



THE ARSENAL FOUNDATION

Annual Report and Financial Statements

For the year ended 31 May 2022

Company Number: 07923266
Registered Charity Number: 1145668

The Arsenal Foundation

Annual Report and Financial Statements for the year ended 31 May 2022

Content	Page
Directors and Trustees - Legal and Administration Information	1
Trustees' Annual Report	2-9
Auditors Report to the Trustees of the Arsenal Foundation	10-12
Statement of Financial Activities (Incorporating an Income and Expenditure Account)	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Financial Statements	16-22

The Arsenal Foundation

Directors and Trustees - Legal and Administration Information

The Trustees present their annual report and the audited Financial Statements for the year ended 31st May 2022.

Charity Name

The Arsenal Foundation

Company Number

07923266

Charity Number

1145668

Registered Office

Highbury House
75 Drayton Park
London, N5 1BU

Constitution

Incorporated on 25th January 2012 as a Company limited by Guarantee and a Registered Charity to take over the activities of the unincorporated Charitable Trust, The Arsenal Foundation.

Directors and Trustees

The Trustees who have served throughout the year 2021/2022 and up to the date of signing (save as noted below) are:

K J Friar (Retired September 2022)

D Miles (Resigned June 2021)

A Sefton

S Geissmar

A Jolly

F Hudson

V Venkatesham

Bankers

Barclays Bank Plc
Holloway & Kingsland Business Centre
London, E8 2JX
United Kingdom

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle Upon Tyne, NE1 4BF
United Kingdom

Auditor

Deloitte LLP
3 Rivergate
Temple Quay
Bristol
BS1 6GD
United Kingdom

The Arsenal Foundation

Trustees' Annual Report

The Trustees, who are also directors of the charitable company, present their Annual Report and the audited Financial Statements for the year ended 31 May 2022. In 2021, an independent review was completed rather than an audit and therefore the numbers were unaudited.

Governing Document

The Arsenal Foundation is a company limited by guarantee (Company no. 07923266) incorporated in the UK and a registered charity (Charity no.1145668) in England and Wales. Registration address is Highbury House, 75 Drayton Park, London N5 1BU.

The Financial Statements have been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice – Accounting and Reporting by Charities 2019 (SORP 2019), and applicable UK accounting standards. We have taken due regard to public benefit guidance published by the Charity Commission. The Trustees' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemptions, and accordingly exemption has been taken from the requirement to prepare the Strategic Report.

Key Management Personnel

The Trustees consider the Board of Trustees as the Key Management Personnel of the charity in charge of directing and controlling the charity. All Trustees give their time freely and no Trustee remuneration was paid in the year (2021: £nil). Details of Trustee expenses are disclosed in note 2 of the accounts.

Ken Friar OBE, retired as a Trustee in September 2022. The Chair and Trustees acknowledged and thanked Mr. Friar for his years of dedication and engagement with the Board on all matters pertaining to The Arsenal Foundation. The Trustees also thanked Mr. Friar for the impact his engagement and expert advice has had on the lives of thousands of young people and their families, who are supported through The Arsenal Foundation.

David Miles, retired as a Trustee in June 2021 and the Chair and Trustees acknowledged thanks and gratitude to Mr Miles for his years of dedication and support which was recorded in the Annual Report of 2020/21.

Risk Management and Our Ongoing Response to the Pandemic

The principal risk to The Arsenal Foundation, as documented in previous Annual Reports, has been that donations reduce, and projects cannot be funded.

The pandemic continued to have a significant impact on income generation in 2021/22. This was due to the cancellation of our key fundraising event, "Night to Inspire" for a third year in a row, (May 2020, May 2021 and May 2022), and the need to cancel other fundraising events most notably "Challenge Jordan".

The Trustees continued to review the impact of the pandemic on income generation whilst ensuring commitments made to partners in 2021/22 were met, so that the beneficiaries were not at a disadvantage. It was agreed that any new commitments would be made on a case-by-case basis.

To continue with our flagship programme Coaching for Life, a commitment was made to our partner Save the Children in 2022 for implementation during 2022/2023. The previous three-year (2018-2020) programme, which had continued to operate remotely during the pandemic and with a no extension cost agreed with Save the Children, ended in February 2021. The April 2021 commitment covered implementation until the end of February 2022. We were grateful to receive funds donated by the Kroenke Foundation in December 2021 which enabled the programme to run without a gap in implementation from February 2022. This commitment enabled us to retain key staff and coaches on the ground.

Since the implementation of many of our local community projects was delayed because of Covid restrictions, our restricted donations for these activities were brought forward to the following year 2021/22, as well as the receipt of further restricted income throughout the year. This is reflected in our year end reserves figures of £1,350,114

The Arsenal Foundation

Trustees' Annual Report

(2021: £1,037,433). Trustees reviewed these figures and agreed a revised minimum level of reserves of £400,000, with the intention to continue to build up reserves in our five-year forecast.

This revised reserve level for 2021/22, with the intention to build back up reserves over the five-year forecast, would enable us to continue with our work in the local community, retaining our key values and responsibilities to those most in need in our local communities where we have worked for decades.

The Trustees confirmed that exposure to the level of reserve risk was regularly reviewed, and as stated, the new agreed reserve level plus no commitments, other than Save the Children in 2020/21 had been established to mitigate this risk. In 2021/22 donations from the Kroenke Foundation in December 2021 and donations from Arsenal Football Club (the "Club") meant that we were in a position to make a commitment to Willow, Islington Giving, the Gunners Fund and Save the Children in 2021/22.

The Trustees have also ensured the activities of The Arsenal Foundation were and continue to be compliant throughout the pandemic by adhering to government regulations in relation to the health and safety of those participating in the programmes we support. This was reviewed regularly with our partner organisations on the ground.

In relation to income, our largest fundraising event of 2022, 'A Night to Inspire', was cancelled. This was due to the emergence of the Omicron variant in the UK in December 2021 and a return to working from home for all staff in Q1 2022. This impacted the ability to plan and execute the event in time for May 2021.

The income lost in 2020/21 based on the prior year charity ball totals approx. £420,000.

We also postponed the trek to Jordan which was due to take place in March 2021. Reputational mitigation included communications to all potential donors and in the case of the trek the opportunity to rebook for a later date in March 2022. However, with advice from our event partners, due to the difficulty in securing insurance for such a trip during a pandemic, was cancelled in March 2022. All costs for the trek were refunded by our event partner Just Challenge to the Jordan trek participants, who agreed to allow any donations raised to go to The Arsenal Foundation. Participants were invited to attend one of three matches at Emirates Stadium and had the opportunity to speak with Per Mertesacker Ex-Arsenal Captain, the Club's Academy Manager and Mairead King, Director of The Arsenal Foundation to thank them for their donations and to give an update on how the funds would be used.

We continue to review the impact of the pandemic on our income streams with mitigation plans in place to continue to fundraise by engaging the Club's players and owners, high-net-worth donors, and potential institutional donors through direct asks. We were grateful to receive a restricted donation from The Kroenke Foundation of £500,000 for Coaching for Life in December 2021. This included Save the Children's budget for £340,000 and Arsenal in the Community budget of £150,000, with a contingency allowing for currency fluctuations totalling £500,000. Actual costs and a final report are not due until April 2023, once the programme has completed in February 2023.

We continue to review grant applications and will consider them on a case-by-case basis considering the levels of income and reserves at the time of application and the timeframe of the cashflow required. We are hopeful that once income levels return to previous levels, we will be able to make longer-term new commitments to partners once again.

To mitigate any reputational risk The Arsenal Foundation carries out appropriate due diligence on its core partners and on grantees. Further, regular reporting from grantees ensures that donations are appropriately used.

The Trustees have considered the potential implications on The Arsenal Foundation of the UK leaving the European Union. The Trustees are satisfied that the objectives of The Arsenal Foundation and its on-going activities are not negatively impacted by any departure of the UK from the European Union. The Trustees will continue to monitor the legal, regulatory, and economic developments related to Brexit and any potential impact on The Arsenal Foundation.

In 2022, as the war in Ukraine unfolded and thousands of people were forced to flee their homes, The Arsenal Foundation worked with our global charity partner Save the Children to understand how we could best support those in need. Save the Children, who had been working in Ukraine for many years and are experts in humanitarian responses in times of conflict, informed us of their assessment of the needs on the ground and how they were setting up safe spaces for children. They sent us live reports of the impact of their response particularly in the border countries where children and their families were fleeing. The Arsenal Foundation responded by making a donation to Save the Children's appeal and the Club also encouraged supporters to make a donation. The Club

The Arsenal Foundation

Trustees' Annual Report

also set up a Ukrainian Supporter's Club so that the Club's supporters could show solidarity with Ukraine. The Ukrainian flag was flown in solidarity with the people of Ukraine at several of the Club's matches.

In 2022, as the cost-of-living crisis also unfolded, The Arsenal Foundation looked to respond via the Gunners Fund which supports local community initiatives. Many of the applications, during Covid had been from food banks locally which we had supported. In 2022, there were applications from local organisations running online nutrition and cookery classes aimed at helping people affected by the cost-of-living crisis in our communities. We will continue to monitor our applications and future rounds of Gunners Funds grants to reflect the needs in our local community particularly through the lens of the cost-of-living crisis.

In November 2020 Arsenal FC became the first Premier League club to sign up to the UN Sports for Climate Action Framework. The UN initiative aims to bring together the global sports community with a commitment to align with the goals of the Paris Agreement and support the ambition to achieve climate neutrality by 2050. We are proud of the work the Club is doing in this area and encourage positive climate action to the millions of supporters of the Club around the world. At the Arsenal Foundation we undertake due diligence on all partners, including reviewing climate change practices. In 2022, a new Senior Sustainability Manager was appointed by the Club, who works closely with The Arsenal Foundation to ensure environmental and social outcomes are embedded in the sustainability strategy.

As The Arsenal Foundation is a grant making foundation and has no direct employees other than those seconded from the Club, the Trustees do not believe that there are any other material risks.

Objectives

The objectives of the charity are:

- To relieve sickness or distress of any persons through such means as the Trustees think fit, including, in particular (but not by way of limitation) among those who may be injured while participating in any sport and of any dependent of any person(s) who may be injured or killed while participating in any sport.
- To promote community participation in healthy recreation by providing facilities for the playing of association football and other sports capable of improving health ("facilities" for this purpose, means land, buildings, equipment and organising sporting activities).
- To provide and assist in providing facilities for sport, recreation or other leisure time occupation to such persons who have need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance the education of children and other persons (including their academic, social, physical education and skills training) through such means as the Trustees think fit in accordance with applicable laws.
- To relieve poverty, hardship and economic deprivation within the community by providing financial and other material assistance for those in need or by such other means as the Trustees think fit.

The Arsenal Foundation Activities

The Arsenal Foundation continues its work to provide inspiration and support to young people to build their confidence and life skills to help them envisage a future in which they can fulfil their potential. At The Arsenal Foundation we fund projects in our local community in Islington, Hackney, and Camden and internationally, largely through our global partnership with Save the Children.

The Foundation works closely with partners including Save the Children and Islington Giving to assess needs and respond appropriately. Through these partnerships, we continue to be able to reach a substantial number of young people in the UK and overseas using the Arsenal name and expertise in football to motivate and inspire beneficiaries through several diverse projects.

The Arsenal Foundation

Trustees' Annual Report

1. Supporting our Global Communities - Coaching for Life Partnership

This year, through our partnership with Save the Children, we continued to co-design and deliver the Coaching for Life project, creating specialist modules that utilise football activities to provide participants with the opportunity to improve their physical and mental health and well-being and to further their life skills. This project continues to be developed in the Za'atari refugee camp in Jordan. Our three-year contractual programme in Indonesia ended in February 2022.

1.1 Coaching for Life, Jordan, March 2021- February 2022

- Building on the successes and lessons learned of Phase 1 of Coaching for Life (CfL), Save the Children (SC) and The Arsenal Foundation implemented a Transition Year in Jordan from March 2021 to February 2022. During this time, we continued to support Syrian refugees living in Za'atari Refugee Camp by delivering two cycles (Cycle 5 and Cycle 6) of Football for Resilience sessions and various activities, with the aim to sustain and advance the impact of the CfL programme to improve the physical, emotional, and mental wellbeing of 960 children aged between 10 to 18 years.

During the Transition Year, we achieved the following:

- 2,031 children, parents, caregivers, and community members were reached during the reporting period.
- 1,004 children (524 girls and 480 boys) took part in Football for Resilience sessions, with 959 children (479 girls and 480 boys) completing more than 80% of sessions and therefore graduating from the program. This represents over 95% of children graduating which is a huge achievement.
- 1,027 parents, caregivers, and community members took part in a wide variety of activities, including football tournaments, advocating for child rights, and supporting each other through different challenges, including the COVID-19 pandemic.

We also strengthened our delivery model based on the lessons learned in Phase 1 by:

- Ensuring children's voices drive the program – placing children at the centre of their communities, by listening to their views and adapting the project accordingly and ensuring their active participation and involvement in community-led initiatives.
- Expanding the age criteria for children to participate (10-17) - children can now enrol when they are 10, rather than 12, following community feedback that 10-year-olds would love to join.
- Promoting equal opportunities for children with disabilities – extending our support and promoting inclusion through best practice.

Career pathways for junior coaches. "Junior Coach" refers to children between the ages of 15-18 who were enrolled in previous cycles of CfL. These children volunteered with the Save the Children Jordan (SCJ) team in assisting local coaches to run open sessions for children to play at the football centres outside of the Football for Resilience Sessions. These open sessions served all children in the camp (whether those previously graduated from the previous cycles under CfL or those still waiting for their engagement in coming cycles). To support the career path of junior coaches identified in Phase 1 (from participants to junior coaches, to assistant coaches) SCJ staff carried out interviews with the junior coaches; (3 males and 2 females) and then selected one, aged 19, to be an Assistant Coach in the Transition Year. The selected coach was an excellent addition to the program and brought valuable experience and a strong understanding of the program. Furthermore, the Case Manager assisted the two female Junior Coaches that weren't selected to return to school after they had dropped out during the lockdown.

1.2 Coaching for Life, Jordan, March 2022 –Aug 2022 Mid-Year Report. (Final year report due Apr 2023)

Building on the success and lessons learned from previous phases of Coaching for Life (CfL), Save the Children (SC) and The Arsenal Foundation continue to implement the programme in Jordan, with the current phase starting in March 2022 and ending in February 2023. During this phase, we continue to support Syrian refugees in Za'atari Refugee Camp through the delivery of two further cycles (cycles 7 and 8) of Football for Resilience sessions and various activities, with the goal of sustaining and expanding the impact of the programme and improving the physical, emotional, and mental well-being of 960 children aged 10 to 18 years. During the reporting period, we achieved the following:

- 1,086 children, parents, caregivers, and community members were reached.

The Arsenal Foundation

Trustees' Annual Report

- 514 children (272 girls and 242 boys) registered for the programme and nearly all took part in the first introduction session (some dropped out after registration stage).
- From among these children, 480 children (240 girls and 240 boys) went on to participate in the programme and completed more than 80% of the sessions, therefore graduating from the programme. This means in Cycle 7 we achieved a graduation rate of 93%.
- 572 (285 females and 287 males) parents, caregivers, and community members took part in a wide variety of activities, including football tournaments, advocating for child rights (such as access to education, access to health services, and living in a safe environment) and supporting each other through different challenges they faced with their children.

In addition, the delivery model was strengthened based on lessons learned from previous cycles:

- Ensuring children's voices are reflected in the programme – We continue to adapt the programme based on feedback from children so that CfL reflects their needs and opinions and is led by the community as far as possible.
- During this reporting period, Save the Children secured approval from the Syrian Refugee Affairs Directorate (SRAD), who is responsible for the security in the camp, to extend the opening times of the pitches from closing at 4pm to closing at 6pm, which had been requested by the children. Permission to extend the opening times will apply from September 2022 and will help us in the next phase of CfL to be more inclusive of children who are not able to participate during the day, such as children involved in work.
- Continue to promote and involve equal opportunities for children with disabilities – The programme continued to provide children with equal access to opportunities. This increased their self-worth, confidence, and persistence in challenging situations, all of which can lead to improvements in mental health. Children in the community began to feel empathy for each other. SC Jordan staff and coaches observed changes among children in terms of reducing discrimination and bullying. During Cycle 7, 4 children with disabilities (3 boys and 1 girl) enrolled and graduated from the programme. Disabilities included speech, physical and visual impairments. In total, 22 children (10 boys and 12 girls) with disabilities have participated in and graduated from Coaching for Life.

1.3 Coaching for Life, Indonesia, 1st Jan 2018 – 31st Mar 2022.

In 2018, Save the Children and The Arsenal Foundation launched the ground-breaking Coaching for Life programme in 7 Child-friendly Integrated Community Centres. During the COVID-19 pandemic, the programme delivery was shifted to be remote to be able to continue to support children through the huge disruption to their lives. Even though the programme was delivered online, the sessions allowed children to strengthen their resilience and well-being, supporting children during the restrictions. Children enjoyed videos and the adapted materials used during this time and kept on doing physical activities during the stay-at-home period to maintain their health through fun activities and Public Terpadu Ramah Anak (RPTRAs) in the most deprived areas of Jakarta. Having grown and developed across four 20-week programme cycles, 4,396 parents and children have taken part in a wide variety of activities – from resilience-focused football sessions, to advocating for child rights, and supporting one another through the challenges of life and COVID-19. The combination of child protection married with the power of football has been a particular highlight and strength of the programme, which has helped bolster child protection systems of the RPTRAs and its surrounding, which will be a legacy of our programme Impact.

- 4,396 (out of 4,037) children, parents and community members were directly reached through a wide variety of activities, including football for resilience sessions and campaigns focussed on violence against children. Findings from the evaluation highlighted that at the end of the programme children felt safe to play, learn, build soft skills, and have discussions with their peers to tackle stress.
- 416 girls took to the pitch which helped combat stereotypes around girls playing football in Indonesia and helped girls in the community to grow confidence and speak out for their rights.
- The child protection referral mechanism developed by the programme has been adopted by the Jakarta government and will be implemented into 40 RPTRAs, with the aim to roll out it across all RPTRAs in Jakarta.

The Arsenal Foundation

Trustees' Annual Report

The Coaching for Life handbook designed by Arsenal and Save the Children has been printed in 80 copies and distributed to 7 assisted RPTRAs, 7 Village Offices and Stakeholders (DPPAPP, Sudin PPAPP North Jakarta, South Jakarta and East Jakarta) to support children to continue to play football and improve their mental and physical health and wellbeing. This will be a lasting legacy of Coaching for Life in Indonesia.

1.4 Impact of Coaching for Life

We strongly believe that the Coaching for Life project can in the future be expanded and replicated in other countries once the initial project has been completed and its impact has been evaluated. Backed up by evidence of its impact, Coaching for Life is envisaged to provide an opportunity to directly benefit many thousands of children, young people, and adults, further expanding the reach and impact of The Arsenal Foundation and that of the wider sport for development sector. The Coaching for Life Phase 1 evaluation research was conducted by the MHPSS Collaborative (Mental Health and Psychosocial Support Collaborative) Denmark. This independent evaluation covering a three-year period from 2019-2021 generated key evidence demonstrating the effectiveness of the Coaching for Life programme in Jordan – particularly for children who were out of school. It showed that taking part in Coaching for Life improved children's physical and mental wellbeing – in particular, it was their social wellbeing that benefitted. The studies found that children had a high sense of belonging – which we found had a positive association with their wellbeing – and felt that there were adults they could trust. After taking part in the programme, children's communication skills improved, and they had better relationships with their family and the wider community. The programme also enhanced children's resilience and they had greater self-esteem, self-worth and confidence. The full report can be found here: <https://mhpssc Collaborative.org/wp-content/uploads/2022/05/Save-the-Children-and-Arsenal-Coaching-for-Life-Evaluation-2018-2021-Summary-FINAL.pdf>

2. Supporting our Local Communities

Our relationship with Islington Giving continues to provide a partnership through which we can identify local needs and work together to address such needs whether this is for young people or those in adulthood including the elderly. Our combined local experience means we understand the level and complexity of need in the local borough and can tailor projects and/or grants to these local needs whilst being flexible enough to adapt where needs change.

Smaller organisations and projects local to Arsenal Football Club continued to benefit from The Arsenal Foundation's Gunners' Fund grants throughout the year. The Gunners Fund awards grants of up to £2,500 per application, making a significant difference to smaller projects which benefit the local community in Islington, Camden, and Hackney. This year The Gunners Fund distributed to a variety of local initiatives.

These are just some examples of the types of projects the Gunners Fund has supported, and we will continue to look for ways to increase and diversify the support to local projects to reach as wide and diverse a group of local beneficiaries as possible.

The Willow Foundation (Willow) received £43,100 from The Arsenal Foundation in 2021/22 which covered implementation this year, continued to help fund unique special days for young people with conditions such as motor neurone disease, muscular dystrophy, and Huntington's disease. Special days include family breaks, theatre shows, sightseeing trips and music concerts, as well as experiences with Arsenal Football Club principally around match days. Willow's special days offer great opportunities to create powerful memories in challenging times for sick young people and their families.

Arsenal in the Community (AIRC), the community department of Arsenal Football Club, also delivers over 30 programmes, on a weekly basis within the boroughs of Islington, Camden, and Hackney.

The Arsenal Community Coach Development Programme continued to provide training and opportunities for football coaches. The Arsenal Saturday Jobs Programme which provides paid work experience to young people aged 16-18 to enhance their future employment prospects also continued.

The Gunners Fund small grants scheme for the local area during 2021/22 was focused on supporting the local charity, community and voluntary sector.

The Arsenal Foundation

Trustees' Annual Report Financial Review

During the year ended 31 May 2022, the Foundation had total income of £1,119,835 (2021: £266,859).

In December 2021 Arsenal Football Club's Arsenal Giving Match Day in support of The Arsenal Foundation raised £138,297 (2021: £89,622), with generous donations from the Players of the Arsenal Men's First team and the Women's Team who donated a day's wages to The Arsenal Foundation.

The Trustees expended resources of £774,654 (2021: £299,512) which includes grants which were donated to a range of causes reflecting the objectives of The Arsenal Foundation.

All resources expended, are expended in line with the objectives of The Arsenal Foundation. Full details of grants made by The Arsenal Foundation are contained in note 4 of the financial statements. Restricted funds are regularly reviewed to ensure the funds are being spent in line with the restrictions imposed by the donor.

The attached accounts show the state of The Arsenal Foundation's finances at FY22, which the Trustees consider to be satisfactory.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning The Arsenal Foundation's future activities.

Grant Policy

The Trustees reviewed and updated the Grant Making Guidelines to reflect current and best practice in 2021.

Requests for grants received are all individually evaluated against predefined criteria to ensure they meet The Arsenal Foundation's objectives. Monitoring and evaluation of projects supported by The Arsenal Foundation are carried out through a reporting process from the grantees.

Reserves Policy

The Trustees regularly discuss the status of The Arsenal Foundation's reserves to ensure that adequate reserves are in place. As of 31 May 2022, The Arsenal Foundation had total funds of £1,357,114 (2021: £1,037,433), of those funds £915,818 (2021: £780,381) were restricted.

The Trustees in considering the reduction in income due to the pandemic agreed a revised level of reserves for 2021/22. This was set at £400,000.

Plans for Future Periods

Fundraising plans include direct approaches to the supporters, players, and staff of the Club as well as high net worth donors.

We are also working with Save the Children to identify and approach institutional funders who have an interest in children's mental health particularly post pandemic and who may be interested in funding Coaching for Life. We have submitted a joint application to the UEFA Foundation.

Going Concern

Having considered the reserves level and the actions above the trustees have considered forecasts for the next 5 years, including a range of potential income levels and consider that they can manage the cash flows and liabilities of the charity and therefore the trustees consider that they have a reasonable expectation that The Arsenal Foundation will have adequate resources to continue as a going concern for at least twelve months from the date of signing this report.

Structure, Governance and Management

The Trustees have overall responsibility for the direction, management, and control of The Arsenal Foundation. The Trustees have equal voting rights, and meet on a biannual basis, at a minimum. The appointment of Trustees

The Arsenal Foundation

Trustees' Annual Report

must be made by the current Trustees at a special meeting. Each Trustee has been given the appropriate induction and training.

The Trustees would like to give special thanks to several individuals including the Ambassadors of The Arsenal Foundation who have so generously supported us with their donations, time, and expertise. Thank you to Mikel Arteta, Edu Gaspar, Leah Williamson, Liam Brady, Martin Keown, Robert Pires, David Seaman, Bob Wilson, Dermot O'Leary, and Matt Lucas.

The Trustees would also like to thank Per Mertesacker for his important contribution to the work of The Arsenal Foundation.

In addition to the above, the Trustees are extremely grateful to the Kroenke Foundation, the Af Jochnick Foundation and Peter Olsen who have so generously supported The Arsenal Foundation. Finally, our heartfelt thanks to all those, including the Club's staff who so generously made donations to The Arsenal Foundation enabling our projects to continue, increase in scope and diversity and reach even more individuals around the world ensuring that these individuals could see hope and potential in their futures.

Trustees' Statement of Responsibilities

The Trustees (who are also directors of The Arsenal Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these Financial Statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it's inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware. The Trustees have taken all the steps to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Deloitte LLP have been appointed in office as independent examiners.

The Trustee's Annual Report was approved and signed on behalf of the Trustees.



Chair, Trustee
24th February 2023

The Arsenal Foundation

Auditor's Report to the Trustees of the Arsenal Foundation

Opinion

In our opinion the financial statements of The Arsenal Foundation (the 'charitable company'):

- Give a true and fair view of the state of the charitable company's affairs as at 31 May 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, which comprise:

- The Statement of Financial Activities
- The Balance Sheet
- The Cash Flow Statement; and
- The related notes 1 to 13.

The Financial Reporting Framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 charitable company's ability to continue as a going concern for a period of at least 12 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, 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 during the audit, or otherwise

The Arsenal Foundation

Trustees' Annual Report

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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and Trustees about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act and UK Companies Act; and
- did not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following area, and our specific procedures performed to address it are described below:

- we identified a risk related to the correct recognition of liabilities in respect of grant expenditure. We have addressed this risk by selecting a sample of grants recognised in the year and reviewing the grant agreements, Board minutes, cash payments and related information to understand the purpose of the grant, any conditions present in order to ascertain the correct level of expenditure and related liability to recognise.

The Arsenal Foundation

Trustees' Annual Report

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing any correspondence with the Charity Commission.

Report on other legal and regulatory requirements

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.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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.



Michelle Hopton FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Bristol, United Kingdom

Date: 27 February 2023

The Arsenal Foundation

Statement of Financial Activities (Incorporating an Income and Expenditure Account) For the year ended 31 May 2022

		Unrestricted 2022	Restricted 2022	Total 2022	Unrestricted (Unaudited) 2021	Restricted (Unaudited) 2021	Total (Unaudited) 2021
Income from:	Notes	£	£	£	£	£	£
Donations	3	421,983	697,852	1,119,835	115,219	50,248	165,467
Grants	3	-	-	-	-	102,942	102,942
Other trading activities	3	-	-	-	(1,550)	-	(1,550)
Investments	3	-	-	-	-	-	-
Total income		421,983	697,852	1,119,835	113,669	153,190	266,859
Expenditure on:							
Raising funds	5	(32,499)	-	(32,499)	(30,598)	-	(30,598)
Charitable activities	4	(212,239)	(562,415)	(774,654)	(159,872)	(139,640)	(299,512)
Total expenditure		(244,738)	(562,415)	(807,153)	(190,470)	(139,640)	(330,110)
Net income /(expenditure) before and after tax		177,244	135,437	312,681	(76,801)	13,550	(63,251)
Reconciliation of funds							
Total funds brought forward		257,052	780,381	1,037,433	333,853	766,831	1,100,684
Net movement in funds for the year		177,244	135,437	312,681	(76,801)	13,550	(63,251)
Total funds carried forward		434,296	915,818	1,350,114	257,052	780,381	1,037,433

The above results all derive from continuing operations.

There were no gains and losses in the current or prior year other than as set out in the statement of financial activities above, and accordingly no separate statement of total recognised gains and losses is presented.

The Arsenal Foundation

Balance Sheet as at 31 May 2022

	Notes	2022 £	2021 (Unaudited) £
Current assets			
Debtors	7	4,676	6,005
Cash at bank and in hand		1,847,152	1,679,374
		1,851,828	1,685,379
Creditors: amounts falling due within one year	8	(501,715)	(647,946)
Net current assets/Total assets less current liabilities		1,350,114	1,037,433
Creditors: amounts falling due after more than one year	8	-	-
Net assets		1,350,114	1,037,433
Funds	9/10		
Unrestricted funds		434,296	257,052
Restricted funds		915,818	780,381
Total Funds		1,350,114	1,037,433

For the year ended 31 May 2021, the financial statements have been prepared in accordance with the provisions applicable to companies **entitled to the small companies' exemptions**.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements of The Arsenal Foundation (company number 07923266) a charitable company were approved and authorised for issue by the Trustees on 24th February 2022.

Signed on behalf of the Trustees.



S. Geissmar
Chair, Trustee
Date

The Arsenal Foundation

Cash Flow Statement for the Year Ended 31 May 2022

	Total funds 2022 £	Total funds 2021 (Unaudited) £
Net Cash Inflow/(Outflow) from operating activities	167,779	(113,294)
Cash flows from Investing activities		
Treasury deposit	-	-
Interest received	-	-
Net Cash Flows from investing activities	-	-
Net increase/(decrease) in cash and cash equivalents	167,779	(113,294)
Cash and cash equivalents at beginning of year	1,679,374	1,792,668
Cash and cash equivalents at the end of the year	1,847,152	1,679,374

There were no cash equivalents in 2022 (2021: £nil).

Reconciliation of net (expenditure) to net cash from operating activities

	2022 £	2021 (Unaudited) £
Net income/(expenditure) for the year	312,681	(63,251)
Adjustments for:		
Investment income	-	-
Decrease in debtors	1,329	22,134
(Decrease) in creditors	(146,231)	(72,177)
Cash Inflow/ (Outflow) from by Operating Activities	167,780	(113,294)

The Arsenal Foundation

Notes to the Financial Statements

For the year ended 31 May 2022

1: Accounting policies

The Arsenal Foundation, a public benefit entity, is incorporated in England and Wales as a private company limited by guarantee not having a share capital. The members of the company, which is also a registered charity, are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Arsenal Foundation meets the definition of public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention.

The functional and presentation currency of The Arsenal Foundation is considered to be pounds sterling because that is the currency of the primary economic environment in which The Arsenal Foundation operates.

Critical accounting judgements and key sources of estimation uncertainty

In the application of The Arsenal Foundation's accounting policies, which are described in this note, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgments or key sources of estimation uncertainty at the reporting date other than those set out in the accounting policies.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when The Arsenal Foundation becomes a party to the contractual provisions of the instrument.

Financial assets which qualify as basic financial instruments as laid out in FRS 102 paragraph 11.8, including trade and other receivables and cash and bank balances. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets are derecognised when and only when (a) the contractual right to the cash flows from the financial asset expire or are settled, (b) The Arsenal Foundation transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) The Arsenal Foundation, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. All financial assets and liabilities are initially measured at transaction price (including transaction costs) unless the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled, or expires.

Going concern

The Trustees have a reasonable expectation that The Arsenal Foundation will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements, being at least 12 months from the date of approval of these financial statements. For additional details on the Foundation's future plans and other considerations relevant to going concern, please see the 'Plans for Future Periods' and 'Going Concern' sections of the annual report on pages 7-8.

The Arsenal Foundation

Notes to the Financial Statements

For the year ended 31 May 2022

Income

All income becoming available to The Arsenal Foundation during the period is included when there is entitlement to the income, receipt is probable, and amounts can be measured with sufficient reliability. Appropriate proportions of income and expenditure are recognised from events organised jointly with third parties. Where the charity has received income in advance of a related event or where there are conditions that have not yet been met the income has been deferred.

Grant Income

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Grant funding agreements may contain conditions that specify the services to be performed by The Arsenal Foundation in receipt of a grant. Income is only recognised to the extent that The Arsenal Foundation has provided the specified goods or services as entitlement to the grant only occurs when the performance-related conditions are met.

Fund accounting

Unrestricted funds comprise the accumulated surplus or deficit and are available for use at the discretion of the Trustees in furtherance of the general objectives of The Arsenal Foundation.

Restricted funds are funds subject to specific restrictive covenants imposed by donors or by the purpose of the appeal.

Expenditure

Cost of charitable activities includes all expenditure directly related to the objectives of The Arsenal Foundation. This consists mainly of assessing grant applications and making and monitoring grants. It also includes support costs representing staffing and associated costs.

Cost of raising funds includes expenditure related to fundraising activities. It also includes support costs representing staffing and associated costs.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been recognised as support costs and allocated to activities on a basis consistent with staff time spent. The allocation of support costs is agreed on an annual basis by the Trustees as part of the budget process.

Governance costs, which include audit, tax and accountancy fees associated with the governance of The Arsenal Foundation, are included within support costs.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such as grants, with conditions attached which are recognised as expenditure when the conditions attached are fulfilled. Grants are charged to the statement of financial activities when a constructive obligation exists, notwithstanding that they may be paid in future accounting years.

Other expenditure incurred in charitable activities disclosed in note 4 are those attributable directly to charitable activities.

Any services donated by The Arsenal Football Club, such as staff, other than those staff specifically seconded to work for the foundation, are treated as donations with no conditions attached. No value has been ascribed to the time as it is not easily measurable.

Grant creditors

Grant creditors are recognised when the grant awarded to a beneficiary is measurable, payment is probable and a present legal or constructive obligation exists at the year-end, but the cash has not yet been paid. Where the expected payment date falls within twelve months of the reporting date, the creditor is classified as a current liability; when payment is due to fall later than this date, the creditor is classified as a non-current liability.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

The Arsenal Foundation
Notes to the Financial Statements
For the year ended 31 May 2022

2. Trustees' remuneration and expenses

No remuneration directly or indirectly out of the funds of The Arsenal Foundation was paid or payable for the year to any Trustees or to any person or persons known to be connected with any of them (2021: £nil). Reimbursement of expenses has been made to the Trustees in respect of the period of £nil (2021: £nil).

3. Income

	2022	2021
	£	(Unaudited)
		£
Donations received		
Arsenal Giving Match Day	138,297	89,622
Online Donations	39,608	16,042
Gift Aid	0	3,750
Other donations (£10,000 and over)	114,299	36,000
Other donations (Below £10,000)	327,631	20,053
	619,835	165,467
Grant income	500,000	102,942
Night to Inspire Charity Event	-	(1,550)*
	1,119,835	266,859

* This relates to a credit note raised for an auction lot won in 2019, the donor wished for us to refund the funds until the lot can be delivered.

4. Charitable activities

	2022	2021
	£	(Unaudited)
		£
Save the Children	340,415	192,000
Islington Giving	50,000	-
Willow	43,100	-
Gunners fund	25,700	-
Covid-19 grants	-	23,500
Other grants- To Individuals	2,040	7,593
Other grants- To Institutions	235,500	7,202
Total Grant Expenditure	696,755	230,295
Other direct expenditure incurred on charitable activities	11,916	7,091
Support costs (note 6)	65,983	62,126
	774,654	299,512

The Arsenal Foundation
Notes to the Financial Statements
For the year ended 31 May 2022

5. Raising Funds

	2022	2021
	£	(Unaudited)
		£
Support Costs (note 6)	32,499	30,598
	32,499	30,598

6. Support costs

	2022	2021
	£	£
Seconded staff	84,902	84,184
Governance costs	13,580	8,540
	91,482	92,724

Where costs cannot be directly attributed to particular headings, they have been recognised as support costs and allocated to activities on a basis consistent with staff time spent.

Governance costs relate to independent examination, legal and tax work. The fees payable to The Arsenal Foundation auditor for the audit of the charity's annual accounts is £13,000 (2021: £6,000).

Seconded staff costs relate to The Arsenal Foundation's Director, who is employed by The Arsenal Football Club. The seconded staff costs comprise the following:

	2022	2021
	£	(Unaudited)
		£
Wages and salaries	70,556	68,000
Social security	5,601	9,384
Pension	8,745	6,800
	84,902	84,184

The average headcount analysed by function was:

	2022	2021
	No.	No.
Administration and management	1	1

The employee benefits of one employee (excluding employer pension costs) are in the range of £70,000 to £80,000 in the current year. One employee received remuneration of more than £60,000 in the prior year.

The Arsenal Foundation
Notes to the Financial Statements
For the year ended 31 May 2022

7. Debtors

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	2022	2021
	£	(Unaudited)
		£
Trade Debtors	507	-
Prepayments	4,169	6,005
	4,676	6,005

8. Creditors

	2022	2021
	£	(Unaudited)
		£
Amounts falling due within one year		
Trade creditors	94,571	287,627
Deferred Income	12,000	113,029
Accrued expenditure	20,015	48,090
Other creditors	7,200	7,200
Accruals for grants payable	367,929	192,000
	501,715	647,946

	2022	2021
	£	(Unaudited)
		£
Amounts falling due after one year		
Deferred Income	-	-
	-	-

	2022	2021
	£	(Unaudited)
		£
Movement of Deferred Income		
Deferred income brought forward	113,029	112,997
Income released in the year	(101,029)	-
Income deferred in the year	-	32
Deferred Income Carried forward	12,000	113,029

The Arsenal Foundation
Notes to the Financial Statements
For the year ended 31 May 2022

9. Funds

	01-June 2021 (Unaudited) £	Income £	Expenditure £	31-May 2022 £
Unrestricted				
<i>Unrestricted Funds</i>	257,052	421,983	(244,738)	434,297
Restricted				
Sri Lanka	-	20,000	(20,000)	-
Ukraine Appeal	-	50,000	(50,000)	-
Arsenal in the Community	548,050	-	(107,000)	441,050
Local pitches (Legends fund)	232,331	-	-	232,331
Save the Children (Coaching for Life project)	-	627,852	(385,415)	242,437
Total Restricted	780,381	697,852	(562,415)	915,818
Total funds	1,037,433	1,119,835	(807,153)	1,350,114

The restricted funds (Legends fund) are funds received from The Arsenal Football Club, for the Legends Match. £232,331 has not yet been paid, this has been restricted by the donor and relates to projects for developing and building pitches in the local community.

The restricted income for 'Arsenal in the Community' is for various projects and has been restricted by the donor.

Comparative funds for the year ended 31 May 2021

	01-June 2020 (Unaudited) £	Income £	Expenditure £	31-May 2021 £
Unrestricted				
<i>Unrestricted Funds</i>	333,853	113,669	190,470	257,052
Restricted				
COVID -19 Response	-	12,698	12,698	-
Arsenal in the Community	534,500	13,550	-	548,050
Local pitches (Legends fund)	232,331	-	-	232,331
Save the Children (Coaching for Life project)	-	126,942	126,942	-
Total Restricted	766,831	153,190	139,640	780,381
Total funds	1,100,684	266,859	330,110	1,037,433

The Arsenal Foundation
Notes to the Financial Statements
For the year ended 31 May 2022

10. Net assets by fund

	Debtors £	Cash and short term deposits £	Liabilities £	Balance 31-May 2022 £
2022				
<i>General</i>	4,676	590,905	(161,286)	434,296
<i>Restricted</i>	-	1,256,247	(340,429)	915,818
Total funds	4,676	1,847,152	(501,715)	1,350,114
	Debtors £	Cash and short term deposits £	Liabilities £	Balance 31-May 2021 (Unaudited) £
2021				
<i>General</i>	6,005	671,022	(419,975)	257,052
<i>Restricted</i>	-	1,008,352	(227,971)	780,381
Total funds	6,005	1,679,374	(647,946)	1,037,433

11. Related party transactions

The Arsenal Foundation is independently run; however, it has a close relationship with The Arsenal Football Club plc, and Mr K J Friar, who resigned as Trustee on 26th September 2022, Mr V Venkatesham a Trustee, and Mr D Miles, who resigned as a Trustee on 30 June 2021, are also a former director (resigned 31 August 2020), the CEO, and the former company secretary (resigned 30 June 2021), respectively, of that company. The amount collected by Arsenal Holdings Limited on behalf of The Arsenal Foundation and paid over to the Foundation was £0 (2021: £416), along with £14,066 owed to Arsenal Holdings at year end (2021: £7,174). Arsenal Holdings Limited also donated £50,000 to The Arsenal Foundation, in response to the ongoing war in Ukraine, which was subsequently donated to Save the Children in relation to their appeal for Ukraine.

In the year, The Foundation has a trade creditor with Arsenal Holdings of £77,887 and accrued expenditure of £7,014, which relates to staff costs of £84,902 (2021: £84,184).

On occasion, the Foundation will make a donation to a charity at which a Trustee volunteers - any conflicts arising in respect of this are appropriately managed.

There are no other related party transactions with trustees or connected persons or entities.

12. Taxation

As a registered charity, The Arsenal Foundation is exempt from taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 (CTA 2010) to the extent that these are applied to its charitable purposes. The financial statements do not therefore reflect any provision, reserve, or adjustment for taxation.

13. Future funding commitments

At the time of signing the accounts, The Arsenal Foundation has committed to funding of £377,500 December 22 to Save the Children. This commitment will be funded from The Arsenal Foundation's reserves as well as from funds raised from fundraising activities in the 2021/22 financial year.

The Arsenal Foundation has also committed to funding of £80,000 for a football pitch at Peregrine House. This will be funded from the Local Pitches Legends Fund restricted income but is subject to planning permission being obtained.