centre** – 4 age groups of girls [Under 11s, 13s, 15s, 17s], train twice a week and play Saturday morning [no cost]
- **Girls Development squads** – 3 age groups [Under 11s, 13s and 15s] mirroring the Elite programme, but only playing during school holidays.

# READING FC COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 JUNE 2021

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#### Social Inclusion

The charity runs a series of activities for young people between the ages of 12 to 19, including those who are not in education, employment or training (NEET), offenders/ex-offenders or educational underachievers:

- **PL Kicks** – a project which offers young people evening football coaching and competitions, street dance, film, music workshops and sessions covering lifestyle issues such as drug awareness and the danger of weapons. Over 600 participants are now registered on the project funded over a 3 year period by the Premier League
- **PL Targeted Kicks** – working one on one with some of the more targeted children who have the potential to cause serious violence or anti-social behaviour.
- **RAP - Reading Alternative Provision** - education intervention programme ran at the stadium for children from various schools, care homes, foster homes, local authorities who are or may be at threat of being excluded from their school.
- **DIVERT** – working alongside Thames Valley Police funding is provided for a Custody Coach to work out of 2 local Police stations mentoring first time offenders from 18 – 24 years of age.
- **SCL Traineeships** - giving young people with very limited academic qualifications the opportunity of participating on an education course with a high sport element.
- **Reading College** - in partnership with the college we facilitate and teach level 2 and 3 courses in football in the community to students from 16-19 years of age.
- **Royals Cast Chat** - 1 to 1 mentoring service for referred young people who are struggling with their mental health and wellbeing.

The charity delivers a number of sessions and projects under the disability programme '**My Ability**' in conjunction with other charities and disability groups to enable more disabled children and adults the opportunity of regular exercise – Funded by the English Football League Trust (EFLT) and the Wembley fund

- Delivering coaching sessions in special education needs schools [SEN]
- Delivering projects for adults with disability and learning difficulties
- Football coaching sessions specifically for certain disabilities – Downs syndrome, deaf, blind and learning difficulties
- Football tournaments and festivals for children from SEN schools
- Runs teams that compete in regional leagues and tournaments
- Supporting grassroots football clubs to become inclusive, helping to sustain the development of disability football – within the Berkshire area
- Working in partnership with the Berks and Bucks FA to develop grass root coaches in working with disabled footballers, and supporting them to gain their FA coaching disabled footballers award.

These activities are supported by grant funding allowing free participation.

The Trust staff have also delivered the following courses/activities to our local community:

- Sports Leaders Award
- Anti-bullying workshop
- Healthy lifestyle
- Respect workshops
- Numeracy and literacy
- Volunteer development
- Drink aware
- Critical incident training
- Fire safety
- Drug awareness workshops

# **READING FC COMMUNITY TRUST**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2021**

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### **Public benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in the planning and operations of all its current and future activities. In particular, the Trustees have given due regard to public benefit when setting the level of fees to participate in activities.

### **ACHIEVEMENTS AND PERFORMANCE**

- This year's financial performance was impacted by the COVID-19 pandemic. School clubs, training centres, Soccer schools all being cancelled or postponed however, most of the Social Inclusion departments activities could be delivered, physically or remotely.
- Social Inclusion again achieved targets and exceeded their budget.
- Covid activities continued with food donations and respite visits.
- The Trust have paid all staff, regardless of furlough, 100% of their salary during the pandemic with no redundancies made.
- The Trust forecasted no summer activities due to pandemic however, delivered 6 weeks of soccer schools during this period.

### **FINANCIAL REVIEW**

During the year the charity raised a total of £1,411,628 (2020: £1,343,209) to pursue its activities.

The charity is aiming to hold sufficient unrestricted reserves to facilitate the existing charitable activities for 18 months. This would enable the Trust to generate appropriate supplementary additional income should funding from existing sources be reduced. In no circumstance will the reserves fall below the normal level of three months support costs.

At 30 June 2021 the charity held £594,913 (2020: £419,656) in unrestricted reserves. This equates to approximately 31 months of support costs (2020: 24 months). This is greater than our stated policy and is in place to cover contingencies.

### **PLANS FOR FUTURE PERIODS**

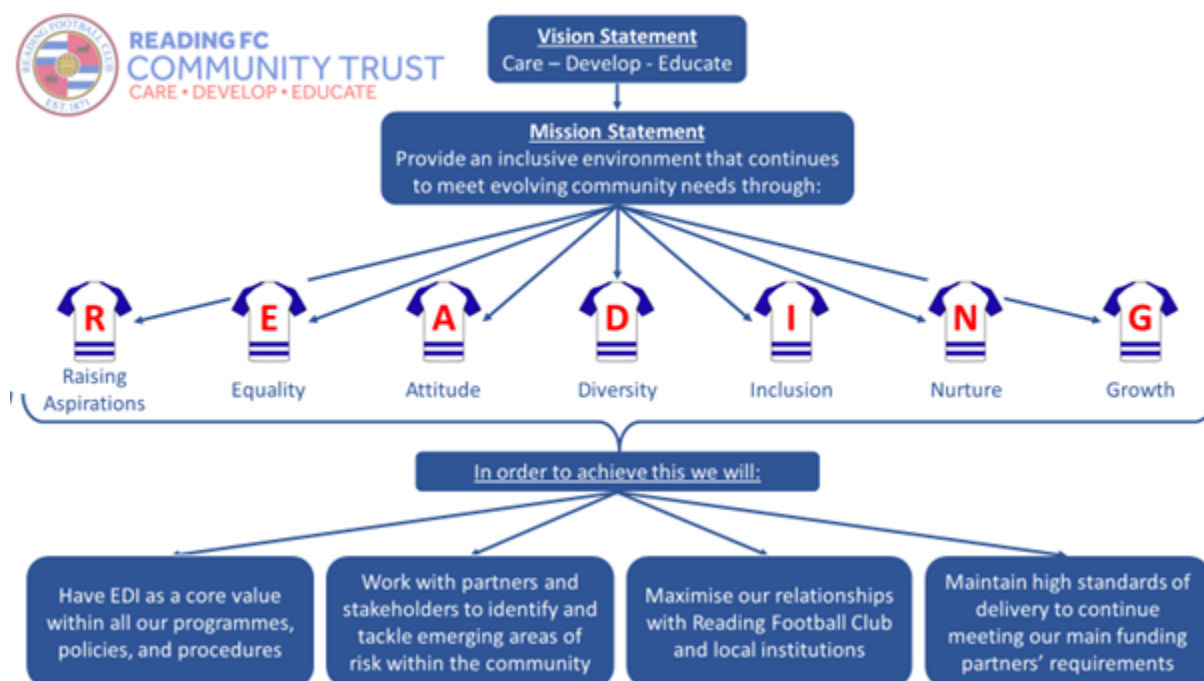
The Trust will continue with the existing programmes, as well as with new initiatives including:

- The PLCF have restructured their funding streams over the next 3 years. The existing projects which will continue are - Primary Stars [£140,000] and Kicks [£105,000]. All funding has been confirmed for September 2021 – August 2022
- The PLCF have awarded the Trust with an additional £35,000 under Core Funding of which £10,000 will go towards the Governance role and £25,000 for the new role of Strategic lead officer. There is also £20,000 for the Targeted Kicks officer – continued for September 2021 – August 2022
- The Core funding by the EFLT will also continue - £35,000 over 10 months.
- Ongoing planning for move and reallocation of the social inclusion department to South Reading Leisure Centre.
- Maintain current health of the Trust – Governance, Finance and Safeguarding
- Ensure EDI (Equality, Inclusion and Diversity) are core to all policies and procedures within the Trust.

# READING FC COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2021

### STRATEGIC DIRECTION - The Action Plan



### STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as a company limited by guarantee, not having a share capital and is governed by a memorandum and articles of association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

DR Downs

CG Parker

(Resigned 8 October 2020)

AM Reaney

B Stabler

N Coupe

J Carter

D Anthony

D Hall

N Howe

(Resigned 6 July 2021)

PS Batth

(Appointed 1 October 2020)

M Bradley

(Appointed 28 February 2021)

G Connolly

(Appointed 12 July 2021)

The sole member of the charity is Reading Football Club Limited. Members undertake to contribute a sum not exceeding £1 to the assets of the charity if the charity is wound up whilst a member, or within 12 months of ceasing membership.

The trustees are appointed by the member. New trustees are selected on the basis of the skills and experience they have and receive induction from existing trustees as required.

The charity has 23 full time members of staff, and 71 part time sports coaches.

The trustees met four times during the year to decide on policy and procedure. The day to day management of the charity is undertaken by the charity's general manager.



# **READING FC COMMUNITY TRUST**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2021**

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

The charity occupies premises and uses furniture and equipment that belongs to Reading Football Club. The charity makes a financial contribution to Reading Football Club to cover costs.

#### **Auditor**

A resolution proposing that Myers Clark be reappointed as auditors of the company will be put to the Annual General Meeting.

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

#### **AM Reaney**

Trustee

Dated: 3 December 2021

# **READING FC COMMUNITY TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 30 JUNE 2021**

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The trustees, who are also the directors of Reading FC Community Trust 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.

# READING FC COMMUNITY TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF READING FC COMMUNITY TRUST

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#### Opinion

We have audited the financial statements of Reading FC Community Trust (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report 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 legal requirements.

# READING FC COMMUNITY TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF READING FC COMMUNITY TRUST

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

# READING FC COMMUNITY TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF READING FC COMMUNITY TRUST

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

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

- The nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for trustee remuneration, bonus levels and performance targets;
- results of our enquiries of Management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and review the charitable company's documentation of their policies and procedures relating to;
- identifying, evaluating and complying with laws and regulation and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act.

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

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **READING FC COMMUNITY TRUST**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF READING FC COMMUNITY TRUST**

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#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Myers Clark**

3 March 2022

**Chartered Accountants  
Statutory Auditor**

Egale 1  
80 St Albans Road  
Watford  
Hertfordshire  
WD17 1DL

# READING FC COMMUNITY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b><u>Income from:</u></b>					
Donations and legacies	3	280,321	-	280,321	142,043
Charitable activities	4	716,633	414,674	1,131,307	1,161,901
Other trading activities	5	-	-	-	39,265
<b>Total income</b>		996,954	414,674	1,411,628	1,343,209
<b><u>Expenditure on:</u></b>					
Raising funds	6	28,636	-	28,636	56,083
Charitable activities	7	793,061	430,599	1,223,660	1,180,408
<b>Total resources expended</b>		821,697	430,599	1,252,296	1,236,491
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		175,257	(15,925)	159,332	106,718
Fund balances at 1 July 2020		419,656	42,187	461,843	355,125
<b>Fund balances at 30 June 2021</b>		594,913	26,262	621,175	461,843

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# READING FC COMMUNITY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

### Statement of Financial Activities - Prior Year Detail

	Unrestricted funds	Restricted funds	Total 2020
	£	£	£
<b><u>Income from:</u></b>			
Donations and legacies	141,308	735	142,043
Charitable activities	817,899	344,002	1,161,901
Other trading activities	37,265	2,000	39,265
<b>Total income</b>	<b>996,472</b>	<b>346,737</b>	<b>1,343,209</b>
<b><u>Expenditure on:</u></b>			
Raising funds	53,348	2,735	56,083
Charitable activities	822,899	357,509	1,180,408
<b>Total resources expended</b>	<b>876,247</b>	<b>360,244</b>	<b>1,236,491</b>
<b>Net incoming/(outgoing) resources before transfers</b>	<b>120,225</b>	<b>(13,507)</b>	<b>106,718</b>
Gross transfers between funds	-	-	-
<b>Net income/(expenditure) for the year / Net movement in funds</b>	<b>120,225</b>	<b>(13,507)</b>	<b>106,718</b>
Fund balances at 1 July 2019	299,431	55,694	355,125
<b>Fund balances at 30 June 2020</b>	<b>419,656</b>	<b>42,187</b>	<b>461,843</b>



# READING FC COMMUNITY TRUST

## BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		14,042		19,762
<b>Current assets</b>					
Debtors	13	98,750		37,386	
Cash at bank and in hand		742,378		497,337	
		841,128		534,723	
<b>Creditors: amounts falling due within one year</b>	14	(233,995)		(92,642)	
Net current assets			607,133		442,081
<b>Total assets less current liabilities</b>			621,175		461,843
<b>Income funds</b>					
Restricted funds	15		26,262		42,187
<u>Unrestricted funds</u>					
Designated funds	16	40,522		46,242	
General unrestricted funds		554,391		373,414	
			594,913		419,656
			621,175		461,843

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2021, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 3 December 2021

AM Reaney  
Trustee

Company Registration No. 06333232

# READING FC COMMUNITY TRUST

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2021

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	20	245,041		96,464	
<b>Net cash used in investing activities</b>		-		-	
<b>Net cash used in financing activities</b>		-		-	
<b>Net increase in cash and cash equivalents</b>		245,041		96,464	
Cash and cash equivalents at beginning of year		497,337		400,873	
<b>Cash and cash equivalents at end of year</b>		742,378		497,337	

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# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2021

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#### **1 Accounting policies**

##### **Charity information**

Reading FC Community Trust is a private company limited by guarantee incorporated in England & Wales.

##### **1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's memorandum and articles of association, 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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.

##### **1.4 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

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#### 1 Accounting policies

(Continued)

##### 1.5 Resources expended

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 settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accruals basis.

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Fixtures and fittings	10 years straight line
Motor vehicles	4 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.

##### 1.7 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).

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

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

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

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

##### Basic financial assets

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

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

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#### 1 Accounting policies

(Continued)

##### Basic financial liabilities

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

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

##### Derecognition of financial liabilities

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

#### 1.10 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

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

#### 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.

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	5,754	-	5,754	3,974
Grants	274,567	-	274,567	138,069
	<u>280,321</u>	<u>-</u>	<u>280,321</u>	<u>142,043</u>
<b>For the year ended 30 June 2020</b>	<u>141,308</u>	<u>735</u>		<u>142,043</u>
<b>Donations and gifts</b>				
Donations from institutions	4,019	-	4,019	2,194
Donations from individuals	1,735	-	1,735	1,780
	<u>5,754</u>	<u>-</u>	<u>5,754</u>	<u>3,974</u>
<b>Grants</b>				
English Football League Trust	35,000	-	35,000	35,000
Premier League FanFare	-	-	-	735
HMRC Job Retention Scheme	239,567	-	239,567	102,334
	<u>274,567</u>	<u>-</u>	<u>274,567</u>	<u>138,069</u>

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

#### 4 Charitable activities

	Schools programme £	Out of school activities £	Social inclusion £	Total 2021 £	Total 2020 £
Services provided under contract	66,486	109,960	493,393	669,839	848,593
Performance related grants	160,962	425	277,938	439,325	306,164
Other income	40	198	21,905	22,143	7,144
	<u>227,488</u>	<u>110,583</u>	<u>793,236</u>	<u>1,131,307</u>	<u>1,161,901</u>
Analysis by fund					
Unrestricted funds	68,026	110,158	538,449	716,633	
Restricted funds	159,462	425	254,787	414,674	
	<u>227,488</u>	<u>110,583</u>	<u>793,236</u>	<u>1,131,307</u>	
<b>For the year ended 30 June 2020</b>					
Unrestricted funds	118,217	174,709	524,973		817,899
Restricted funds	147,462	25,425	171,115		344,002
	<u>265,679</u>	<u>200,134</u>	<u>696,088</u>		<u>1,161,901</u>
<b>Performance related grants</b>					
Premier League Charitable Fund	152,962	425	146,613	300,000	277,500
English Football League Trust	8,000	-	4,000	12,000	13,650
Thames Valley Police	-	-	37,000	37,000	-
Other	-	-	2,325	2,325	1,000
Sport England - National Lottery	-	-	-	-	9,680
Wokingham Borough Council	-	-	25,000	25,000	4,334
Reading Borough Council	-	-	25,000	25,000	-
Bracknell Forest Borough Council	-	-	30,000	30,000	-
Metropolitan Thames Valley Housing	-	-	8,000	8,000	-
	<u>160,962</u>	<u>425</u>	<u>277,938</u>	<u>439,325</u>	<u>306,164</u>

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 5 Other trading activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Golden Gamble	-	-	-	23,805
Mascots	-	-	-	5,910
Birthday parties	-	-	-	7,550
Sponsorships	-	-	-	2,000
	<hr/>	<hr/>	<hr/>	<hr/>
Other trading activities	-	-	-	39,265
	<hr/>	<hr/>	<hr/>	<hr/>
<b>For the year ended 30 June 2020</b>	37,265	2,000		39,265
	<hr/>	<hr/>		<hr/>

### 6 Raising funds

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
<u>Fundraising and publicity</u>				
Golden Gamble	14,878	-	14,878	26,653
Mascots	4,161	-	4,161	6,969
Birthday parties	4,400	-	4,400	10,225
Other fundraising costs	-	-	-	2,735
Support & governance costs	5,197	-	5,197	9,501
	<hr/>	<hr/>	<hr/>	<hr/>
Fundraising and publicity	28,636	-	28,636	56,083
	<hr/>	<hr/>	<hr/>	<hr/>
	28,636	-	28,636	56,083
	<hr/>	<hr/>	<hr/>	<hr/>
<b>For the year ended 30 June 2020</b>				
Fundraising and publicity	53,348	2,735		56,083
	<hr/>	<hr/>		<hr/>



# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

#### 7 Charitable activities

	Schools programme	Out of school activities	Social inclusion	Total 2021	Total 2020
	£	£	£	£	£
Staff costs	155,955	52,168	557,387	765,510	690,744
Depreciation and impairment	-	-	5,720	5,720	5,720
Direct costs	59,741	45,272	125,339	230,352	283,932
	<u>215,696</u>	<u>97,440</u>	<u>688,446</u>	<u>1,001,582</u>	<u>980,396</u>
Share of support & governance costs (see note 8)	47,826	21,605	152,647	222,078	200,012
	<u>263,522</u>	<u>119,045</u>	<u>841,093</u>	<u>1,223,660</u>	<u>1,180,408</u>

#### 8 Support & governance costs

	2021 £	2020 £
SUPPORT COSTS		
Salaries	176,677	167,455
Travel and subsistence	3,426	6,714
Printing, postage and stationery	900	1,317
Telephone	1,230	1,705
IT support	6,674	545
Legal & professional	1,414	7,279
Project sundries	2,385	792
Training, kit and other staff costs	9,617	11,047
Other costs	14,134	3,038
GOVERNANCE COSTS		
Audit	10,818	9,621
	<u>227,275</u>	<u>209,513</u>
Analysed between		
Fundraising	5,197	9,501
Charitable activities	222,078	200,012
	<u>227,275</u>	<u>209,513</u>

Governance costs includes payments to the auditors of £10,818 (2020- £9,621) for audit fees.

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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9	Net movement in funds	2021 £	2020 £
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	10,818	9,621
	Depreciation of owned tangible fixed assets	<u>5,720</u>	<u>5,720</u>

### 10 Trustees

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

No travel expenses were paid in respect of trustees (2020: £nil).

During the year no donations were made to the Trust by trustees (2020: £nil).

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 11 Employees

#### Number of employees

The average monthly number employees based on headcount during the year was:

	2021 Number	2020 Number
Permanent staff	23	23
Peripatetic coaches and staff	71	71
	<u>94</u>	<u>94</u>

#### Employment costs

	2021 £	2020 £
Charitable activities:		
Wages and salaries	702,016	634,419
Social security costs	50,775	43,758
Other pension costs	12,719	12,567
	<u>765,510</u>	<u>690,744</u>
Raising funds:		
Wages and salaries	21,027	25,284
Social security costs	1,136	1,245
Other pension costs	295	312
	<u>22,458</u>	<u>26,841</u>
Support & governance costs:		
Wages and salaries	164,372	154,054
Social security costs	9,707	10,641
Other pension costs	2,598	2,760
	<u>176,677</u>	<u>167,455</u>
Total employment costs	<u>964,645</u>	<u>885,040</u>

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

	2021 Number	2020 Number
Within the range of £60,000 - £69,999	-	1
Within the range of £70,000 - £79,999	1	-

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 12 Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 July 2020	23,402	13,520	36,922
At 30 June 2021	23,402	13,520	36,922
<b>Depreciation and impairment</b>			
At 1 July 2020	7,020	10,140	17,160
Depreciation charged in the year	2,340	3,380	5,720
At 30 June 2021	9,360	13,520	22,880
<b>Carrying amount</b>			
At 30 June 2021	14,042	-	14,042
At 30 June 2020	16,382	3,380	19,762

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	93,638	34,508
Other debtors	976	1,474
Prepayments and accrued income	4,136	1,404
	98,750	37,386

### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	25,928	4,082
Other creditors	20,086	21,257
Accruals and deferred income	187,981	67,303
	233,995	92,642

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

#### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 July 2020	Incoming resources	Resources expended	Transfers	Balance at 30 June 2021
	£	£	£	£	£
Out of school activities	4,488	425	(4,913)	-	-
Schools Programme	13,934	159,462	(173,396)	-	-
Social inclusion	17,144	252,462	(249,965)	-	19,641
Capacity Building	6,621	-	-	-	6,621
Other	-	2,325	(2,325)	-	-
	<u>42,187</u>	<u>414,674</u>	<u>(430,599)</u>	<u>-</u>	<u>26,262</u>

#### Prior Year Detail

	Movement in funds				
	Balance at 1 July 2019	Incoming resources	Resources expended	Transfers	Balance at 30 June 2020
	£	£	£	£	£
Out of school activities	4,165	25,425	(25,102)	-	4,488
Schools Programme	23,333	147,462	(156,861)	-	13,934
Social inclusion	21,575	171,115	(175,546)	-	17,144
Capacity Building	6,621	2,735	(2,735)	-	6,621
	<u>55,694</u>	<u>346,737</u>	<u>(360,244)</u>	<u>-</u>	<u>42,187</u>

#### 16 Unrestricted funds

	Movement in funds				
	Balance at 1 July 2020	Incoming resources	Resources expended	Transfers	Balance at 30 June 2021
	£	£	£	£	£
<b>Designated funds</b>					
Info Bus	29,860	-	(3,380)	-	26,480
Classroom	16,382	-	(2,340)	-	14,042
	<u>46,242</u>	<u>-</u>	<u>(5,720)</u>	<u>-</u>	<u>40,522</u>
<b>General unrestricted funds</b>	<u>373,414</u>	<u>996,954</u>	<u>(815,977)</u>	<u>-</u>	<u>554,391</u>
<b>Total unrestricted funds</b>	<u>419,656</u>	<u>996,954</u>	<u>(821,697)</u>	<u>-</u>	<u>594,913</u>

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 16 Unrestricted funds

(Continued)

#### Prior year detail

	Balance at 1 July 2019 £	Movement in funds		Transfers	Balance at 30 June 2020 £
		Incoming resources £	Resources expended £	£	
Info Bus	33,240	-	(3,380)	-	29,860
Classroom	18,722	-	(2,340)	-	16,382
	<u>51,962</u>	<u>-</u>	<u>(5,720)</u>	<u>-</u>	<u>46,242</u>
<b>General unrestricted funds</b>	<b>247,469</b>	<b>996,472</b>	<b>(870,527)</b>	<b>-</b>	<b>373,414</b>
<b>Total unrestricted funds</b>	<b>299,431</b>	<b>996,472</b>	<b>(876,247)</b>	<b>-</b>	<b>419,656</b>

### 17 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 30 June 2021 are represented by:			
Tangible assets	14,042	-	14,042
Current assets/(liabilities)	580,871	26,262	607,133
	<u>594,913</u>	<u>26,262</u>	<u>621,175</u>

	Unrestricted £	Restricted £	Total £
Fund balances at 30 June 2020 are represented by:			
Tangible assets	19,762	-	19,762
Current assets/(liabilities)	399,894	42,187	442,081
	<u>419,656</u>	<u>42,187</u>	<u>461,843</u>

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2021

#### 18 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:

	2021 £	2020 £
Within one year	21,758	22,915
Between two and five years	13,256	31,386
	<u>35,014</u>	<u>54,301</u>

#### 19 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>143,331</u>	<u>122,433</u>

##### Transactions with related parties

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

##### Ultimate controlling party

The immediate parent company is The Reading Football Club, by virtue of it being the sole member of the company and having sole power in appointing and removing trustees of the company. The ultimate controlling party is Dai Yongge by virtue of having control of Great Shine International Limited, the ultimate controlling parent company of The Reading Football Club Limited.

# READING FC COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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20	Cash generated from operations	2021 £	2020 £
	Surplus for the year	159,332	106,718
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	5,720	5,720
	Movements in working capital:		
	(Increase)/decrease in debtors	(61,364)	48,209
	Increase/(decrease) in creditors	141,353	(64,183)
	<b>Cash generated from operations</b>	<u>245,041</u>	<u>96,464</u>
21	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		