

CLARETS IN THE COMMUNITY LIMITED

England & Wales · Charity number 1155856

Details

Other names	BURNLEY FC IN THE COMMUNITY
Status	Registered
Legal form	Charitable company
Company number	08615704
Registered	2014-02-19
Register	View on the Charity Commission register

Contact

Address	Clarets In The Community Limited Turf Moor Harry Potts Way Burnley BB10 4BX
Phone	01282704716
Email	h.gurman@burnleyfc.com
Website	www.burnleyfccommunity.org

Activities

Objects: THE CHARITY'S OBJECTS ("THE OBJECTS") ARE FOR THE BENEFIT OF THE PUBLIC GENERALLY AND IN PARTICULAR THE INHABITANTS OF THE NORTH OF ENGLAND AND OVERSEAS AND ARE:(A) TO PROMOTE COMMUNITY PARTICIPATION IN HEALTHY RECREATION IN PARTICULAR BY THE PROVISION OF FACILITIES FOR THE PLAYING OF ASSOCIATION FOOTBALL AND OTHER SPORTS CAPABLE OF IMPROVING HEALTH ("FACILITIES" IN THIS CLAUSE MEANS LAND, BUILDINGS, EQUIPMENT AND ORGANISING SPORTING ACTIVITIES);(B) TO ADVANCE THE PHYSICAL EDUCATION OF YOUNG PEOPLE IN THE NORTH OF ENGLAND AND OVERSEAS BY COACHING IN AND PROVIDING FACILITIES FOR THE GAME OF FOOTBALL AND OTHER SPORTING ACTIVITIES SO AS TO DEVELOP THEIR PHYSICAL, MENTAL AND SPIRITUAL CAPABILITIES TO ENABLE THEM TO GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY;(C) TO ADVANCE AND ASSIST IN ADVANCING THE EDUCATION OF THE GENERAL PUBLIC, WITH A PARTICULAR FOCUS ON THAT OF CHILDREN AND YOUNG PEOPLE ATTENDING SCHOOLS IN THE NORTH OF ENGLAND AND OVERSEAS AREA BY THE PROVISION AT VENUES SELECTED OR APPROVED BY THE CHARITY OF MEETINGS, LECTURES, CLASSES AND ACTIVITIES FOR THE BENEFIT OF SUCH CHILDREN AND YOUNG PEOPLE AND BY THE PROVISION OF EDUCATIONAL MATERIALS FOR DISTRIBUTION TO SUCH CHILDREN AND YOUNG PEOPLE;(D) TO PROVIDE AND ASSIST IN PROVIDING FACILITIES FOR THE GAME OF FOOTBALL AND OTHER SPORTING ACTIVITIES, RECREATION OR OTHER LEISURE TIME OCCUPATION OF SUCH PERSONS WHO HAVE NEED FOR SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES OR FOR THE PUBLIC AT LARGE IN THE INTERESTS OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE;(E) TO ADVANCE RACIAL AND RELIGIOUS HARMONY AND EQUALITY AND DIVERSITY AMONG CHILDREN AND YOUNG PEOPLE BY ARRANGING ACTIVITIES (INCLUDING ACTIVITIES CONNECTED WITH THE GAME OF FOOTBALL AND OTHER SPORTING ACTIVITIES) TO ENCOURAGE SHARED EXPERIENCES AND INTERESTS WITHOUT REFERENCE TO RACE, RELIGION, BELIEF, SEX, DISABILITY, NATIONALITY, ETHNIC OR NATIONAL ORIGIN OR SOCIAL BACKGROUND?

Activities: Burnley FC in the Community is a self-financing registered charity supporting communities, inspiring communities and delivering change in communities. This is achieved through the delivery of;Various projects including sports participation, education, health, social inclusion and community facilities.Being a self-financing, viable charity embedded within the ethos of the football club.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Disability, Amateur Sport, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- **Area of benefit:** LOCAL
- China
- Calderdale
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£3,871,853	£3,724,330	£2,266,690	76
2024-06-30	£3,817,117	£3,611,742	£2,119,167	76
2023-06-30	£3,221,246	£3,273,733	£1,913,792	109
2022-06-30	£3,340,010	£3,240,752	£1,966,279	81
2021-06-30	£2,576,722	£2,520,696	£1,867,021	71

Trustees

Name	Role	Appointed
Afrasiab Anwar		2021-07-04
Alan Pace		2021-07-04
Barry Kilby		2015-07-31
Brian Thomas Nelson		2014-08-01
David Leslie Rothwell		2021-07-04
David Michael Lawson		2017-03-31
Dr Yasara Naheed		2022-03-08
James Holroyd		2026-05-20
Michael Lee Garlick		2021-01-11
PHILIP ALAN STUART WILSON		2014-01-17
Richard Herbert John Sutton		2015-07-31
Stuart Andrew Hunt		2023-11-01

CLARETS IN THE COMMUNITY LIMITED

England & Wales - Charity number 1155856

Accounts

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2025
Company Number: 08615704
Charity Number: 1155856



CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

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CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name

Clarets In The Community Limited (trading as Burnley FC in the Community)

Charity number

1155856

Company number

08615704

Registered office

Turf Moor
Harry Potts Way
Burnley
Lancashire
BB10 4BX

Trustees

H Al-Kailani (*resigned 27 February 2025*)

A Anwar

M L Garlick

S A Hunt

B C Kilby

D M Lawson

Y Naheed

B T Nelson (Chair)

A G Pace

D L Rothwell

R H J Sutton

M R Williams

P A S Wilson

The trustees act as directors for the purpose of company law.

Chief Executive Officer

H L Gurman

Auditors

PM+M Solutions for Business LLP

Chartered Accountants

New Century House

Greenbank Technology Park

Blackburn

Lancashire

BB1 5QB

Bankers

Barclays Bank plc

72/78 St James Street

Burnley

Lancashire

BB11 1NH

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

The trustees present their report and the audited financial statements of the group and the company for the year ended 30 June 2025.

Objectives and Activities

Burnley FC in the Community is a self-financing, registered charity with a mission to inspire, support and deliver positive change for all. This is achieved through the delivery of two overarching outcomes and three targeted outcomes:

Overarching Outcomes

1. To harness the unique standing of Burnley Football Club to deliver lasting change in the local community.
2. To embed ourselves in the local community for the long-term operating of outstanding facilities.

Targeted Outcomes

1. Engage with our communities to raise aspirations.
2. Support our community to live healthy lives.
3. Create a level playing field for all to engage in sport and physical activity.

Burnley FC in the Community is committed to developing a range of community-based projects across the boroughs of Burnley, Pendle, Rossendale, Ribble Valley and Calderdale.

The charity has four core values which are the ideals it strives to achieve every day in the delivery of its activities and charitable work: *Inclusive, Integrity, Passionate and Resilient*.

The charity seeks to address several challenges across Burnley and the surrounding areas - from poor health outcomes and food insecurity, to low educational attainment, social isolation, and limited access to quality sports and leisure opportunities. Guided by its strategic goals, it seeks to promote 'healthier lives' by breaking down barriers to physical activity and wellbeing, 'empower change' by creating inclusive opportunities and meaningful connections that reflect the diversity of local communities, and 'raise aspirations' by inspiring confidence, nurturing ambition, and opening pathways to education, training, and careers. Through its projects and facilities, the charity aims to ensure that people of all ages, backgrounds, and abilities feel represented, supported, and equipped to thrive.

To assess progress against these aims, the charity monitors a range of indicators, including participation levels, beneficiary feedback, achievement of project-specific outcomes, school and partner feedback, volunteer involvement, and the attainment of external inspections where applicable. These measures enable the trustees to evaluate whether the charity's activities are continuing to further its charitable purposes.

The community projects delivered during the 2024-25 financial year to help deliver the charity's aims include:

- Burnley Community Kitchen Foodbank – delivering a foodbank service within the local community;
- Health & Fitness – a range of programmes across mental health, weight loss, walking sports, over 50's groups, cancer rehabilitation and dementia support;
- Champions – a youth custody intervention programme;
- Veterans – a range of programmes supporting armed forces veterans;
- Premier League Kicks – offering free sport to 8-18 year olds;
- Premier League Inspires – supporting 11-25 year olds who are marginalised or at risk of not reaching their potential;
- Premier League Primary Stars – working to inspire primary school children;
- Schools Mental Wellbeing – working in secondary schools to support students struggling with mental health issues;
- Employability – helping young people into work;
- Higher Education Partnership – an academic and sport programme providing a bridge between grassroots and academy sport;

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FOR THE YEAR ENDED 30 JUNE 2025

- Female Football – providing greater accessibility and inclusivity for female footballers;
- Football & Sports Development – increasing community participation across various sports including through holiday camps and working with refugees;
- Premier League Fans Fund – strengthening the connections between football clubs and their fans and local communities;
- National Citizen Service - a personal and social development program for 16–17 year olds;
- STEM - elevating children's education through Science, Technology, Engineering, and Mathematics.

Burnley FC in the Community also continues to operate two facilities:

- The Whitehough Outdoor Centre in the Borough of Pendle. Having first opened in 1938, the site has been operated by Burnley FC in the Community since 2018. The outdoor education facility offering a variety of activities and caters for school, not-for-profit, corporate and family use.
- The Leisure Box community leisure facility in the Borough of Pendle. Opened in 2019, the converted mill consists of an indoor pitch, outdoor pitch, sports hall, padel court, climbing wall, and gym. The facility is open to the public whilst also providing an essential base for many of the charity's programmes, including holiday camps. The subsidised gym membership of £9.99 per month highlights the charity's desire to provide community facilities at an affordable price.

Public benefit

The charity is a public benefit entity and the trustees have had regard to the Charity Commission's guidance on public benefits in carrying out the activities of the charity.

Achievements and Performance

Over the past year, our charity has continued to deliver against its core pillars of sport, education, health and wellbeing, targeted intervention, and community inclusion. Across all programmes, we engaged **28,624 people**, reflecting the breadth of our reach delivering community projects in Burnley and the wider region

Delivering sport for all

Our football pathways have gone from strength to strength. In the women's game, 450 females participated across the season, with 76 players progressing through our Player Development Centres and Emerging Talent Centres. A notable highlight came when England legend Rachel Brown-Finnis visited our Women's Juniors, inspiring the next generation.

Beyond football, our wider sport development initiatives continued to grow. More than 650 children took their first steps into football through introductory sessions, while 1,801 children joined our activity camps – a 41% increase from the previous year. Walking football participation rose by 41%, demonstrating our commitment to lifelong sport. Matchday packages also engaged 543 players, connecting grassroots participants with the professional game.

Inspiring through education

Education remained a cornerstone of our work. Through Premier League Primary Stars, we reached 8,510 children, embedding learning through sport. Our STEM programme engaged 3,331 children and was nationally recognised with a Bronze Award at the Football Business Awards 2025 for Best Corporate Responsibility Scheme.

Promoting health and wellbeing

We expanded our health programmes to meet growing community needs: 136 participants and their families were supported through dementia initiatives, while 515 young people accessed peer support via our Schools Mental Wellbeing Project. Dedicated programmes reached 196 participants living with cancer and Parkinson's, and our Clarets Welcome initiative helped 34 refugees find connection and belonging. Over 40 women from South Asian communities engaged with our Progression not Perfection programme each week, breaking down barriers to participation.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

Targeted intervention and employability:

Our targeted interventions delivered measurable outcomes: 1,240 young people engaged through Premier League Inspires, with 153 receiving 1:1 support to reduce youth crime. Feedback was overwhelmingly positive:

- 100% of pupils rated mentoring Good or Excellent.
- 81% reported improved behaviour.
- 89% reported greater confidence and self-esteem.
- 84% reported improved mental wellbeing.

The Hatch employability programme supported 104 participants, an 11% increase on last year. These results underline the transformative effect of tailored support.

Supporting Veterans

Our Veterans programme provided both practical and emotional support. 131 veterans and their families engaged with our services, while 51 veterans accessed employability initiatives, leading to 21 job successes, including two within our own organisation. Veterans also contributed 118 hours of community service at Whitehough and volunteered their time at the foodbank.

Programmes that are accessible

Premier League Kicks continued to be a powerful force for change, with 1,239 young people attending sessions. One participant, Imran, described how the programme gave him "a second chance at being me," highlighting its role in building resilience and respect. Events such as sports days and trips to Wolves further enriched the experience.

Our Limitless Clarets programme championed disability sport, engaging 343 young people and delivering over 230 hours of activity. Visits from Burnley men's first-team players in celebration of International Sign Languages Day, and participation in the Premier League Disability Festival, showcased the inclusivity and visibility of the programme.

Outcomes and impact

Our programmes delivered tangible outputs – from thousands of children engaged in education to hundreds of participants supported in health and wellbeing. More importantly, they created lasting impact: improved confidence, better mental health, stronger community cohesion, and pathways to employment. These impacts represent the ultimate expression of our performance, showing how our work contributes to both individual lives and wider society.

The main challenges during the year related to staffing cost pressures linked to increases in the National Minimum and National Living Wage, rising operational costs, and significant demand on welfare-focused programmes such as the foodbank. Despite these pressures, the charity delivered a strong financial performance and maintained stability across all key activities.

Looking ahead, experience gained this year, particularly around rising demand for food support and increasing pressure on young people's mental health, has directly informed the focus of the charity's new 2025–28 strategy. Success will be measured not only in financial resilience, but in the tangible difference made across Burnley: healthier lives where physical activity and wellbeing are accessible to all; empowered communities where inclusion, representation, and meaningful connections reduce isolation and stigma; and raised aspirations where young people and adults are supported to build confidence, pursue education and careers, and see realistic pathways to progress. By embedding equality, diversity, and inclusion across all programmes, the charity aims to ensure that every individual, regardless of background or circumstance, feels valued and supported.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

Financial Review

The table below summarises the financial position for the financial years 2025 and 2024:

	Year ended 30 June 2025	Year ended 30 June 2024
Total incoming resources	£3,871,853	£3,817,117
Total outgoing resources	£3,724,330	£3,611,742
Net surplus/(deficit) for the year	£147,523	£205,375
Cash at bank and in hand	£1,348,205	£1,059,352
Net current assets	£940,455	£883,465

- Total incoming resources increased by 1% to £3,871,853. The level of core grant funding from the Premier League was lower due to the football club playing in the EFL Championship, however this was offset by the higher EFL funding available for being in that division, plus other new funding streams.
- Total outgoing resources increased by 3% to £3,724,330. Staffing costs face upward pressure due to National Minimum Wage and National Living Wage increases, plus the increase in employer National Insurance and the reduction to the secondary threshold. In light of these pressures, the outgoing resources were well managed.
- Due to the factors detailed above, the net result for the year was a surplus of £147,523. Whilst this is a reduction from the surplus of £205,375 the prior year, it represents one of the best years in the charity's history, particularly during an EFL campaign.
- Cash and cash equivalents at 30 June 2025 amounted to £1,348,205, an increase of 27% over the reporting period. The charity targets days cash on hand in excess of 60 days and the cash at 30 June 2025 represents days cash on hand of 129 days, comfortably above the benchmark.
- Net current assets increased by 6% to £940,455. The charity targets a current ratio of 1.1x and the ratio at 30 June 2025 was 1.95x, comfortably above the benchmark.
- Financially, it has been another successful year for the charity. It leaves the charity on a strong footing to mitigate any future challenges, including potential relegation from the Premier League and the associated drop in core grant funding, and the ongoing upward pressure on staffing costs.

Principal Funding Sources

The charity's funding sources are diverse, thus reducing the risk of a decline in income from any particular source. The principal funding sources of the charity are as follows:

- Grant funding (40% of total income) - the most significant providers are the Premier League Charitable Fund, the EFL Trust, the Football Association, the National Lottery, BBC Children In Need, Burnley Borough Council, the Armed Forces Covenant Fund Trust, the Veterans Foundation, Islamic Relief, and UK Youth.

In the case of the Premier League and the Premier League Charitable Fund, the grant funding varies dependent on the division of Burnley Football Club. This creates an element of risk since the football club's division is outside the control of the charity. Whilst relegation from the Premier League to the EFL reduces the Premier League Charitable Fund grant income, this is partially offset by the EFL Trust funding on offer. The charity budgets accordingly and assumes the worst-case scenario when budgeting for the following season, until the division is known.

- Donations (13% of total income) – these are received from a wide range of organisations and individuals.
- Projects, courses and education (24% of total income) – the charity delivers a number of programmes in over 25 schools and colleges.

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FOR THE YEAR ENDED 30 JUNE 2025

- Trading income (11% of total income) – the charity's two trading facilities provide increased diversity to the charity's income, with relatively stable earnings generated. Additionally, the facilities also provide valuable space to run many of the charity's own programmes, the income from which has been eliminated during the intercompany consolidation.
- Fundraising and sponsorship (9% of total income) – this generates unrestricted income for the charity with relatively consistent returns over recent years. Fundraising events that were successfully held during the year include:
 - Charity Golf Day
 - The Big Burnley Breakout
 - Community Charity Dinner
 - Turf Talk Live
- Other income (3% of total income) – a mix of rental, interest, and other income.

Investment Policies

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit and as necessary for carrying out the charitable activities. In addition, under the Memorandum and Articles of Association, the charity may set aside income as a reserve against future expenditure, but only in accordance with its Reserves Policy.

During the year, the charity invested some of its cash reserves into a cash deposit platform. Such platforms allow deposits to be placed with numerous financial institutions, over a range of durations, via the platform without the complexity of opening multiple accounts. This enables good diversification of the savings thus minimising counterparty risk. The charity has a policy of only placing deposits with investment grade institutions. Future cashflows are closely monitored and amounts are placed on deposit accordingly, in order to maximise the interest rates on offer whilst retaining sufficient headroom to meet day-to-day activities. The account opened in March 2025 and over the 2025-26 financial year the charity anticipates interest income of at least £30,000.

During the year, the charity did not invest in any further shares in its trading subsidiary, BFCITC Facilities (Enterprises) Ltd.

Reserves Policy

The objective of having free reserves is to enable the charity to cope with unplanned events. Very often, the effects of an unplanned event can be managed in the long-term, but the charity needs reserves in the meantime.

The trustees are working towards maintaining an overall target level for free reserves which is equivalent to two months' net operating costs, where fixed assets are discounted when calculating the level of reserves for the charity. The trustees believe this level is appropriate since the charity has relatively predictable and diverse income streams, making it unlikely that all income will reduce at once. Furthermore, some staff are on fixed-term or casual contracts which can be terminated quickly following a drop in funding.

The trustees must monitor and review the level of reserves at least annually, in line with the guidance issued by the Charity Commission; however, the level of reserves is monitored throughout the year as part of the normal monitoring and budgetary reporting processes. The level of reserves is always discussed by the trustees at their quarterly governance meeting during the Finance agenda item.

The trustees acknowledge that the level of reserves for the charity changes during the year and could either be a good indicator of the underlying financial health of the charity; or could be an indicator of potential problems.

Under the reserves policy, the target level of free reserves at the end of 30 June 2025 would be £826,622. Reserves at 30 June 2025 are as follows:

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

	As at 30 June 2025 £
Total reserves	2,266,690
Less tangible fixed assets	1,326,235
Free reserves	940,455

The free reserves are above the target and the level of cover is 78 days. Measures taken by the trustees to increase free reserves have succeeded in bringing this measure above the target, without detriment of the overarching objectives of the charity. Of the total reserves of £2,266,690, restricted funds total £1,127,918 not available for general use, of which £1,009,685 relates to restricted capital funds.

None of the charity's unrestricted reserves are designated, and there are no material amounts committed at the end of the reporting period.

Over the medium to longer term, in the event that the charity builds significant reserves, the trustees must:

- Identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Ensure that the Reserves Policy continues to be relevant as the charity develops or if the strategy and activities of the charity changes.

Going concern

At the time of approving the annual report and financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Principal risks and uncertainties

The principal risks and uncertainties facing the charity and its subsidiary undertakings, as identified by the charity trustees, and the mitigations for those risks are as follows:

- A reduction in grant income due to relegation from the Premier League or other factors. This is mitigated through conservative budgeting, meeting the free reserves target, and placing relevant staff on fixed-term contracts to match the guaranteed funding.
- Inadequate reserves and liquidity management. The current and future cash position is monitored and reported regularly to the CEO and Trustees. All assumptions in the cash flow forecast are clearly stated and major sensitivities are identified.
- Facilities risk. The risk that the charity's trading facilities suffer repeated, unsustainable losses. The performance of the facilities is reported to Trustees through the production of departmental management accounts. Actual results are compared to budgets and any anomalies identified and investigated accordingly. Were a facility to underperform significantly over an extended period of time, the charity's trustees would carry out a full review to ensure performance improves.

Plans for future periods

The charity recently adopted its strategic plan for the three-year period 2025-28 with a new mission, values, and strategic goals.

Our mission: Together, using the power of football, we empower, connect and inspire people to thrive.

Our values: Passion, Integrity, Inclusivity, Resilience

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

Our strategic goals:

1. Healthier Lives

Aim: To break down barriers to physical activity, champion inclusive participation and promote mental and physical wellbeing for people of all ages and backgrounds

The charity will continue to evolve community sport and wellbeing programmes to meet local needs, integrate nutrition and healthy lifestyle education into schools and clubs, and strengthen mental health support through stigma-free initiatives

2. Empowering Change

Aim: To unlock potential and build meaningful connections, through the power of sport, partnerships and lived experience to create lasting impact and opportunity for all.

To adapt community hubs and programmes to reflect the voices and identities of local people, increase volunteering and mentoring opportunities, and deliver initiatives that reduce isolation, tackle stigma, and celebrate diversity.

3. Raise Aspirations

Aim: To empower people to dream big, build confidence, and unlock their potential, creating environments that nurture ambition, celebrate progress, and spark innovation

To grow learning opportunities, pioneering STEM and technology, and create environments that encourage innovation, problem-solving, and visible role models for young people.

The 2025–28 strategy builds on lessons learned from recent years, particularly the rising demand for food support, increasing pressures on young people's mental health, and the need to embed equality, diversity, and inclusion across all programmes.

Structure, Governance and Management

Organisational structure

The company is constituted as a company limited by guarantee (company number: 08615704) and is governed by its Articles of Association.

The charity is registered with the Charity Commission (charity number: 1155856).

The charity operates under its working name of 'Burnley FC in the Community'.

The charity continues to control its wholly owned trading subsidiary: BFCITC Facilities (Enterprises) Ltd, a company limited by shares (company number: 10951684), which operates the Whitehough Outdoor Centre and The Leisure Box community leisure facility, both in the Borough of Pendle.

Method of appointment or election of trustees

The charity either advertises for new trustees, or approaches individuals with the appropriate skills and/or experience to contribute to the management of the organisation. All trustees are appointed following a formal recruitment process and attend a comprehensive induction programme.

All of the trustees are members of the company. The liability of each member by way of their guarantee to the company is to contribute a sum not exceeding ten pounds to the assets of the company, if so required on the winding up of the company.

Trustee induction and training

New trustees undergo training on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the committee and decision-making process; the business plan and recent financial performance of the charity. During the induction training programme,

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

new trustees learn about the organisation's purpose, history, aims and objectives, services, staff and volunteers, facilities, security, funding, safeguarding requirements, residents' participation, strategic work, multi-agency involvement and partnership involvement. They also meet key staff personnel to learn about their work roles.

Remuneration

The remuneration of the charity's key management personnel is set by annual review and confirmed by the trustees. The trustees are all volunteers and do not receive any remuneration for their services.

Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the major risks to which the charity is exposed.

During the year, the charity has furthered its work on risk management making all its staff and volunteers risk aware. All staff and volunteers continue to have a good understanding of their day-to-day responsibilities in managing risk.

The charity maintains its 'three lines of defence' model to help with the management of risk. The three lines of defence are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

1. The first line of defence consists of all staff and volunteers.
2. The second line of defence consists of all management colleagues.
3. The third line of defence consists of the Chief Executive Officer and the trustees.

The charity holds a Principal Risk Inventory, on which all identified risks are categorised and logged. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Conversely, the charity also has a Principal Controls Inventory, which lists all controls and maps them to one or more risks as appropriate. Where there is a control which maps to more than one risk, the charity calls this a key control.

The processes in place to identify, log and manage risk are reviewed annually.

The main risks currently identified relate to reserves and liquidity management; facilities risk; turnover of staff; and major incidents which could damage the reputation of the charity

Disclosure of information to the Independent Auditors

Each trustee has taken steps that they ought to have taken as a trustee, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

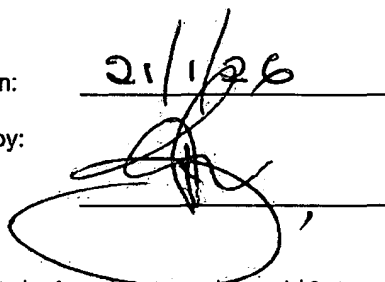
Appointment of Independent Auditors

In accordance with the group's financial policies, the choice of independent auditor is reviewed every three years. The next review is due ahead of the audit of the accounts for the year ended 30 June 2026. A resolution proposing the choice of auditor for next year's accounts will be put at a general meeting of the directors.

Approved by the Board on:

and signed on its behalf by:

B T Nelson
Trustee

Handwritten signature of B T Nelson and the date 21/1/26.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES - YEAR ENDED 30 JUNE 2025

The trustees, who are also the directors of Clarets In The Community Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company, and of the income and expenditure account for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2025

Opinion

We have audited the financial statements of Clarets In The Community Limited (the 'Charity') for the year ended 30 June 2025 which comprise the statement of financial activities, statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2025 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.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2025

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.

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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2025

Identifying and assessing potential risks related to irregularities

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

- the nature of the industry and sector, control environment and business performance including the design of the Charity's remuneration policies, key drivers for trustees' 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 reviewed the Charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations 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 and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals and complex transactions; and manipulating the Charity's performance profit measures and other key performance indicators to meet remuneration targets and externally communicated targets. 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 Charity 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 UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the identified risks of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

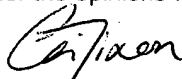
CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2025

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ceri Dixon BSc (Hons) FCA (Senior Statutory Auditor)
for and on behalf of PM+M Solutions for Business LLP

Date: 06.02.26

Chartered Accountants
Statutory Auditor

New Century House
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

PM+M Solutions for Business LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2025

		2025	2025	2025	2025	2024
		Unrestricted funds	Restricted general funds	Restricted capital funds	Total	Total
	Note	£	£	£	£	£
Incoming resources						
Income and endowments from:						
Donations and legacies	3	568,881	133,339	-	702,220	909,661
Charitable activities	4	663,871	2,059,837	-	2,723,708	2,551,128
Other trading activities	5	386,375	41,710	-	428,085	343,838
Investments	6	17,840	-	-	17,840	2,114
Other income	7	-	-	-	-	10,376
Total		<u>1,636,967</u>	<u>2,234,886</u>	<u>-</u>	<u>3,871,853</u>	<u>3,817,117</u>
Resources expended						
Expenditure on:						
Raising funds	8	113,894	235,579	-	349,473	312,741
Charitable activities	9	1,236,699	2,040,279	97,879	3,374,857	3,299,001
Total		<u>1,350,593</u>	<u>2,275,858</u>	<u>97,879</u>	<u>3,724,330</u>	<u>3,611,742</u>
Net income for the year	11	<u>286,374</u>	<u>(40,972)</u>	<u>(97,879)</u>	<u>147,523</u>	<u>205,375</u>
Transfers between funds		54,128	(54,128)	-	-	
Net movement in funds		<u>340,502</u>	<u>(95,100)</u>	<u>(97,879)</u>	<u>147,523</u>	<u>205,375</u>
Reconciliation of funds:						
Total funds brought forward		<u>798,270</u>	<u>213,333</u>	<u>1,107,564</u>	<u>2,119,167</u>	<u>1,913,792</u>
Total funds carried forward		<u>1,138,772</u>	<u>118,233</u>	<u>1,009,685</u>	<u>2,266,690</u>	<u>2,119,167</u>

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.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	16		<u>1,326,235</u>		<u>1,403,790</u>
Current assets					
Debtors	18	599,263		721,149	
Cash at bank and in hand		<u>1,348,205</u>		<u>1,059,352</u>	
		<u>1,947,468</u>		<u>1,780,501</u>	
Creditors: amounts falling due within one year	19	<u>(1,007,013)</u>		<u>(897,036)</u>	
Net current assets			<u>940,455</u>		<u>883,465</u>
Total assets less current liabilities			2,266,690		2,287,255
Creditors: amounts falling due after more than one year	20		-		(168,088)
Net assets			<u>2,266,690</u>		<u>2,119,167</u>
Financed by:					
Unrestricted funds	23		1,138,772		798,270
Restricted general funds	23		118,233		213,333
Restricted capital funds	23		1,009,685		1,107,564
			<u>2,266,690</u>		<u>2,119,167</u>

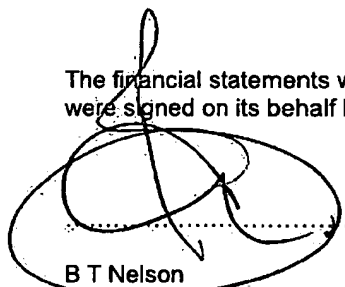
The financial statements were approved by the Board of Trustees on 21/1/26 and were signed on its behalf by:

B T Nelson
Chair

CLARETS IN THE COMMUNITY LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	16		272,781		295,057
Investments	17		<u>712,500</u>		<u>862,500</u>
			<u>985,281</u>		<u>1,157,557</u>
Current assets					
Debtors	18	481,704		695,736	
Cash at bank and in hand		<u>1,300,374</u>		<u>1,033,641</u>	
		<u>1,782,078</u>		<u>1,729,377</u>	
Creditors: amounts falling due within one year	19	<u>(857,471)</u>		<u>(773,711)</u>	
Net current assets			<u>924,607</u>		<u>955,666</u>
Total assets less current liabilities			<u>1,909,888</u>		<u>2,113,223</u>
Creditors: amounts falling due after one year	20		<u>-</u>		<u>(168,088)</u>
Net assets			<u>1,909,888</u>		<u>1,945,135</u>
Financed by:					
Unrestricted funds	23		221,041		158,238
Restricted general funds	23		118,233		213,333
Restricted capital funds	23		<u>1,570,614</u>		<u>1,573,564</u>
			<u>1,909,888</u>		<u>1,945,135</u>

The financial statements were approved by the Board of Trustees on 21/1/26 and were signed on its behalf by:


 B T Nelson
 Chair

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

		2025	2024
	Note	£	£
Cash flows from operating activities			
Cash generated from operations	29	337,309	348,282
Cash flows from investing activities			
Purchase of property, plant and equipment		(53,663)	(31,184)
Proceeds on disposal of tangible assets		-	1,667
Interest received		<u>17,840</u>	<u>1,987</u>
		(35,823)	(27,530)
Net cash used in financing activities			
Interest paid		<u>(12,633)</u>	<u>(11,197)</u>
		(12,633)	(11,197)
Net increase in cash and cash equivalents		<u>288,853</u>	<u>345,555</u>
Cash and cash equivalents at beginning of year		<u>1,059,352</u>	<u>713,797</u>
Cash and cash equivalents at end of year		<u><u>1,348,205</u></u>	<u><u>1,059,352</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting Policies

Charity information

Clarets In The Community Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Turf Moor, Harry Potts Way, Burnley, BB10 4BX. The members of the company are the Trustees previously named. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The 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 pound.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary BFCITC Facilities (Enterprises) Ltd on a line-by-line basis. A separate Statement of Financial Activities for the charity has not been presented because the group has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Going concern

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

The trustees have considered the financial stability of the charity and the group for a period of at least 12 months from the date of signing these financial statements. They have assessed financial performance and ensured that the company has sufficient finance available to maintain its cashflow during this period.

Charitable funds

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

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

Restricted capital funds are restricted funds received to fund the renovation of the Whitehough Outdoor Centre and the conversion of part of the Brierfield Mill site into The Leisure Box community leisure centre.

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.

Income is measured at the fair value of the consideration received and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related items.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting Policies (continued)

Resources expended

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

- 'Costs of raising funds' comprise the costs of attracting voluntary income, and those incurred in trading activities that raise funds.
- 'Expenditure on charitable activities' includes the costs of specific programmes undertaken to further the purposes of the charity and their associated support costs.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, such as support costs, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

All expenditure is exclusive of irrecoverable VAT.

Tangible fixed assets

Individual tangible fixed assets costing £1,000 or more are capitalised. Tangible fixed assets are measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold and property improvements	0.8% or 2% per annum straight line
Play, climbing or other equipment	5%, 8%, 10% or 20% per annum straight line
Office, kitchen and computer equipment	20% or 33.3% per annum straight line
Outdoor equipment	20% or 33.3% per annum straight line
Motor vehicles	25% per annum 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 the statement of financial activities.

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).

Investments

Investments are stated at cost less provision for impairment.

Cash and cash equivalents

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

Financial instruments

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

Financial instruments are recognised in the charity's statement of financial position when the company becomes party to the contractual provisions of the instrument.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting Policies (continued)

Basic financial assets

Basic financial assets, which include debtors, loans to fellow group companies and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Employee benefits

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

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

Retirement benefits

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

Leases

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

2 Critical accounting estimates and judgements

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

The main area of judgement that has a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in relation to the useful economic lives of the charity's fixed assets.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

3 Income from donations and legacies

	2025	2024
	£	£
Grants – Premier League	134,167	210,833
Grants – English Football League	47,083	-
Donations	<u>520,970</u>	<u>698,828</u>
	<u><u>702,220</u></u>	<u><u>909,661</u></u>
Analysis by fund		
Unrestricted funds	568,881	623,187
Restricted general funds	133,339	286,474
Restricted capital funds	-	-
	<u><u>702,220</u></u>	<u><u>909,661</u></u>

4 Income from charitable activities

	2025	2024
	£	£
Grants – Premier League	596,027	576,307
Grants – local authority	86,209	100,207
Grants – other	653,347	391,826
Projects, courses and education	946,115	1,082,126
Trading facilities	<u>442,010</u>	<u>400,662</u>
	<u><u>2,723,708</u></u>	<u><u>2,551,128</u></u>
Analysis by fund		
Unrestricted funds	663,871	623,631
Restricted general funds	2,059,837	1,927,497
Restricted capital funds	-	-
	<u><u>2,723,708</u></u>	<u><u>2,551,128</u></u>

5 Income from other trading activities

	2025	2024
	£	£
Fundraising events	235,174	184,426
Sponsorship	91,515	61,272
Rental income	88,028	85,996
Other	<u>13,368</u>	<u>12,144</u>
	<u><u>428,085</u></u>	<u><u>343,838</u></u>
Analysis by fund		
Unrestricted funds	386,375	323,053
Restricted general funds	41,710	20,785
Restricted capital funds	-	-
	<u><u>428,085</u></u>	<u><u>343,838</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

6 Income from investments

	2025	2024
	£	£
Interest receivable	<u>17,840</u>	<u>2,114</u>
Analysis by fund		
Unrestricted funds	17,840	2,114
Restricted general funds	-	-
Restricted capital funds	<u>17,840</u>	<u>2,114</u>

7 Other Income

	2025	2024
	£	£
Gain on the disposal of tangible fixed assets	-	1,667
Insurance proceeds/rebate	-	8,154
Apprentice and Kickstart scheme funding	-	500
Miscellaneous income	<u>-</u>	<u>55</u>
	<u>-</u>	<u>10,376</u>
Analysis by fund		
Unrestricted funds	-	10,376
Restricted general funds	-	-
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>-</u>	<u>10,376</u>

8 Expenditure on raising funds

	2025	2024
	£	£
Fundraising and marketing costs		
Staff costs	214,529	179,671
Fundraising events costs	121,714	122,846
Marketing costs	<u>13,230</u>	<u>10,224</u>
	<u>349,473</u>	<u>312,741</u>
Analysis by fund		
Unrestricted funds	113,894	101,563
Restricted general funds	235,579	211,178
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>349,473</u>	<u>312,741</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Expenditure on charitable activities

	2025	2024
	£	£
Staff costs	1,899,407	1,783,874
Direct project costs	249,190	285,127
Venue hire	49,315	35,095
Office costs	22,822	20,350
Vehicle costs	26,610	23,589
Professional fees	1,243	4,431
Insurance	27,077	25,102
Equipment lease costs	12,925	19,584
Rent and service charge	66,276	48,959
Telephone and broadband	12,167	12,853
Water	11,363	15,692
Electricity and gas	79,556	80,670
Repairs and maintenance	67,236	46,411
IT and equipment	18,873	18,835
VAT partial exemption restriction	13,893	-
Loss on disposal of tangible fixed assets	-	5,299
Depreciation	109,811	121,980
	<u>2,667,764</u>	<u>2,547,851</u>
Share of support costs (see note 10)	690,902	733,075
Share of governance costs (see note 10)	16,191	18,075
	<u>3,374,857</u>	<u>3,299,001</u>
Analysis by fund		
Unrestricted funds	1,236,699	1,167,473
Restricted general funds	2,040,279	2,032,300
Restricted capital funds	97,879	99,228
	<u>3,374,857</u>	<u>3,299,001</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

10 Support costs

	Support costs	Governance costs	2025	2024
	£	£	£	£
Staff costs	396,526		396,526	451,102
Kit costs	51,392		51,392	69,181
Hospitality	32,418		32,418	22,614
Office costs	36,558		36,558	31,032
Vehicle costs	32,392		32,392	31,259
Professional fees	50,058		50,058	5,564
Insurance	677		677	381
Equipment lease costs	3,667		3,667	3,080
Rent and service charge	17,000		17,000	17,000
Telephone and broadband	11,449		11,449	10,922
Repairs and maintenance	-		-	247
IT and equipment	492		492	400
VAT partial exemption restriction	36,866		36,866	60,824
Loss on disposal of tangible fixed assets	-		-	636
Depreciation	21,407		21,407	28,833
Audit fees		15,100	15,100	17,450
Accountancy		400	400	625
Other governance costs		691	691	-
	<u>690,902</u>	<u>16,191</u>	<u>707,093</u>	<u>751,150</u>
Analysed between:				
Charitable activities	<u>690,902</u>	<u>7,966</u>	<u>698,868</u>	<u>751,150</u>

11 Net income for the year is stated after charging

	2025	2024
	£	£
Depreciation	131,218	150,813
Auditor's remuneration - statutory audit fee	15,100	17,450
Auditor's remuneration - other accountancy services	400	625
Operating lease rentals	<u>77,101</u>	<u>55,239</u>

12 Staff costs

	2025	2024
	£	£
Wages and salaries	2,224,696	2,136,149
Social security costs	194,208	175,573
Defined contribution pension costs	46,302	37,588
Defined benefit pension costs	5,143	4,968
Other employee benefits	8,521	958
	<u>2,478,870</u>	<u>2,355,235</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

12 Staff costs (continued)

The average number of employees including part time staff (excluding trustees) analysed by function was:

	2025	2024
Delivery of charitable activities	52	52
Trading facilities	10	11
Management and administration of the charity	14	13
	<u>76</u>	<u>76</u>

In addition to the above, the charity utilises the services of sessional workers on zero-hours contracts to cover staff absences and periods of high demand. During the year the average number of sessional workers utilised was 33 (2024: 32).

The number of employees whose employee benefits exceeded £60,000 was:

	2025	2024
£110,001 - £120,000	1	-
£100,001 - £110,000	-	1

Key management have been determined to be the four members of the management Executive Committee and the Head of Finance. The aggregate employment benefits paid to the key management personnel for the year was £368,023 (2024: £337,793).

During the year the charity paid redundancy and termination payments of £2,366 (2024: £nil).

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or other benefits for the year ended 30 June 2025 (2024: £nil).

During the year, trustees collectively donated £218,306 to the group (2024: £123,054). Such donations are made either personally or through entities controlled by those trustees. Donations were typically made to further the objectives of particular programmes, however no conditions were attached to any of the donations.

14 Volunteers

The charity has volunteers who give their time freely across to support various activities to support delivery staff. In line with the Charities SORP, no monetary value is placed on the contribution of volunteers. During the year the charity had 56 volunteers.

15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

There is no tax liability arising in the trading subsidiary: BFCITC Facilities (Enterprises) Ltd.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

16 Tangible fixed assets

Group

	Leasehold property and improvements	Motor vehicles	Office, kitchen and computer equipment	Play, climbing and other equipment	Outdoor equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2024	975,393	3,905	283,950	855,474	42,624	2,161,346
Additions	-	5,165	12,214	36,285	-	53,664
Disposals	-	-	25,240	-	8,500	33,740
At 30 June 2025	975,393	9,070	270,924	891,759	34,124	2,181,270
Depreciation						
At 1 July 2024	104,076	1,627	226,731	384,756	40,366	757,556
Charge for the year	20,038	2,268	29,322	77,690	1,901	131,219
Disposals	-	-	25,240	-	8,500	33,740
At 30 June 2025	124,114	3,895	230,813	462,446	33,767	855,035
Net book value						
At 30 June 2025	851,279	5,175	40,111	429,313	357	1,326,235
At 1 July 2024	871,317	2,278	57,219	470,718	2,258	1,403,790

Charity only

	Leasehold property and improvements	Motor vehicles	Office, kitchen and computer equipment	Play, climbing and other equipment	Outdoor equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2024	268,051	-	174,208	-	5,255	447,514
Additions	-	-	6,459	-	-	6,459
Disposals	-	-	22,784	-	-	22,784
At 30 June 2025	268,051	-	157,883	-	5,255	431,189
Depreciation						
At 1 July 2024	24,782	-	124,172	-	3,503	152,457
Charge for the year	2,948	-	24,035	-	1,752	28,735
Eliminated in respect of disposals	-	-	22,784	-	-	22,784
At 30 June 2025	27,730	-	125,423	-	5,255	158,408
Net book value						
At 30 June 2025	240,321	-	32,460	-	-	272,781
At 1 July 2024	243,269	-	50,036	-	1,752	295,057

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

16 Tangible fixed assets (Continued)

Charges

In respect of the Group, within 'leasehold property and improvements' and 'play, climbing and other equipment' there are items charged as security in favour of The Football Foundation and Sport England on a pari passu basis. The carrying amount of such security at 30 June 2025 was £537,990 (2024: £550,292) in respect of leasehold property improvements and £390,869 (2024: £468,424) in respect of play, climbing and other equipment.

Custodian Trusteeship Disclosure

No assets were held as custodian trustee during the reporting period.

17 Fixed asset investments

	Group		Charity only	
	2025	2024	2025	2024
	£	£	£	£
Shares in group undertakings	-	-	712,500	862,500
	<u>-</u>	<u>-</u>	<u>712,500</u>	<u>862,500</u>

Shares in group undertakings

	Subsidiary undertakings	Total
	£	£
Cost		
At 1 July 2024	2,040,001	2,040,001
At 30 June 2025	<u>2,040,001</u>	<u>2,040,001</u>
Impairment		
At 1 July 2024	1,177,501	1,177,501
Charge for the year	150,000	150,000
At 30 June 2025	<u>1,327,501</u>	<u>1,327,501</u>
Net book value		
At 1 July 2024	862,500	862,500
At 30 June 2025	<u>712,500</u>	<u>712,500</u>

The subsidiary undertaking relates to BFCITC Facilities (Enterprises) Ltd (company number 10951684), the principal activity of which is to operate and manage the Whitehough Outdoor Centre and The Leisure Box community leisure centre both in the Borough of Pendle.

Since opening in April 2019, the Leisure Box has struggled to achieve its original financial targets due to the multiple challenges brought about by COVID, high energy costs, and cost of living pressures which have negatively impacted disposable incomes. However, the facility continues to operate with a sustainable financial model, it offers substantial free usage to many participants, and it provides an essential base for many of the charity's own projects. Pursuing profits at the expense of utilisation would hinder the original, charitable objectives of the facility and the intention to provide subsidised leisure facilities to those who need them.

The investment in BFCITC Facilities (Enterprises) Ltd is being impaired over 10 years to nil value, to reflect that The Leisure Box is targeting a breakeven financial performance rather than generating excess profits to feed back into the charity. As such, no additional value is currently allocated based upon expectations of future profitability.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

17 Fixed asset investments (Continued)

BFCITC Facilities (Enterprises) Ltd:

Summary Statement of Financial Activities

	2025	2024
	£	£
Turnover	678,820	670,943
Cost of sales and administration costs	(646,050)	(857,488)
Finance charges	-	-
Net profit/(loss)	<u>32,770</u>	<u>(186,545)</u>
Amount gift aided to the charity	-	-
Retained in subsidiary	<u>32,770</u>	<u>(186,545)</u>

Summary Statement of Financial Activities

	2025	2024
	£	£
Fixed assets	1,053,454	1,108,733
Current assets	193,345	147,559
Current liabilities	<u>(177,499)</u>	<u>(219,762)</u>
Total net assets	<u>1,039,300</u>	<u>1,036,530</u>
Called up share capital	2,040,001	2,040,001
Profit and loss account	<u>(970,701)</u>	<u>(1,003,471)</u>
Aggregate share capital and reserves	<u>1,069,300</u>	<u>1,036,530</u>

The subsidiary has a negative profit and loss account at 30 June 2025, therefore no profit has been paid by gift aid to the charity.

18 Debtors

	Group		Charity only	
	2025	2024	2025	2024
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	155,444	200,829	54,758	116,617
Prepayments and accrued income	201,896	172,428	157,066	134,792
Due from group undertakings	-	-	27,957	96,435
Value added tax	13,579	9,803	13,579	9,803
Other debtors	<u>228,344</u>	<u>170,000</u>	<u>228,344</u>	<u>170,000</u>
	<u>599,263</u>	<u>553,060</u>	<u>481,704</u>	<u>527,647</u>
Amounts falling due after more than one year:				
Other debtors	<u>-</u>	<u>168,089</u>	<u>-</u>	<u>168,089</u>
Total debtors	<u>599,263</u>	<u>721,149</u>	<u>481,704</u>	<u>695,736</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

19 Creditors: amounts falling due within one year

		Group		Charity only	
	Notes	2025	2024	2025	2024
		£	£	£	£
Trade creditors		189,414	91,529	137,078	38,532
Value added tax		13,242	18,156	-	-
Other taxes and social security		46,866	40,104	46,866	40,104
Pension costs		7,694	7,403	7,694	7,403
Accruals		79,466	89,206	60,902	78,839
Deferred income	21	670,331	650,638	604,931	608,833
		<u>1,007,013</u>	<u>897,036</u>	<u>857,471</u>	<u>773,711</u>

20 Creditors: amounts falling due after more than one year

		Group		Charity only	
	Notes	2025	2024	2025	2024
		£	£	£	£
Deferred income	21	-	168,088	-	168,088

21 Deferred income

	Group		Charity only	
	£		£	
Balance at 1 July 2024	818,726		776,921	
Released from previous year	(575,229)		(533,424)	
Resources deferred in the year	426,834		361,434	
Deferred income at 30 June 2025	<u>670,331</u>		<u>604,931</u>	

Deferred income includes grant income from the Armed Forces Covenant Fund Trust, Burnley Council, Football Association, Fort Vale, Great Places Housing, Islamic Relief, KFC Foundation, Lancashire and South Cumbria NHS Foundation Trust, Lancashire FA, National Lottery, Premier League, Sport England, Spring North, Travis Perkins, UK Youth, Veterans Foundation, and Warburtons. The grants stipulate the periods over which the funding applies and the charitable activities must be delivered. Deferred income also includes income from various sponsors, schools and sports clubs where billing is in advance for each service provided. The income is deferred over the duration of the grant or the period of the service.

Deferred income is also recognised on donations received from former club shareholders. Such donations can only be used on qualifying purchases from Burnley Football Club. The donations have been deferred and are released upon their utilisation.

22 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charity also contributes to a defined benefit retirement scheme operated by the Lancashire County Pension Fund regarding one employee who joined the charity on a TUPE arrangement from Lancashire County Council.

The total charge to the Statement of Financial Activities in respect of retirement benefit schemes was £51,445 (2024: £42,556)

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

23 Analysis of charitable funds

For the year ended 30 June 2025:

Group	Balance at 1 July 2024 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2025 £
Unrestricted funds					
General funds	798,270	1,636,967	(1,350,593)	54,128	1,138,772
Designated funds	-	-	-	-	-
	<u>798,270</u>	<u>1,636,967</u>	<u>(1,350,593)</u>	<u>54,128</u>	<u>1,138,772</u>
Restricted general funds					
Governance & operations	-	500	(164,364)	163,864	-
Food bank	79,153	122,304	(150,376)	-	51,081
Health & fitness	8,325	212,789	(137,552)	(55,124)	28,438
Champions	22,734	116,569	(138,462)	(841)	-
Veterans	-	177,266	(150,613)	(22,313)	4,340
Premier League Kicks	-	257,992	(237,785)	(20,207)	-
Premier League Inspires	-	125,450	(112,620)	(12,830)	-
Premier League Primary Stars	8,309	312,380	(334,050)	13,361	-
Schools mental wellbeing	-	211,610	(216,696)	5,086	-
Employability	40,547	80,421	(55,763)	(52,805)	12,400
Higher education partnership	-	377,665	(363,348)	(14,317)	-
Girls Emerging Talent Centre	2,530	38,200	(33,753)	(6,977)	-
Football & Sports Development	-	46,783	(42,108)	(4,675)	-
Premier League Fans Fund	3,114	25,478	(15,810)	(10,604)	2,178
National Citizen Service	25,079	44,587	(54,121)	(15,545)	-
STEM	23,542	77,295	(61,041)	(20,000)	19,796
Events	-	7,597	(7,396)	(201)	-
	<u>213,333</u>	<u>2,234,886</u>	<u>(2,275,858)</u>	<u>(54,128)</u>	<u>118,233</u>
Restricted capital funds					
Trading facilities	<u>1,107,564</u>	<u>-</u>	<u>(97,879)</u>	<u>-</u>	<u>1,009,685</u>
Total funds	<u><u>2,119,167</u></u>	<u><u>3,871,853</u></u>	<u><u>(3,724,330)</u></u>	<u><u>-</u></u>	<u><u>2,266,690</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2025:

Company

	Balance at 1 July 2024 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2025 £
Unrestricted funds					
General funds	158,238	1,080,486	(715,353)	(295,250)	221,041
Designated funds	-	-	-	-	-
	<u>158,238</u>	<u>1,080,486</u>	<u>(715,353)</u>	<u>(295,250)</u>	<u>221,041</u>
Restricted general funds					
Governance & operations	-	500	(421,178)	420,678	-
Foodbank	79,153	122,304	(150,376)	-	51,081
Health & fitness	8,325	212,787	(178,982)	(13,692)	28,438
Champions	22,734	116,569	(139,114)	(189)	-
Veterans	-	177,266	(158,613)	(14,313)	4,340
Premier League Kicks	-	257,993	(257,402)	(591)	-
Premier League Inspires	-	125,450	(112,699)	(12,751)	-
Premier League Primary Stars	8,309	312,379	(334,807)	14,119	-
Schools mental wellbeing	-	211,610	(216,696)	5,086	-
Employability	40,547	80,421	(55,763)	(52,805)	12,400
Higher education partnership	-	377,665	(363,431)	(14,234)	-
Girls Emerging Talent Centre	2,530	38,200	(33,978)	(6,752)	-
Football & Sports Development	-	46,783	(43,827)	(2,956)	-
Premier League Fans Fund	3,114	25,479	(15,811)	(10,604)	2,178
National Citizen Service	25,079	44,588	(54,122)	(15,545)	-
STEM	23,542	77,295	(81,041)	-	19,796
Events	-	7,597	(7,396)	(201)	-
	<u>213,333</u>	<u>2,234,886</u>	<u>(2,625,236)</u>	<u>295,250</u>	<u>118,233</u>
Restricted capital funds					
Trading facilities	1,573,564	-	(2,949)	-	1,570,614
	<u>1,573,564</u>	<u>-</u>	<u>(2,949)</u>	<u>-</u>	<u>1,570,614</u>
Total funds	<u>1,945,135</u>	<u>3,315,372</u>	<u>(3,343,538)</u>	<u>-</u>	<u>1,909,888</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

23 Analysis of charitable funds (Continued)

Unrestricted funds

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

Restricted funds

Restricted funds are those funds where the income received is restricted to provide specific programmes and activities, with further details of each fund below.

Governance & operations

Central staffing and office costs allocated to restricted activities.

Foodbank

A partnership with Burnley Together to deliver a foodbank service within the local community.

Health & fitness

A range of programmes including mental health, weight loss, walking sports, over 50's groups, cancer rehabilitation and dementia support.

Champions

A youth custody intervention partnership with Lancashire Police working with young offenders.

Veterans

A range of programmes supporting armed forces veterans.

Premier League Kicks

Developed by the Premier League, a programme offering free baseball, cricket, climbing, football, multi-sports and netball sessions for young people aged 8–18 years old.

Premier League Inspires

Developed by the Premier League, a programme supporting 11-25 year olds who are marginalised or at risk of not reaching their potential.

Premier League Primary Stars

Developed by the Premier League, a programme to inspire primary school children both inside and outside the classroom, whilst underpinning all elements with high-quality teaching materials that cover English, Maths, PE and PSHE.

Schools mental wellbeing

A programme whereby a team of mental wellbeing workers are placed within secondary schools across Burnley and Pendle, to provide an early intervention to support students who are struggling with mental health issues.

Employability

A range of programmes aimed at helping young people into work through the development of essential skills, understanding the job market, and supporting their transition into work.

Higher education partnership

A partnership with higher education providers to bridge the gap between grassroots and academy sport. The programme enables participants to combine academic studies with practical sport experience.

Girls Emerging Talent Centre

Developed by the FA, a programme to provide greater accessibility to the player pathway and more inclusivity for female players to enhance player development.

Football & Sports Development

A range of programmes promoting community participation across various sports including football, cricket and netball, including children's activity camps and walking sports.

CLARETS IN THE COMMUNITY LIMITED
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FOR THE YEAR ENDED 30 JUNE 2025

23 Analysis of charitable funds (Continued)

Premier League Fans Fund

Developed by the Premier League, a fund to support football clubs to strengthen connections with their fans and local communities.

National Citizen Service

The National Citizen Service (NCS) is a personal and social development program for 16–17 year olds funded by the Government to create 'a country of connected, confident and caring citizens where everyone feels at home'

STEM

A programme aimed at elevating children's education through Science, Technology, Engineering, and Mathematics (STEM).

Events

Events organised by the charity, such as the International Veterans Football Tournament held in June 2025.

Trading Facilities

The Whitehough Outdoor Centre and The Leisure Box community leisure facility, both in the Borough of Pendle.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2024:

Group	Balance at 1 July 2023 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2024 £
Unrestricted funds					
General funds	643,488	1,582,361	(1,269,036)	(158,543)	798,270
Designated funds	-	-	-	-	-
	<u>643,488</u>	<u>1,582,361</u>	<u>(1,269,036)</u>	<u>(158,543)</u>	<u>798,270</u>
Restricted general funds					
Governance & operations	-	83,322	(217,163)	133,841	-
Food bank	25,231	215,484	(161,562)	-	79,153
Health & fitness	14,551	127,470	(100,608)	(33,088)	8,325
Champions	-	108,567	(83,885)	(1,948)	22,734
Veterans	-	88,696	(94,625)	5,929	-
Premier League Kicks	-	230,756	(260,977)	30,221	-
Premier League Inspires	-	117,980	(121,894)	3,914	-
Premier League Primary Stars	-	310,028	(300,225)	(1,494)	8,309
Schools mental wellbeing	-	228,309	(255,609)	27,300	-
Employability	23,730	56,563	(39,746)	-	40,547
Higher education partnership	-	418,905	(434,981)	16,076	-
Girls Emerging Talent Centre	-	35,255	(32,725)	-	2,530
Football & Sports Development	-	50,679	(51,657)	978	-
Premier League Fans Fund	-	6,958	(3,594)	(250)	3,114
National Citizen Service	-	77,316	(44,384)	(7,853)	25,079
STEM	-	53,272	(14,647)	(15,083)	23,542
Trading Facilities	-	25,196	(25,196)	-	-
	<u>63,512</u>	<u>2,234,756</u>	<u>(2,243,478)</u>	<u>158,543</u>	<u>213,333</u>
Restricted capital funds					
Trading facilities	<u>1,206,792</u>	<u>-</u>	<u>(99,228)</u>	<u>-</u>	<u>1,107,564</u>
Total funds	<u><u>1,913,792</u></u>	<u><u>3,817,117</u></u>	<u><u>(3,611,742)</u></u>	<u><u>-</u></u>	<u><u>2,119,167</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2024:

Company

	Balance at 1 July 2023 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2024 £
Unrestricted funds					
General funds	63,190	1,063,155	(607,070)	(361,037)	158,238
Designated funds	-	-	-	-	-
	<u>63,190</u>	<u>1,063,155</u>	<u>(607,070)</u>	<u>(361,037)</u>	<u>158,238</u>
Restricted general funds					
Governance & operations	-	83,322	(318,525)	235,203	-
Foodbank	25,231	215,484	(161,562)	-	79,153
Health & fitness	14,551	127,470	(133,696)	-	8,325
Champions	-	108,567	(85,833)	-	22,734
Veterans	-	88,696	(98,667)	9,971	-
Premier League Kicks	-	230,756	(291,027)	60,271	-
Premier League Inspires	-	117,981	(121,895)	3,914	-
Premier League Primary Stars	-	310,028	(301,719)	-	8,309
Schools mental wellbeing	-	228,309	(255,609)	27,300	-
Employability	23,730	56,563	(39,746)	-	40,547
Higher education partnership	-	418,905	(439,398)	20,493	-
Girls Emerging Talent Centre	-	35,255	(32,725)	-	2,530
Football & Sports Development	-	50,678	(54,563)	3,885	-
Premier League Fans Fund	-	6,958	(3,844)	-	3,114
National Citizen Service	-	77,316	(52,237)	-	25,079
STEM	-	53,272	(29,730)	-	23,542
	<u>63,512</u>	<u>2,209,560</u>	<u>(2,420,776)</u>	<u>361,037</u>	<u>213,333</u>
Restricted capital funds					
Trading facilities	1,576,513	-	(2,949)	-	1,573,564
	<u>1,576,513</u>	<u>-</u>	<u>(2,949)</u>	<u>-</u>	<u>1,573,564</u>
Total funds	<u><u>1,703,215</u></u>	<u><u>3,272,715</u></u>	<u><u>(3,030,795)</u></u>	<u><u>-</u></u>	<u><u>1,945,135</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

24 Analysis of net assets between funds

For the year ended 30 June 2025:

	Unrestricted funds	Restricted general funds	Restricted capital funds	Total
	£	£	£	£
Group				
Fixed assets	316,550	-	1,009,685	1,326,235
Net current assets	822,222	118,233	-	940,455
Creditors: amounts falling due after more than one year	-	-	-	-
	<u>1,138,772</u>	<u>118,233</u>	<u>1,009,685</u>	<u>2,266,690</u>
Company				
Fixed assets	(585,333)	-	1,570,614	985,281
Net current assets	806,374	118,233	-	924,607
Creditors: amounts falling due after more than one year	-	-	-	-
	<u>221,041</u>	<u>118,233</u>	<u>1,570,614</u>	<u>1,909,888</u>

For the year ended 30 June 2024:

	Unrestricted funds	Restricted general funds	Restricted capital funds	Total
	£	£	£	£
Group				
Fixed assets	296,226	-	1,107,564	1,403,790
Net current assets	502,044	381,421	-	883,465
Creditors: amounts falling due after more than one year	-	(168,088)	-	(168,088)
	<u>798,270</u>	<u>213,333</u>	<u>1,107,564</u>	<u>2,119,167</u>
Company				
Fixed assets	(416,007)	-	1,573,564	1,157,557
Net current assets	574,245	381,421	-	955,666
Creditors: amounts falling due after more than one year	-	(168,088)	-	(168,088)
	<u>158,238</u>	<u>213,333</u>	<u>1,573,564</u>	<u>1,945,135</u>

25 Operating lease commitments

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

	Group		Charity Only	
	2025	2024	2025	2024
	£	£	£	£
Within one year	71,283	74,289	33,514	31,788
Between one and five years	179,719	185,682	26,576	56,028
In over five years	391,875	420,375	-	-
	<u>642,877</u>	<u>680,346</u>	<u>60,090</u>	<u>87,816</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

26 Related party transactions

The charity has taken the exemption contained within FRS 102 for disclosing transactions with wholly owned subsidiaries as consolidated financial statements are prepared.

The Burnley Football & Athletic Company Limited ('BFC')

Trustees S A Hunt, A G Pace and M R Williams have all been directors of BFC during the period of these accounts. During the year, the group received income from BFC totalling £204,930 (2024: £197,081). Additionally, BFC provided goods and services to the group totalling £160,432 (2024: £155,006).

At 30th June 2025 the amount owed to BFC was £Nil (2024: £Nil).

The Sutton Pendle Charitable Trust ('SPCT')

Trustee R Sutton is a trustee of SPCT. During the year, SPCT provided services to the Group totalling £62,924 (2024: £57,903).

At 30th June 2025 the amount owed to SPCT was £32,042 (2024: £26,425).

Nelson & Colne College ('N&CC')

Trustee D L Rothwell is key management personnel at N&CC. During the year, the group received income from N&CC totalling £369,339 (2024: £390,764). Additionally, N&CC provided services to the group totalling £23,055 (2024: £13,580).

At 30th June 2025 the amount owed from N&CC was £Nil (2024: £36,109).

Burnley Borough Council ('BBC')

Former trustee L Patel is key management personnel at BBC and trustee A Anwar is the Leader of BBC. During the year, the group received income from BBC totalling £68,601 (2024: £134,325). Additionally, BBC provided services to the group totalling £200 (2024: £1,245).

At 30th June 2024 the amount owed from BBC was £Nil (2024: Nil).

ALK Capital LLC ('ALK')

Trustees A G Pace and S A Hunt are key management personnel at ALK. During the year, the group received income from ALK totalling £300 (2024: £7,750).

At 30th June 2025 the amount owed from ALK was £Nil (2024: £Nil).

27 Controlling party

The charity is under the control of the trustees as noted in the trustees' report.

28 Analysis of net debt

The charity had no debt during the year.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

29 Cash generated from operations

	2025	2024
	£	£
Surplus for the year	147,523	205,375
Adjustments for:		
Interest received	(17,840)	(1,987)
Interest paid	12,633	11,197
Depreciation of tangible fixed assets	131,218	150,813
Profit on disposal of tangible fixed assets	-	4,267
Movements in working capital:		
Decrease / (increase) in debtors	121,887	(50,863)
(Decrease) / increase in creditors	(58,112)	65,480
Cash generated from operations	<u>337,309</u>	<u>384,282</u>

CLARETS IN THE COMMUNITY LIMITED

England & Wales - Charity number 1155856

Accounts

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2024
Company Number: 08615704
Registered Charity Number: 1155856

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

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CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

H Al-Kailani
A Anwar
M L Garlick
S A Hunt (*appointed 1 November 2023*)
B C Kilby
D M Lawson
Y Naheed
B T Nelson (Chair)
A G Pace
D L Rothwell
R H J Sutton
M Thompson (*resigned 6 July 2023*)
M R Williams
P A S Wilson

The trustees act as directors for the purpose of company law.

Chief Executive Officer

H L Gurman

Charity number

1155856

Company number

08615704

Registered office

Turf Moor
Harry Potts Way
Burnley
Lancashire
BB10 4BX

Independent Auditors

PM+M Solutions for Business LLP
Chartered Accountants
New Century House
Greenbank Technology Park
Blackburn
Lancashire
BB1 5QB

Bankers

Barclays Bank plc
72/78 St James Street
Burnley
Lancashire
BB11 1NH

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their report and the audited financial statements of the group and the company for the year ended 30 June 2024.

Objectives and Activities

Burnley FC in the Community is a self-financing, registered charity with a mission to inspire, support and deliver positive change for all. This is achieved through the delivery of two overarching outcomes and three targeted outcomes:

Overarching Outcomes

1. To harness the unique standing of Burnley Football Club to deliver lasting change in the local community.
2. To embed ourselves in the local community for the long-term operating of outstanding facilities.

Targeted Outcomes

1. Engage with our communities to raise aspirations.
2. Support our community to live healthy lives.
3. Create a level playing field for all to engage in sport and physical activity.

Burnley FC in the Community is committed to developing a range of community-based projects across the boroughs of Burnley, Pendle, Rossendale, Ribble Valley and Calderdale.

The charity has four core values which are the ideals it strives to achieve every day in the delivery of its activities and charitable work: *Inclusive, Integrity, Passionate and Resilient*.

The charity delivered a wide range of community projects during the 2023-24 financial year to help deliver its aims, including:

- Premier League Primary Stars
- Premier League Kicks
- Premier League Inspires
- Female Football
- Disability Sport
- Schools Sport
- Football Coaching
- Burnley Community Kitchen Foodbank
- Youth Crime Reduction
- Clarets Welcome – Refugees Project
- Veterans Programme
- Active Clarets – Health and Wellbeing Programmes
- Mental Wellbeing Programme
- Champions Youth Intervention Programme
- STEM

Achievements and Performance

This financial year represents the charity's tenth full year of operations. During the year, the charity engaged with over 30,000 individuals, delivering over 50 community projects in Burnley and the wider region. In order to celebrate ten years of impact, we held a number of events culminating with an event at the House of Lords hosted by Lord Khan.

As a charity we continued to experience significant demand for our foodbank: the Burnley Community Kitchen. We have continued to work in partnership with several organisations in the area as part of Burnley Together to ensure that we were able to support the most vulnerable in the town. We have also recognised a need to link young people with local businesses so have launched an innovative STEM offer which aims to spark an interest in STEM careers for our young people.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

Fundraising

The charity undertakes fundraising activity in the form of fundraising events, the purpose of which is to generate unrestricted income for the charity. Any incoming resources from fundraising are recognised in the Consolidated Statement of Financial Activities once the charity is entitled to the fundraising income and provided that the income can be reliably measured.

A number of fundraising events were successful in raising vital funds for the charity, including:

- Charity Golf Day
- Turf Sleepout
- The Big Burnley Breakout
- Community Charity Dinner
- Turf Talk Live

The charity did not approach the general public with regards to fundraising in an unsolicited manner and does not intend to do so in future years.

The charity did not receive any complaints during the year about its fundraising activities.

In addition to the unrestricted funds and donations received, the charity is grateful to the following funders and donors who have supported us by way of restricted grants and donations during the year, which have been used to directly deliver provision and services:

- | | |
|---|----------------------------------|
| • Armed Forces Covenant Fund Trust | • National Lottery |
| • BBC Children in Need | • Nelson & Colne College Group |
| • Burnley Borough Council | • Parkinson's UK |
| • Burnley Football Club | • Premier League Charitable Fund |
| • East Lancashire Medical Services | • Restart Consulting |
| • EFL Trust | • Safran Nacelles |
| • Football Association | • Singleton Engineering |
| • Fort Vale | • Sport England |
| • Great Places Housing Group | • Spring North |
| • Islamic Relief | • Sutton Pendle Charitable Trust |
| • Lancashire & South Cumbria NHS Foundation Trust | • Thorne Access & Security Ltd |
| • Lancashire County Council | • Travis Perkins |
| • Lancashire Cricket Foundation | • UK Youth |
| • Lancashire Police & Crime Commissioner | • Up The Clarets |
| • Lancashire Violence Reduction Unit | • Veka PLC |
| • Macmillan | • Veterans Foundation |
| • Michael Bailey Associates | • Warburtons Community Fund |
| | • Wootton & Co Ltd |

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

Financial Review

The table below summarises the financial position for the financial years 2024 and 2023:

	Year ended 30 June 2024	Year ended 30 June 2023
Total incoming resources	£3,817,117	£3,221,246
Total outgoing resources	£3,611,742	£3,272,733
Net surplus/(deficit) for the year	£205,375	(£52,487)
Cash at bank and in hand	£1,059,352	£713,797
Net current assets	£883,465	£712,554

Income

- Total incoming resources increased by 18% to £3,817,117, partly due to the higher level of core grant funding from the Premier League due to the football club being promoted to that league for the 2023-24 season. The charity has also been successful in obtaining grant funding from other providers to support new initiatives such as STEM. Furthermore, the charity successfully hosted both new and improved fundraising events during the year.
- Total outgoing resources increased by 10% to £3,611,742. The new funding enabled the charity to increase its offering through new programmes, which required additional staffing and other resources.
- Due to the factors detailed above, the net result for the year was a surplus of £205,375, a significant improvement from the deficit of £52,487 the prior year.
- Cash and cash equivalents at 30 June 2024 amounted to £1,059,352, an increase of 48% over the reporting period. The charity targets days cash on hand in excess of 60 days and the cash at 30 June 2024 represents days cash on hand of 106 days, comfortably above the benchmark.
- Net current assets increased by 24% to £883,465. The charity targets a current ratio of 1.1x and the ratio at 30 June 2024 was 1.67x, comfortably above the benchmark.
- Financially, this has been the most successful year in the charity's 10-year history. It leaves the charity on a strong footing to mitigate any future challenges, including the club's relegation from the Premier League at the end of the 23-24 season and the resulting drop in core grant funding.

Reserves Policy

The objective of having free reserves is to enable the charity to cope with unplanned events. Very often, the effects of an unplanned event can be managed in the long-term, but the charity needs reserves in the meantime.

The trustees are working towards maintaining an overall target level for free reserves which is equivalent to two months' net operating costs, where fixed assets are discounted when calculating the level of reserves for the charity. The trustees believe this level is appropriate since the charity has relatively predictable and diverse income streams, making it unlikely that all income will reduce at once. Furthermore, some staff are on fixed-term or casual contracts which can be terminated quickly following a drop in funding.

The trustees must monitor and review the level of reserves at least annually, in line with the guidance issued by the Charity Commission; however, the level of reserves is monitored throughout the year as part of the normal monitoring and budgetary reporting processes. The level of reserves is always discussed by the trustees at their quarterly governance meeting during the Finance agenda item.

The trustees acknowledge that the level of reserves for the charity changes during the year and could either be a good indicator of the underlying financial health of the charity; or could be an indicator of potential problems.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

Under the reserves policy, the target level of free reserves at the end of 30 June 2024 would be £607,414. Reserves at 30 June 2024 are as follows:

	As at 30 June 2024 £
Total reserves	2,119,167
Less tangible fixed assets	1,403,790
Free reserves	715,377

The free reserves are above the target and the level of cover is 72 days. Measures taken by the trustees to increase free reserves have succeeded in bringing this measure above the target, without detriment of the overarching objectives of the charity.

Over the medium to longer term, in the event that the charity builds significant reserves, the trustees must:

- Identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Ensure that the Reserves Policy continues to be relevant as the charity develops or if the strategy and activities of the charity changes.

Going concern

At the time of approving the annual report and financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Investment Policies

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit and as necessary for carrying out the charitable activities. In addition, under the Memorandum and Articles of Association, the charity may set aside income as a reserve against future expenditure, but only in accordance with its Reserves Policy.

During 2023-24, the charity did not invest in any further shares in its trading subsidiary, BFCITC Facilities (Enterprises) Ltd.

Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the major risks to which the charity is exposed.

During the year, the charity has furthered its work on risk management making all its staff and volunteers risk aware. All staff and volunteers continue to have a good understanding of their day-to-day responsibilities in managing risk.

The charity maintains its 'three lines of defence' model to help with the management of risk. The three lines of defence are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

1. The first line of defence consists of all staff and volunteers.
2. The second line of defence consists of all management colleagues.
3. The third line of defence consists of the Chief Executive Officer and the trustees.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

The charity holds a Principal Risk Inventory, on which all identified risks are categorised and logged. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Conversely, the charity also has a Principal Controls Inventory, which lists all controls and maps them to one or more risks as appropriate. Where there is a control which maps to more than one risk, the charity calls this a key control.

The processes in place to identify, log and manage risk are reviewed annually.

The main risks currently identified relate to reserves and liquidity management; facilities risk; turnover of staff; and major incidents which could damage the reputation of the charity.

Plans for future periods

The charity has a three-year strategy which runs from 2022 – 2025 and a business plan which is reviewed and updated annually, in order to achieve its objectives.

The charity will continue to meet and further develop existing public, private and voluntary sector partnerships.

The charity will also look to enhance and further promote fundraising initiatives, so to increase its reserve levels.

Structure, Governance and Management
Constitution

The company is constituted as a company limited by guarantee (company number: 08615704) and is governed by its Articles of Association.

The charity is registered with the Charity Commission (charity number: 1155856).

The charity operates under its working name of 'Burnley FC in the Community'.

The charity continues to control its wholly owned trading subsidiary: BFCITC Facilities (Enterprises) Ltd, a company limited by shares (company number: 10951684), which operates the Whitehough Outdoor Centre and The Leisure Box community leisure facility, both in the Borough of Pendle.

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

H Al-Kailani
A Anwar
M L Garlick
S A Hunt (*appointed 1 November 2023*)
B C Kilby
D M Lawson
Y Naheed
B T Nelson (Chair)
A G Pace
D L Rothwell
R H J Sutton
M Thompson (*resigned 6 July 2023*)
M R Williams
P A S Wilson

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

Method of appointment or election of trustees

The charity either advertises for new trustees, or approaches individuals with the appropriate skills and/or experience to contribute to the management of the organisation. All trustees are appointed following a formal recruitment process and attend a comprehensive induction programme.

All of the trustees are members of the company. The liability of each member by way of their guarantee to the company is to contribute a sum not exceeding ten pounds to the assets of the company, if so required on the winding up of the company.

Trustee induction and training

New trustees undergo training on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the committee and decision-making process; the business plan and recent financial performance of the charity. During the induction training programme, new trustees learn about the organisation's purpose, history, aims and objectives, services, staff and volunteers, facilities, security, funding, safeguarding requirements, residents' participation, strategic work, multi-agency involvement and partnership involvement. They also meet key staff personnel to learn about their work roles.

Public benefit

The trustees have had regard to the Charity Commission's guidance on public benefits in carrying out the activities of the charity.

Remuneration

The remuneration of the charity's key management personnel is set by annual review and confirmed by the trustees. The trustees are all volunteers and do not receive any remuneration for their services.

Disclosure of information to the Independent Auditors

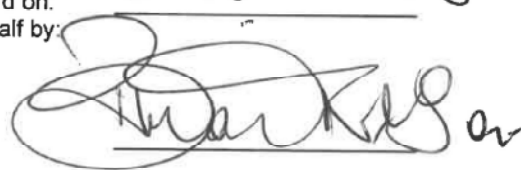
Each trustee has taken steps that they ought to have taken as a trustee, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Appointment of Independent Auditors

The auditors, PM+M Solutions for Business LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Approved by the Board on:
and signed on its behalf by:

BRAN NELSON 15/1/25



B T Nelson
Trustee

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES - YEAR ENDED 30 JUNE 2024

The trustees, who are also the directors of Clarets In The Community Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company, and of the income and expenditure account for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2024

Opinion

We have audited the financial statements of Clarets In The Community Limited (the 'Charity') for the year ended 30 June 2024 which comprise the statement of financial activities, statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2024 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.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2024

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.

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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2024

Identifying and assessing potential risks related to irregularities

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

- the nature of the industry and sector, control environment and business performance including the design of the Charity's remuneration policies, key drivers for trustees' 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 reviewed the Charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations 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 and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals and complex transactions; and manipulating the Charity's performance profit measures and other key performance indicators to meet remuneration targets and externally communicated targets. 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 Charity 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 UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the identified risks of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2024

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PM+M Solutions for Business LLP

Ceri Dixon BSc (Hons) FCA (Senior Statutory Auditor)
for and on behalf of PM+M Solutions for Business LLP

Date: 26/02/2025

Chartered Accountants
Statutory Auditor

New Century House
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

PM+M Solutions for Business LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2024

		2024	2024	2024	2024	2023 (restated)
		Unrestricted funds	Restricted general funds	Restricted capital funds	Total	Total
	Note	£	£	£	£	£
Incoming resources						
Income and endowments from:						
Donations and legacies	3	623,187	286,474	-	909,661	708,003
Charitable activities	4	623,631	1,927,497	-	2,551,128	2,258,314
Other trading activities	5	323,053	20,785	-	343,838	239,498
Investments	6	2,114	-	-	2,114	637
Other income	7	10,376	-	-	10,376	14,794
Total		<u>1,582,361</u>	<u>2,234,756</u>	<u>-</u>	<u>3,817,117</u>	<u>3,221,246</u>
Resources expended						
Expenditure on:						
Raising funds	8	101,563	211,178	-	312,741	279,088
Charitable activities	9	1,167,473	2,032,300	99,228	3,299,001	2,994,645
Total		<u>1,269,036</u>	<u>2,243,478</u>	<u>99,228</u>	<u>3,611,742</u>	<u>3,273,733</u>
Net income for the year	11	<u>313,325</u>	<u>(8,722)</u>	<u>(99,228)</u>	<u>205,375</u>	<u>(52,487)</u>
Transfers between funds		(158,543)	158,543	-	-	
Net movement in funds		<u>154,782</u>	<u>149,821</u>	<u>(99,228)</u>	<u>205,375</u>	<u>(52,487)</u>
Reconciliation of funds:						
Total funds brought forward		<u>643,488</u>	<u>63,512</u>	<u>1,206,792</u>	<u>1,913,792</u>	<u>1,966,279</u>
Total funds carried forward		<u>798,270</u>	<u>213,333</u>	<u>1,107,564</u>	<u>2,119,167</u>	<u>1,913,792</u>

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.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	16		1,403,790		1,529,354
Current assets					
Debtors	18	721,149		670,286	
Cash at bank and in hand		<u>1,059,352</u>		<u>713,797</u>	
		<u>1,780,501</u>		<u>1,384,083</u>	
Creditors: amounts falling due within one year	19	<u>(897,036)</u>		<u>(671,529)</u>	
Net current assets			<u>883,465</u>		<u>712,554</u>
Total assets less current liabilities			2,287,255		2,241,908
Creditors: amounts falling due after more than one year	20		(168,088)		(328,116)
Net assets			<u><u>2,119,167</u></u>		<u><u>1,913,792</u></u>
Financed by:					
Unrestricted funds	23		798,270		643,488
Restricted general funds	23		213,333		63,512
Restricted capital funds	23		1,107,564		1,206,792
			<u><u>2,119,167</u></u>		<u><u>1,913,792</u></u>

The financial statements were approved by the Board of Trustees on 15/1/25 and were signed on its behalf by:

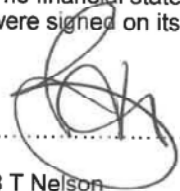


B T Nelson
Chair

CLARETS IN THE COMMUNITY LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	16		295,057		296,004
Investments	17		<u>862,500</u>		<u>1,012,500</u>
			<u>1,157,557</u>		<u>1,308,504</u>
Current assets					
Debtors	18	695,736		727,029	
Cash at bank and in hand		<u>1,033,641</u>		<u>567,474</u>	
		<u>1,729,377</u>		<u>1,294,503</u>	
Creditors: amounts falling due within one year	19	<u>(773,711)</u>		<u>(571,676)</u>	
Net current assets			<u>955,666</u>		<u>722,827</u>
Total assets less current liabilities			2,113,223		2,031,331
Creditors: amounts falling due after one year	20		<u>(168,088)</u>		<u>(328,116)</u>
Net assets			<u>1,945,135</u>		<u>1,703,215</u>
Financed by:					
Unrestricted funds	23		158,238		63,190
Restricted general funds	23		213,333		63,512
Restricted capital funds	23		1,573,564		1,576,513
			<u>1,945,135</u>		<u>1,703,215</u>

The financial statements were approved by the Board of Trustees on 15/1/25 and were signed on its behalf by:


 B T Nelson
 Chair

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

		2024		2023	
	Note	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	30		384,282		134,247
Cash flows from investing activities					
Purchase of property, plant and equipment		(31,184)		(56,543)	
Proceeds on disposal of tangible assets		1,667		10,624	
Interest received		<u>1,987</u>		<u>638</u>	
			(27,530)		(45,281)
Net cash used in financing activities					
Interest paid		<u>(11,197)</u>		<u>(9,148)</u>	
			(11,197)		(9,148)
Net increase in cash and cash equivalents			<u>345,555</u>		<u>79,818</u>
Cash and cash equivalents at beginning of year			<u>713,797</u>		<u>633,979</u>
Cash and cash equivalents at end of year			<u>1,059,352</u>		<u>713,797</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting Policies

Charity information

Clarets In The Community Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Turf Moor, Harry Potts Way, Burnley, BB10 4BX. The members of the company are the Trustees previously named. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The 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 pound.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary BFCITC Facilities (Enterprises) Ltd on a line-by-line basis. A separate Statement of Financial Activities for the charity has not been presented because the group has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Going concern

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

The trustees have considered the financial stability of the charity and the group for a period of at least 12 months from the date of signing these financial statements. They have assessed financial performance and ensured that the company has sufficient finance available to maintain its cashflow during this period.

Charitable funds

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

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

Restricted capital funds are restricted funds received to fund the renovation of the Whitehough Outdoor Centre and the conversion of part of the Brierfield Mill site into The Leisure Box community leisure centre.

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.

Income is measured at the fair value of the consideration received and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related items.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting Policies (continued)

Resources expended

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

- 'Costs of raising funds' comprise the costs of attracting voluntary income, and those incurred in trading activities that raise funds.
- 'Expenditure on charitable activities' includes the costs of specific programmes undertaken to further the purposes of the charity and their associated support costs.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, such as support costs, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

All expenditure is exclusive of irrecoverable VAT.

Tangible fixed assets

Individual tangible fixed assets costing £1,000 or more are capitalised. Tangible fixed assets are measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold and property improvements	0.6% or 2% per annum straight line
Play, climbing or other equipment	5%, 8% or 10% per annum straight line
Office, kitchen and computer equipment	20% or 33.3% per annum straight line
Outdoor equipment	20% or 33.3% per annum straight line
Motor vehicles	25% per annum 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 the statement of financial activities.

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).

Investments

Investments are stated at cost less provision for impairment.

Cash and cash equivalents

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

Financial instruments

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

Financial instruments are recognised in the charity's statement of financial position when the company becomes party to the contractual provisions of the instrument.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting Policies (continued)

Basic financial assets

Basic financial assets, which include debtors, loans to fellow group companies and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Employee benefits

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

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

Retirement benefits

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

Leases

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

2 Critical accounting estimates and judgements

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

The main area of judgement that has a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in relation to the useful economic lives of the charity's fixed assets.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

3 Income from donations and legacies

	2024	2023
	£	£
Grants – Premier League	210,833	138,667
Grants – English Football League	-	35,000
Donations	698,828	534,336
	<u>909,661</u>	<u>708,003</u>
Analysis by fund		
Unrestricted funds	623,187	528,236
Restricted general funds	286,474	179,767
Restricted capital funds	-	-
	<u>909,661</u>	<u>708,003</u>

4 Income from charitable activities

	2024	2023
	£	(restated)
	£	£
Grants – Premier League	576,307	664,856
Grants – local authority	100,207	102,293
Grants – other	391,826	258,311
Projects, courses and education	1,082,126	839,409
Trading facilities	400,662	393,445
	<u>2,551,128</u>	<u>2,258,314</u>
Analysis by fund		
Unrestricted funds	623,631	551,955
Restricted general funds	1,927,497	1,706,359
Restricted capital funds	-	-
	<u>2,551,128</u>	<u>2,258,314</u>

5 Income from other trading activities

	2024	2023
	£	(restated)
	£	£
Fundraising events	184,426	135,527
Sponsorship	61,272	42,290
Rental income	85,996	49,000
Other	12,144	12,681
	<u>343,838</u>	<u>239,498</u>
Analysis by fund		
Unrestricted funds	323,053	238,610
Restricted general funds	20,785	888
Restricted capital funds	-	-
	<u>343,838</u>	<u>239,498</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

6 Income from investments

	2024	2023
	£	£
Interest receivable	<u>2,114</u>	<u>637</u>
Analysis by fund		
Unrestricted funds	2,114	637
Restricted general funds	-	-
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>2,114</u>	<u>637</u>

7 Other income

	2024	2023
	£	£
Gain on the disposal of tangible fixed assets	1,667	10,625
Insurance proceeds/rebate	8,154	1,617
Apprentice and Kickstart scheme funding	500	1,500
Miscellaneous income	<u>55</u>	<u>1,052</u>
	<u>10,376</u>	<u>14,794</u>
Analysis by fund		
Unrestricted funds	10,376	14,794
Restricted general funds	-	-
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>10,376</u>	<u>14,794</u>

8 Expenditure on raising funds

	2024	2023
	£	(restated)
		£
Fundraising and marketing costs		
Staff costs	179,671	145,081
Fundraising events costs	122,846	111,260
Marketing costs	<u>10,224</u>	<u>22,747</u>
	<u>312,741</u>	<u>279,088</u>
Analysis by fund		
Unrestricted funds	101,563	87,987
Restricted general funds	211,178	191,101
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>312,741</u>	<u>279,088</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

9 Expenditure on charitable activities

	2024	2023 (restated)
	£	£
Staff costs	1,783,874	1,650,786
Direct project costs	285,127	234,928
Venue hire	35,095	29,560
Office costs	20,350	28,559
Vehicle costs	23,589	4,069
Professional fees	4,431	3,725
Insurance	25,102	23,806
Equipment lease costs	19,584	20,235
Rent and service charge	48,959	34,851
Telephone and broadband	12,853	10,687
Water	15,692	10,591
Electricity and gas	80,670	71,096
Repairs and maintenance	46,411	46,460
IT and equipment	18,835	20,450
Loss on disposal of tangible fixed assets	5,299	-
Depreciation	121,980	138,330
	<u>2,547,851</u>	<u>2,328,133</u>
Share of support costs (see note 10)	733,075	656,662
Share of governance costs (see note 10)	18,075	9,850
	<u>3,299,001</u>	<u>2,994,645</u>
Analysis by fund		
Unrestricted funds	1,167,473	1,073,016
Restricted general funds	2,032,300	1,819,029
Restricted capital funds	99,228	102,600
	<u>3,299,001</u>	<u>2,994,645</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

10 Support costs

	Support costs	Governance costs	2024	2023
	£	£	£	£
Staff costs	451,102		451,102	415,386
Kit costs	69,181		69,181	60,674
Hospitality	22,614		22,614	1,224
Office costs	31,032		31,032	25,708
Vehicle costs	31,259		31,259	25,870
Professional fees	5,564		5,564	5,840
Insurance	381		381	219
Equipment lease costs	3,080		3,080	4,564
Rent and service charge	17,000		17,000	17,000
Telephone and broadband	10,922		10,922	13,571
Repairs and maintenance	247		247	530
IT and equipment	400		400	6,576
VAT partial exemption restriction	60,824		60,824	52,756
Loss on disposal of tangible fixed assets	636		636	-
Depreciation	28,833		28,833	26,744
Audit fees		17,450	17,450	9,000
Accountancy		625	625	-
Legal and professional		-	-	850
	<u>733,075</u>	<u>18,075</u>	<u>751,150</u>	<u>666,512</u>
Analysed between:				
Charitable activities	<u>733,075</u>	<u>18,075</u>	<u>751,150</u>	<u>666,512</u>

11 Net income for the year is stated after charging

	2024	2023
	£	£
Depreciation	150,813	165,075
Auditor's remuneration - statutory audit fee	17,450	9,000
Auditor's remuneration - other accountancy services	625	-
Operating lease rentals	<u>55,239</u>	<u>57,159</u>

12 Staff costs

	2024	2023
	£	£
Wages and salaries	2,136,149	1,944,703
Social security costs	175,573	158,319
Defined contribution pension costs	37,588	30,591
Defined benefit pension costs	4,968	4,301
Other employee benefits	958	3,495
	<u>2,355,235</u>	<u>2,141,409</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

12 Staff costs (continued)

The average number of employees including part time staff (excluding trustees) analysed by function was:

	2024	2023
Delivery of charitable activities	52	46
Trading facilities	11	13
Management and administration of the charity	13	14
	<u>76</u>	<u>73</u>

In addition to the above, the charity utilises the services of sessional workers on zero-hours contracts to cover staff absences and periods of high demand. During the year the average number of sessional workers utilised was 32 (2023: 36).

The number of employees whose employee benefits exceeded £60,000 was:

	2024	2023
£100,001 - £110,000	1	-
£90,001 - £100,000	-	1
£80,001 - £90,000	-	1
	<u>-</u>	<u>1</u>

Key management have been determined to be the four members of the management Executive Committee and the Head of Finance. The aggregate employment benefits paid to the key management personnel for the year was £337,793 (2023: £248,415).

There were no redundancy or termination payments during the year. During the prior year the charity restructured certain operations including The Leisure Box trading facility. These changes resulted in the redundancy of seven permanent staff with total redundancy payments of £1,442. Furthermore, two members of staff left the charity with total termination payments of £14,834.

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or other benefits for the year ended 30 June 2024 (2023: £nil).

During the year, trustees collectively donated £123,054 to the group (2023: £106,290). Such donations are made either personally or through entities controlled by those trustees. Donations were typically made to further the objectives of particular programmes, however no conditions were attached to any of the donations.

14 Volunteers

The charity has volunteers who give their time freely across to support various activities to support delivery staff. In line with the Charities SORP, no monetary value is placed on the contribution of volunteers. During the year the charity had nine volunteers.

15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

There is no tax liability arising in the trading subsidiary: BFCITC Facilities (Enterprises) Ltd.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

16 Tangible fixed assets

Group

	Leasehold property and improvements	Motor vehicles	Office, kitchen and computer equipment	Play, climbing and other equipment	Outdoor equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2023	980,802	14,405	400,457	855,474	54,333	2,305,471
Additions	-	-	31,184	-	-	31,184
Disposals	5,409	10,500	147,691	-	11,709	175,309
At 30 June 2024	975,393	3,905	283,950	855,474	42,624	2,161,346
Depreciation						
At 1 July 2023	84,488	11,151	324,611	307,065	48,802	776,117
Charge for the year	20,148	976	48,725	77,691	3,273	150,813
Disposals	560	10,500	146,605	-	11,709	169,374
At 30 June 2024	104,076	1,627	226,731	384,756	40,366	757,556
Net book value						
At 30 June 2024	871,317	2,278	57,219	470,718	2,258	1,403,790
At 30 June 2023	896,314	3,254	75,846	548,409	5,531	1,529,354

Charity only

	Leasehold property and improvements	Motor vehicles	Office, kitchen and computer equipment	Play, climbing and other equipment	Outdoor equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2023	268,051	-	254,995	-	13,169	536,215
Additions	-	-	31,184	-	-	31,184
Disposals	-	-	111,971	-	7,914	119,885
At 30 June 2024	268,051	-	174,208	-	5,255	447,514
Depreciation						
At 1 July 2023	21,832	-	208,845	-	9,534	240,211
Charge for the year	2,950	-	26,662	-	1,884	31,496
Eliminated in respect of disposals	-	-	111,335	-	7,915	119,250
At 30 June 2024	24,782	-	124,172	-	3,503	152,457
Net book value						
At 30 June 2024	243,269	-	50,036	-	1,752	295,057
At 30 June 2023	246,219	-	46,150	-	3,635	296,004

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

16 Tangible fixed assets (Continued)

Charges

In respect of the Group, within 'leasehold property and improvements' and 'play, climbing and other equipment' there are items charged as security in favour of The Football Foundation and Sport England on a pari passu basis. The carrying amount of such security at 30 June 2024 was £550,292 (2023: £567,551) in respect of leasehold property and improvements and £468,424 (2023: £545,980) in respect of play, climbing and other equipment.

Custodian Trusteeship Disclosure

No assets were held as custodian trustee during the reporting period.

17 Fixed asset investments

	Group		Charity only	
	2024	2023	2024	2023
	£	£	£	£
Shares in group undertakings	-	-	862,500	1,012,500
	<u>-</u>	<u>-</u>	<u>862,500</u>	<u>1,012,500</u>

Shares in group undertakings

	Subsidiary undertakings	Total
	£	£
Cost		
At 1 July 2023	2,040,001	2,040,001
At 30 June 2024	<u>2,040,001</u>	<u>2,040,001</u>
Impairment		
At 1 July 2023	1,027,501	1,027,501
Charge for the year	<u>150,000</u>	<u>150,000</u>
At 30 June 2024	<u>1,177,501</u>	<u>1,177,501</u>
Net book value		
At 1 July 2023	1,012,500	1,012,500
At 30 June 2024	<u>862,500</u>	<u>862,500</u>

The subsidiary undertaking relates to BFCITC Facilities (Enterprises) Ltd (company number 10951684), the principal activity of which is to operate and manage the Whitehough Outdoor Centre and The Leisure Box community leisure centre both in the Borough of Pendle.

Since opening in April 2019, the Leisure Box has struggled to achieve its original financial targets due to the multiple challenges brought about by COVID, high energy costs, and cost of living pressures which have negatively impacted disposable incomes. However, the facility continues to operate with a sustainable financial model, it offers substantial free usage to many participants, and it provides an essential base for many of the charity's own projects. Pursuing profits at the expense of utilisation would hinder the original, charitable objectives of the facility and the intention to provide subsidised leisure facilities to those who need them.

The investment in BFCITC Facilities (Enterprises) Ltd is being impaired over 10 years to nil value, to reflect that The Leisure Box is targeting a breakeven financial performance rather than generating excess profits to feed back into the charity. As such, no additional value is currently allocated based upon expectations of future profitability.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

17 Fixed asset investments (Continued)

BFCITC Facilities (Enterprises) Ltd:

Summary Statement of Financial Activities

	2024	2023
	£	£
Turnover	670,943	640,669
Cost of sales and administration costs	(857,488)	(769,983)
Finance charges	-	(245)
Net profit/(loss)	(186,545)	(129,559)
Amount gift aided to the charity	-	-
Retained in subsidiary	(186,545)	(129,559)

Summary Statement of Financial Activities

	2024	2023
	£	£
Fixed assets	1,108,733	1,233,350
Current assets	147,559	211,494
Current liabilities	(219,762)	(221,769)
Total net assets	1,036,530	1,223,075
Called up share capital	2,040,001	2,040,001
Profit and loss account	(1,003,471)	(816,926)
Aggregate share capital and reserves	1,036,530	1,223,075

The subsidiary made a loss in the year ended 30 June 2024, therefore no profit has been paid by gift aid to the charity.

18 Debtors

	Group		Charity only	
	2024	2023	2024	2023
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	200,829	96,639	116,617	59,671
Prepayments and accrued income	172,428	101,531	134,792	73,326
Due from group undertakings	-	-	96,435	121,916
Value added tax	9,803	-	9,803	-
Other debtors	170,000	144,000	170,000	144,000
	<u>553,060</u>	<u>342,170</u>	<u>527,647</u>	<u>398,913</u>
Amounts falling due after more than one year:				
Other debtors	168,089	328,116	168,089	328,116
	<u>168,089</u>	<u>328,116</u>	<u>168,089</u>	<u>328,116</u>
Total debtors	<u>721,149</u>	<u>670,286</u>	<u>695,736</u>	<u>727,029</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

19 Creditors: amounts falling due within one year

		Group		Charity only	
	Notes	2024	2023	2024	2023
		£	£	£	£
Trade creditors		91,529	93,433	38,532	53,130
Value added tax		18,156	11,702	-	4,408
Other taxes and social security		40,104	42,772	40,104	42,772
Pension costs		7,403	6,651	7,403	6,651
Accruals		89,206	21,947	78,839	13,641
Deferred income	21	650,638	495,024	608,833	451,074
		<u>897,036</u>	<u>671,529</u>	<u>773,711</u>	<u>571,676</u>

20 Creditors: amounts falling due after more than one year

		Group		Charity only	
	Notes	2024	2023	2024	2023
		£	£	£	£
Deferred income	21	<u>168,088</u>	<u>328,116</u>	<u>168,088</u>	<u>328,116</u>

21 Deferred income

	Group	Charity only
	£	£
Balance at 1 July 2023	823,140	779,190
Released from previous year	(484,254)	(440,305)
Resources deferred in the year	479,840	438,036
Deferred income at 30 June 2024	<u><u>818,726</u></u>	<u><u>776,921</u></u>

Deferred income includes grant income from the Armed Forces Covenant Fund Trust, Austin and Hope Pilkington Trust, Barclays, Burnley Council, Burnley Leisure, Burnley Probation, Fort Vale, Garfield Weston, Great Places Housing, Islamic Relief, Lancashire FA, National Lottery, Premier League, Sport England, Spring North, Travis Perkins, Veterans Foundation, and Warburtons. The grants stipulate the periods over which the funding applies and the charitable activities must be delivered. Deferred income also includes income from various sponsors, schools and sports clubs where billing is in advance for each service provided. The income is deferred over the duration of the grant or the period of the service.

Deferred income is also recognised on donations received from former club shareholders. Such donations can only be used on qualifying purchases from Burnley Football Club. The donations have been deferred and are released upon their utilisation.

22 Retirement benefit schemes

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

The charity also contributes to a defined benefit retirement scheme operated by the Lancashire County Pension Fund regarding one employee who joined the charity on a TUPE arrangement from Lancashire County Council.

The total charge to the Statement of Financial Activities in respect of retirement benefit schemes was £42,556 (2023: £34,892)

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of charitable funds

For the year ended 30 June 2024:

Group	Balance at 1 July 2023 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2024 £
Unrestricted funds					
General funds	643,488	1,582,361	(1,269,036)	(158,543)	798,270
Designated funds	-	-	-	-	-
	<u>643,488</u>	<u>1,582,361</u>	<u>(1,269,036)</u>	<u>(158,543)</u>	<u>798,270</u>
Restricted general funds					
Governance & operations	-	83,322	(217,163)	133,841	-
Food bank	25,231	215,484	(161,562)	-	79,153
Health & fitness	14,551	127,470	(100,608)	(33,088)	8,325
Champions	-	108,567	(83,885)	(1,948)	22,734
Veterans	-	88,696	(94,625)	5,929	-
Premier League Kicks	-	230,756	(260,977)	30,221	-
Premier League Inspires	-	117,980	(121,894)	3,914	-
Premier League Primary Stars	-	310,028	(300,225)	(1,494)	8,309
Schools mental wellbeing	-	228,309	(255,609)	27,300	-
Employability	23,730	56,563	(39,746)	-	40,547
Higher education partnership	-	418,905	(434,981)	16,076	-
Girls Emerging Talent Centre	-	35,255	(32,725)	-	2,530
Football & Sports Development	-	50,679	(51,657)	978	-
Premier League Fans Fund	-	6,958	(3,594)	(250)	3,114
National Citizen Service	-	77,316	(44,384)	(7,853)	25,079
STEM	-	53,272	(14,647)	(15,083)	23,542
Trading Facilities	-	25,196	(25,196)	-	-
	<u>63,512</u>	<u>2,234,756</u>	<u>(2,243,478)</u>	<u>158,543</u>	<u>213,333</u>
Restricted capital funds					
Trading facilities	1,206,792	-	(99,228)	-	1,107,564
Total funds	<u>1,913,792</u>	<u>3,817,117</u>	<u>(3,611,742)</u>	<u>-</u>	<u>2,119,167</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2024:

Company	Balance at 1 July 2023 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2024 £
Unrestricted funds					
General funds	63,190	1,063,155	(607,070)	(361,037)	158,238
Designated funds	-	-	-	-	-
	<u>63,190</u>	<u>1,063,155</u>	<u>(607,070)</u>	<u>(361,037)</u>	<u>158,238</u>
Restricted general funds					
Governance & operations	-	83,322	(318,525)	235,203	-
Foodbank	25,231	215,484	(161,562)	-	79,153
Health & fitness	14,551	127,470	(133,696)	-	8,325
Champions	-	108,567	(85,833)	-	22,734
Veterans	-	88,696	(98,667)	9,971	-
Premier League Kicks	-	230,756	(291,027)	60,271	-
Premier League Inspires	-	117,981	(121,895)	3,914	-
Premier League Primary Stars	-	310,028	(301,719)	-	8,309
Schools mental wellbeing	-	228,309	(255,609)	27,300	-
Employability	23,730	56,563	(39,746)	-	40,547
Higher education partnership	-	418,905	(439,398)	20,493	-
Girls Emerging Talent Centre	-	35,255	(32,725)	-	2,530
Football & Sports Development	-	50,678	(54,563)	3,885	-
Premier League Fans Fund	-	6,958	(3,844)	-	3,114
National Citizen Service	-	77,316	(52,237)	-	25,079
STEM	-	53,272	(29,730)	-	23,542
	<u>63,512</u>	<u>2,209,560</u>	<u>(2,420,776)</u>	<u>361,037</u>	<u>213,333</u>
Restricted capital funds					
Trading facilities	1,576,513	-	(2,949)	-	1,573,564
Total funds	<u>1,703,215</u>	<u>3,272,715</u>	<u>(3,030,795)</u>	<u>-</u>	<u>1,945,135</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of charitable funds (Continued)

Unrestricted funds

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

Restricted funds

Restricted funds are those funds where the income received is restricted to provide specific programmes and activities, with further details of each fund below.

Governance & operations

Central staffing and office costs allocated to restricted activities.

Foodbank

A partnership with Burnley Together to deliver a foodbank service within the local community.

Health & fitness

A range of programmes including mental health, weight loss, walking sports, over 50's groups, cancer rehabilitation and dementia support.

Champions

A youth custody intervention partnership with Lancashire Police working with young offenders.

Veterans

A range of programmes supporting armed forces veterans.

Premier League Kicks

Developed by the Premier League, a programme offering free baseball, cricket, climbing, football, multi-sports and netball sessions for young people aged 8–18 years old.

Premier League Inspires

Developed by the Premier League, a programme supporting 11-25 year olds who are marginalised or at risk of not reaching their potential.

Premier League Primary Stars

Developed by the Premier League, a programme to inspire primary school children both inside and outside the classroom, whilst underpinning all elements with high-quality teaching materials that cover English, Maths, PE and PSHE.

Schools mental wellbeing

A programme whereby a team of mental wellbeing workers are placed within secondary schools across Burnley and Pendle, to provide an early intervention to support students who are struggling with mental health issues.

Employability

A range of programmes aimed at helping young people into work through the development of essential skills, understanding the job market, and supporting their transition into work.

Higher education partnership

A partnership with higher education providers to bridge the gap between grassroots and academy sport. The programme enables participants to combine academic studies with practical sport experience.

Girls Emerging Talent Centre

Developed by the FA, a programme to provide greater accessibility to the player pathway and more inclusivity for female players to enhance player development.

Football & Sports Development

A range of programmes promoting community participation across various sports including football, cricket and netball, including children's activity camps and walking sports.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of charitable funds (Continued)

Player Development Centre

A programme aimed at providing a pathway for players aged 9-16, for both boys and girls. During the year this has been absorbed within Football & Sports Development

Premier League Fans Fund

Developed by the Premier League, a fund to support football clubs to strengthen connections with their fans and local communities.

National Citizen Service

The National Citizen Service (NCS) is a personal and social development program for 16–17 year olds funded by the Government to create 'a country of connected, confident and caring citizens where everyone feels at home'

STEM

A programme aimed at elevating children's education through Science, Technology, Engineering, and Mathematics (STEM).

Trading Facilities

The Whitehough Outdoor Centre and The Leisure Box community leisure facility, both in the Borough of Pendle.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2023:

Group	Balance at 1 July 2022 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2023 £
Unrestricted funds					
General funds	656,887	1,334,232	(1,161,004)	(186,627)	643,488
Designated funds	-	-	-	-	-
	<u>656,887</u>	<u>1,334,232</u>	<u>(1,161,004)</u>	<u>(186,627)</u>	<u>643,488</u>
Restricted general funds					
Governance & operations	-	-	(214,565)	214,565	-
Food bank	-	180,913	(155,682)	-	25,231
Health & fitness	-	134,279	(88,102)	(31,626)	14,551
Champions	-	73,662	(70,170)	(3,492)	-
Veterans	-	65,633	(82,939)	17,306	-
Premier League Kicks	-	287,360	(287,284)	(76)	-
Premier League Inspires	-	89,567	(92,087)	2,520	-
Premier League Primary Stars	-	270,052	(266,126)	(3,926)	-
Schools mental wellbeing	-	278,652	(282,540)	3,888	-
Employability	-	43,402	(19,672)	-	23,730
Higher education partnership	-	354,640	(357,658)	3,018	-
Girls Emerging Talent Centre	-	33,664	(18,118)	(15,546)	-
Player Development Centre	-	23,820	(23,816)	(4)	-
Trading facilities	-	51,370	(51,370)	-	-
	<u>-</u>	<u>1,887,014</u>	<u>(2,010,129)</u>	<u>186,627</u>	<u>63,512</u>
Restricted capital funds					
Trading facilities	<u>1,309,392</u>	<u>-</u>	<u>(102,600)</u>	<u>-</u>	<u>1,206,792</u>
Total funds	<u>1,966,279</u>	<u>3,221,246</u>	<u>(3,273,733)</u>	<u>-</u>	<u>1,913,792</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2023:

Company	Balance at 1 July 2022 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2023 £
Unrestricted funds					
General funds	1,052,762	840,019	(1,478,039)	(351,552)	63,190
Designated funds	-	-	-	-	-
	<u>1,052,762</u>	<u>840,019</u>	<u>(1,478,039)</u>	<u>(351,552)</u>	<u>63,190</u>
Restricted general funds					
Governance & operations	-		(297,920)	297,920	-
Foodbank	-	180,913	(155,682)		25,231
Health & fitness	-	134,279	(119,728)		14,551
Champions	-	73,661	(70,970)	(2,691)	-
Veterans	-	65,633	(87,014)	21,381	-
Premier League Kicks	-	287,359	(316,491)	29,132	-
Premier League Inspires	-	89,567	(92,177)	2,610	-
Premier League Primary Stars	-	270,052	(267,431)	(2,621)	-
Schools mental wellbeing	-	278,653	(282,541)	3,888	-
Employability	-	43,402	(19,672)	-	23,730
Higher education partnership	-	354,641	(358,317)	3,676	-
	-				-
Girls Emerging Talent Centre	-	33,664	(18,118)	(15,546)	-
Player Development Centre	-	23,820	(37,623)	13,803	-
	<u>-</u>	<u>1,835,644</u>	<u>(2,123,684)</u>	<u>351,552</u>	<u>63,512</u>
Restricted capital funds					
Trading facilities	1,600,882	-	(24,369)	-	1,576,513
	<u>1,600,882</u>	<u>-</u>	<u>(24,369)</u>	<u>-</u>	<u>1,576,513</u>
Total funds	<u>2,653,644</u>	<u>2,675,663</u>	<u>(3,626,092)</u>	<u>-</u>	<u>1,703,215</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

24 Analysis of net assets between funds

For the year ended 30 June 2024:

	Unrestricted funds	Restricted general funds	Restricted capital funds	Total
	£	£	£	£
Group				
Fixed assets	296,226	-	1,107,564	1,403,790
Net current assets	502,044	381,421	-	883,465
Creditors: amounts falling due after more than one year	-	(168,088)	-	(168,088)
	<u>798,270</u>	<u>213,333</u>	<u>1,107,564</u>	<u>2,119,167</u>
Company				
Fixed assets	(416,007)	-	1,573,564	1,157,557
Net current assets	574,245	381,421	-	955,666
Creditors: amounts falling due after more than one year	-	(168,088)	-	(168,088)
	<u>158,238</u>	<u>213,333</u>	<u>1,573,564</u>	<u>1,945,135</u>

For the year ended 30 June 2023:

	Unrestricted funds	Restricted general funds	Restricted capital funds	Total
	£	£	£	£
Group				
Fixed assets	322,562	-	1,206,792	1,529,354
Net current assets	320,926	391,628	-	712,554
Creditors: amounts falling due after more than one year	-	(328,116)	-	(328,116)
	<u>643,488</u>	<u>63,512</u>	<u>1,206,792</u>	<u>1,913,792</u>
Company				
Fixed assets	(268,009)	-	1,576,513	1,308,504
Net current assets	331,199	391,628	-	722,827
Creditors: amounts falling due after more than one year	-	(328,116)	-	(328,116)
	<u>63,190</u>	<u>63,512</u>	<u>1,576,513</u>	<u>1,703,215</u>

25 Operating lease commitments

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

	Group		Charity Only	
	2024	2023	2024	2023
	£	£	£	£
Within one year	74,289	84,053	31,788	34,404
Between one and five years	185,682	231,814	56,028	87,816
In over five years	420,375	448,875	-	-
	<u>680,346</u>	<u>764,742</u>	<u>87,816</u>	<u>122,220</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

26 Related party transactions

The charity has taken the exemption contained within FRS 102 for disclosing transactions with wholly owned subsidiaries as consolidated financial statements are prepared.

The Burnley Football & Athletic Company Limited ('BFC')

Trustees S A Hunt, A G Pace and M R Williams have all been directors of BFC during the period of these accounts. During the year, the group received income from BFC totalling £197,081 (2023: £201,472). Additionally, BFC provided goods and services to the group totalling £155,006 (2023: £61,122).

At 30th June 2024 the amount owed to BFC was £Nil (2023: £3,509).

The Sutton Pendle Charitable Trust ('SPCT')

Trustee R Sutton is a trustee of SPCT. During the year, SPCT provided services to the Group totalling £57,903 (2023: £58,156).

At 30th June 2024 the amount owed to SPCT was £26,425 (2023: £22,123).

Nelson & Colne College ('N&CC')

Trustee D L Rothwell is key management personnel at N&CC. During the year, the group received income from N&CC totalling £390,764 (2023: £364,972). Additionally, N&CC provided services to the group totalling £13,580 (2023: £11,375).

At 30th June 2024 the amount owed from N&CC was £36,109 (2023: £32,010).

Burnley Borough Council ('BBC')

Former trustee L Patel is key management personnel at BBC and trustee A Anwar is the Leader of BBC. During the year, the group received income from BBC totalling £134,325 (2023: £114,925). Additionally, BBC provided services to the group totalling £1,245 (2023: £429).

At 30th June 2024 the amount owed from BBC was £10,000 (2023: Nil).

ALK Capital LLC ('ALK')

Trustees A G Pace and S A Hunt are key management personnel at ALK. During the year, the group received income from ALK totalling £7,750 (2023: £13,750).

At 30th June 2024 the amount owed from ALK was £Nil (2023: £Nil).

27. Prior Year Restatement

During the year, management conducted a review of the categorisation of income and expenditure. Consequently, certain income has been reanalysed between income from charitable activities, other trading income and other income. Furthermore, certain expenditure has been reanalysed between expenditure on raising funds and expenditure on charitable activities. Most significantly, income and expenditure from trading facilities is re-categorised as charitable, since it is primary purpose trading and it aligns with the charity's objects.

These adjustments impact the group Statement of Financial Activities for the year ended 30 June 2023 and consequently those figures have been restated within these accounts as detailed below. The changes have no effect on overall income or expenditure, overall movement in funds, the balance sheet, or the cashflow statement.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

27. Prior Year Restatement (Continued)

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

	2023 (restated)	2023 (as originally stated)
	Total	Total
	£	£
Incoming resources		
Income and endowments from:		
Donations and legacies	708,003	708,003
Charitable activities	2,258,314	1,955,883
Other trading activities	239,498	429,929
Investments	637	637
Other income	14,794	63,794
Total	<u>3,221,246</u>	<u>3,221,246</u>
Resources expended		
Expenditure on:		
Raising funds	279,088	1,170,816
Charitable activities	2,994,645	2,102,917
Total	<u>3,273,733</u>	<u>3,273,733</u>
Net income for the year	<u>(52,487)</u>	<u>(52,487)</u>
Transfers between funds	-	-
Net movement in funds	<u>(52,487)</u>	<u>(52,487)</u>
Reconciliation of funds:		
Total funds brought forward	<u>1,966,279</u>	<u>1,966,279</u>
Total funds carried forward	<u><u>1,913,792</u></u>	<u><u>1,913,792</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

28 Controlling party

The charity is under the control of the trustees as noted in the trustees' report.

29 Analysis of net debt

The charity had no debt during the year.

30 Cash generated from operations

	2024	2023
	£	£
Surplus for the year	205,375	(52,487)
Adjustments for:		
Interest received	(1,987)	(638)
Interest paid	11,197	9,148
Depreciation of tangible fixed assets	150,813	165,074
Profit on disposal of tangible fixed assets	4,267	(8,199)
Movements in working capital:		
Decrease / (increase) in debtors	(50,863)	(13,759)
(Decrease) / increase in creditors	65,480	35,108
Cash generated from operations	<u>384,282</u>	<u>134,247</u>

CLARETS IN THE COMMUNITY LIMITED

England & Wales - Charity number 1155856

Accounts

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2023
Company Number: 08615704
Registered Charity Number: 1155856



CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

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CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

H Al-Kailani
A Anwar
M L Garlick
S A Hunt (*appointed 1 November 2023*)
B C Kilby
D M Lawson
Y Naheed
B T Nelson (Chair)
A G Pace
L Patel (*resigned 10 October 2022*)
D L Rothwell
R H J Sutton
M Thompson (*appointed 26 January 2023, resigned 6 July 2023*)
M R Williams (*appointed 26 January 2023*)
P A S Wilson

The trustees act as directors for the purpose of company law.

Chief Executive Officer

H L Gurman (*appointed 16 January 2023*)
Dr S J Ward (*resigned 13 January 2023*)

Charity number

1155856

Company number

08615704

Registered office

Turf Moor
Harry Potts Way
Burnley
Lancashire
BB10 4BX

Independent Auditors

PM+M Solutions for Business LLP
Chartered Accountants
New Century House
Greenbank Technology Park
Blackburn
Lancashire
BB1 5QB

Bankers

Barclays Bank plc
72/78 St James Street
Burnley
Lancashire
BB11 1NH

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their report and the audited financial statements of the group and the company for the year ended 30 June 2023.

Objectives and Activities

Burnley FC in the Community is a self-financing, registered charity with a mission to inspire, support and deliver positive change for all. This is achieved through the delivery of 2 overarching outcomes and 3 targeted outcomes:

Overarching Outcomes

1. To harness the unique standing of Burnley Football Club to deliver lasting change in the local community.
2. To embed ourselves in the local community for the long-term operating of outstanding facilities.

Targeted Outcomes

1. Engage with our communities to raise aspirations.
2. Support our community to live healthy lives.
3. Create a level playing field for all to engage in sport and physical activity.

Burnley FC in the Community is committed to developing a range of community-based projects across the boroughs of Burnley, Pendle, Rossendale, Ribbles Valley and Calderdale.

The charity has four core values which are the ideals it strives to achieve every day in the delivery of its activities and charitable work: *Inclusive, Integrity, Passionate and Resilient*.

The charity delivered a wide range of community projects during the 2022-23 financial year to help deliver its aims, including:

- Premier League Primary Stars
- Premier League Kicks
- Premier League Inspires
- Female Football
- Disability Sport
- Schools Sport
- Football Coaching
- Burnley Community Kitchen Foodbank
- Youth Crime Reduction
- Clarets Welcome – Refugees Project
- Veterans Programme
- Active Clarets – Health and Wellbeing Programmes
- Mental Wellbeing Programme
- Champions Youth Intervention Programme

Achievements and Performance

This financial year represents the charity's ninth full year of operations. During the year, the charity engaged with over 40,000 individuals, delivering over 50 community projects in Burnley and the wider region.

As a charity we continued to experience a significant increase in demand for our foodbank: the Burnley Community Kitchen. We have continued to work in partnership with several organisations in the area as part of Burnley Together to ensure that we were able to support the most vulnerable in the town.

At the year end, the charity employed 74 full time and 50 part time staff, and has further established a strong team of coaches, teachers, mentors, administrators, managers and other skilled practitioners to develop the work of the charity further.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

Fundraising

The charity undertakes fundraising activity in the form of fundraising events, the purpose of which is to generate unrestricted income for the charity. Any incoming resources from fundraising are recognised in the Consolidated Statement of Financial Activities once the charity is entitled to the fundraising income and provided that the income can be reliably measured.

A number of fundraising events were successful in raising vital funds for the charity, including:

- Charity Golf Day
- Turf Sleepout
- Community Charity Dinner
- Turf Talk Live

The charity did not approach the general public with regards to fundraising in an unsolicited manner and does not intend to do so in future years.

The charity did not receive any complaints during the year about its fundraising activities.

In addition to the unrestricted funds and donations received, the charity is grateful to the following funders and donors who has supported us by way of restricted grants and donations during the year, which have been used to directly deliver provision and services:

- Armed Forces Covenant Fund Trust
- BBC Children in Need
- Burnley Borough Council
- Burnley Football Club
- Classic Football Shirts
- Duchy Of Lancaster Benevolent Fund
- East Lancs Medical Services
- EFL Trust
- Endsleigh
- European Healthy Stadia Network
- Football Association
- Goldman Sachs
- Great Places Housing Group
- Islamic Relief
- Jay-Care
- Lancashire & South Cumbria NHS Foundation Trust
- Man Vs Fat
- National Lottery
- Premier League Charitable Fund
- Spring North
- Sport England
- Street Soccer Foundation
- Sutton Pendle Charitable Trust
- UK Youth
- Utility Warehouse
- Veterans Foundation
- Warburtons Community Fund

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

Financial Review

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

	Year ended 30 June 2023	Year ended 30 June 2022
Total incoming resources	£3,221,246	£3,340,010
Total outgoing resources	£3,272,733	£3,240,752
Net surplus/(deficit) for the year	(£52,487)	£99,258
Cash at bank and in hand	£713,797	£633,979
Net current assets	£712,554	£750,228

- Total incoming resources reduced by 3.6% to £3,221,246. The income received during 2022-23 from Premier League grants was lower than the prior year due to the football club being relegated to the English Championship at the end of the 21-22 season.
- Total outgoing resources increased by 1.0% to £3,273,733. During the year the charity made a 5% pay award to support increased cost of living pressures.
- Due to the factors detailed above, the net result for the year was deficit of £52,487, a deterioration from the surplus of £99,258 the prior year.
- Cash and cash equivalents at 30 June 2023 amounted to £713,797, an increase of 12.6% over the reporting period. The charity targets days cash on hand in excess of 60 days and the cash at 30 June 2023 represents days cash on hand of 75.7 days, comfortably above the benchmark.
- Net current assets reduced by 5.0% to £712,544. Despite this fall, the current ratio at 30 June 2023 was 2.1x, comfortably in excess of the charity's target of 1.1x.

Reserves Policy

The objective of having free reserves is to enable the charity to cope with unplanned events. Very often, the effects of an unplanned event can be managed in the long-term, but the charity needs reserves in the meantime.

The trustees are working towards maintaining an overall target level for free reserves which is equivalent to two months' net operating costs, where fixed assets are discounted when calculating the level of reserves for the charity. The trustees believe this level is appropriate since the charity has relatively predictable and diverse income streams, making it unlikely that all income will reduce at once. Furthermore, some staff are on fixed-term or casual contracts which can be terminated quickly following a drop in funding.

The trustees must monitor and review the level of reserves annually, in line with the guidance issued by the Charity Commission; however, the level of reserves is monitored throughout the year as part of the normal monitoring and budgetary reporting processes. The level of reserves is always discussed by the trustees at their quarterly governance meeting during the Finance agenda item.

The trustees acknowledge that the level of reserves for the charity changes during the year and could either be a good indicator of the underlying financial health of the charity; or could be an indicator of potential problems.

Under the reserves policy, the target level of free reserves at the end of 30 June 2023 would be £773,655. Reserves at 30 June 2023 are as follows:

	As at 30 June 2023 £
Total reserves	1,913,792
Less tangible fixed assets	1,529,354
Free reserves	384,438

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

The free reserves are below the target and the Trustees aim to increase free reserves gradually over several years through a combination of measures. The Trustees acknowledge that any increase in free reserves should not be to the detriment of the overarching objectives of the charity.

Over the medium to longer term, in the event that the charity builds significant reserves, the trustees must:

- Identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Ensure that the Reserves Policy continues to be relevant as the charity develops or if the strategy and activities of the charity changes.

Going concern

At the time of approving the annual report and financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Investment Policies

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit and as necessary for carrying out the charitable activities. In addition, under the Memorandum and Articles of Association, the charity may set aside income as a reserve against future expenditure, but only in accordance with its Reserves Policy.

During 2022-23, the charity did not invest any further shares in its trading subsidiary, BFCITC Facilities (Enterprises) Ltd.

Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the major risks to which the charity is exposed.

During the year, the charity has furthered its work on risk management making all its staff and volunteers risk aware. All staff and volunteers continue to have a good understanding of their day-to-day responsibilities in managing risk.

The charity maintains its 'three lines of defence' model to help with the management of risk. The three lines of defence are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

1. The first line of defence consists of all staff and volunteers.
2. The second line of defence consists of all management colleagues.
3. The third line of defence consists of the Chief Executive Officer and the trustees.

The charity holds a Principal Risk Inventory, on which all identified risks are categorised and logged. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Conversely, the charity also has a Principal Controls Inventory, which lists all controls and maps them to one or more risks as appropriate. Where there is a control which maps to more than one risk, the charity calls this a key control.

The processes in place to identify, log and manage risk are reviewed annually.

The main risks currently identified relate to reserves and liquidity management; facilities risk; turnover of staff; and major incidents which could damage the reputation of the charity.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

Plans for future periods

The charity has a three-year strategy which runs from 2022 – 2025 and a business plan which is reviewed and updated annually, in order to achieve its objectives.

The charity will continue to meet and further develop existing public, private and voluntary sector partnerships.

The charity will also look to enhance and further promote fundraising initiatives, so to increase its reserve levels.

Structure, Governance and Management

Constitution

The company is constituted as a company limited by guarantee (company number: 08615704) and is governed by its Articles of Association.

The charity is registered with the Charity Commission (charity number: 1155856).

The charity operates under its working name of 'Burnley FC in the Community'.

The charity continues to control its wholly owned trading subsidiary: BFCITC Facilities (Enterprises) Ltd, a company limited by shares (company number: 10951684), which operates the Whitehough Outdoor Centre and The Leisure Box community leisure facility, both in the Borough of Pendle.

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

H Al-Kailani
A Anwar
M L Garlick
S A Hunt (*appointed 1 November 2023*)
B C Kilby
D M Lawson
Y Naheed
B T Nelson (Chair)
A G Pace
L Patel (*resigned 10 October 2022*)
D L Rothwell
R H J Sutton
M Thompson (*appointed 26 January 2023, resigned 6 July 2023*)
M R Williams (*appointed 26 January 2023*)
P A S Wilson

Method of appointment or election of trustees

The charity either advertises for new trustees, or approaches individuals with the appropriate skills and/or experience to contribute to the management of the organisation. All trustees are appointed following a formal recruitment process and attend a comprehensive induction programme.

All of the trustees are members of the company. The liability of each member by way of their guarantee to the company is to contribute a sum not exceeding ten pounds to the assets of the company, if so required on the winding up of the company.

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

Trustee induction and training

New trustees undergo training on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the committee and decision-making process; the business plan and recent financial performance of the charity. During the induction training programme, new trustees learn about the organisation's purpose, history, aims and objectives, services, staff and volunteers, facilities, security, funding, safeguarding requirements, residents' participation, strategic work, multi-agency involvement and partnership involvement. They also meet key staff personnel to learn about their work roles.

Public benefit

The trustees have had regard to the Charity Commission's guidance on public benefits in carrying out the activities of the charity.

Remuneration

The remuneration of the charity's key management personnel is set by annual review and confirmed by the trustees. The trustees are all volunteers and do not receive any remuneration for their services.

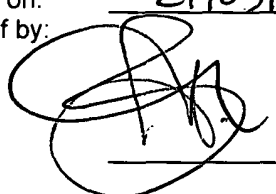
Disclosure of information to the Independent Auditors

Each trustee has taken steps that they ought to have taken as a trustee, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Appointment of Independent Auditors

The auditors, PM+M Solutions for Business LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Approved by the Board on:
and signed on its behalf by:

21/03/2024


B T Nelson
Trustee

CLARETS IN THE COMMUNITY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - YEAR ENDED 30 JUNE 2023

The trustees, who are also the directors of Clarets In The Community Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company, and of the income and expenditure account for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2023

Opinion

We have audited the financial statements of Clarets In The Community Limited (the 'Charity') for the year ended 30 June 2023 which comprise the statement of financial activities, statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2023 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.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2023

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.

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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2023

Identifying and assessing potential risks related to irregularities

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

- the nature of the industry and sector, control environment and business performance including the design of the Charity's remuneration policies, key drivers for trustees' 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 reviewed the Charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations 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 and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals and complex transactions; and manipulating the Charity's performance profit measures and other key performance indicators to meet remuneration targets and externally communicated targets. 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 Charity 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 UK Companies Act, Charities Act, employment law, health and safety, pensions legislation and tax legislation.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the identified risks of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

CLARETS IN THE COMMUNITY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2023

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PM+M Solutions for Business LLP

Ceri Dixon BSc (Hons) ACA (Senior Statutory Auditor)
for and on behalf of PM+M Solutions for Business LLP

Date: 22/03/2024

Chartered Accountants
Statutory Auditor

New Century House
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

PM+M Solutions for Business LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2023

		2023	2023	2023	2023	2022
		Unrestricted	Restricted	Restricted	Total	Total
	Note	funds	general	capital		
		£	funds	funds	£	£
			£	£		
Incoming resources						
Income and endowments from:						
Donations and legacies	3	528,236	179,767	-	708,003	615,900
Charitable activities	4	249,524	1,706,359	-	1,955,883	1,822,838
Other trading activities	5	492,041	888	-	492,929	811,723
Investments	6	637	-	-	637	5
Other income	7	63,794	-	-	63,794	89,544
Total		<u>1,334,232</u>	<u>1,887,014</u>	<u>-</u>	<u>3,221,246</u>	<u>3,340,010</u>
Resources expended						
Expenditure on:						
Raising funds	8	828,695	242,470	99,651	1,170,816	1,219,668
Charitable activities	9	332,309	1,767,659	2,949	2,102,917	2,021,084
Total		<u>1,161,004</u>	<u>2,010,129</u>	<u>102,600</u>	<u>3,273,733</u>	<u>3,240,752</u>
Net income for the year	11	<u>173,228</u>	<u>(123,115)</u>	<u>(102,600)</u>	<u>(52,487)</u>	<u>99,258</u>
Transfers between funds		(186,627)	186,627	-	-	
Net movement in funds		<u>(13,399)</u>	<u>63,512</u>	<u>(102,600)</u>	<u>(52,487)</u>	<u>99,258</u>
Reconciliation of funds:						
Total funds brought forward		<u>656,887</u>	<u>-</u>	<u>1,309,392</u>	<u>1,966,279</u>	<u>1,867,021</u>
Total funds carried forward		<u>643,488</u>	<u>63,512</u>	<u>1,206,792</u>	<u>1,913,792</u>	<u>1,966,279</u>

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

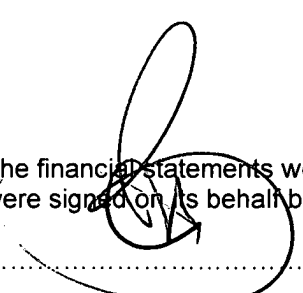
All income and expenditure derive from continuing activities.

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

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	16		1,529,354		1,640,310
Current assets					
Debtors	18	670,286		656,527	
Cash at bank and in hand		713,797		633,979	
		<u>1,384,083</u>		<u>1,290,506</u>	
Creditors: amounts falling due within one year	19	<u>(671,529)</u>		<u>(540,278)</u>	
Net current assets			<u>712,554</u>		<u>750,228</u>
Total assets less current liabilities			2,241,908		2,390,538
Creditors: amounts falling due after more than one year	20		(328,116)		(424,259)
Net assets			<u>1,913,792</u>		<u>1,966,279</u>
Financed by:					
Unrestricted funds	23		643,488		656,887
Restricted general funds	23		63,512		-
Restricted capital funds	23		1,206,792		1,309,392
			<u>1,913,792</u>		<u>1,966,279</u>

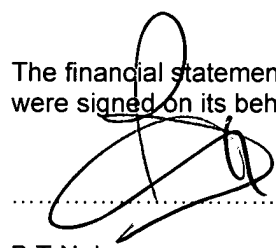
The financial statements were approved by the Board of Trustees on 21/03/2024 and were signed on its behalf by:


 B T Nelson
 Chair

CLARETS IN THE COMMUNITY LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	16		296,004		303,888
Investments	17		<u>1,012,500</u>		<u>2,040,001</u>
			<u>1,308,504</u>		<u>2,343,889</u>
Current assets					
Debtors	18	727,029		704,389	
Cash at bank and in hand		<u>567,474</u>		<u>457,086</u>	
		<u>1,294,503</u>		<u>1,161,475</u>	
Creditors: amounts falling due within one year	19	<u>(571,676)</u>		<u>(427,461)</u>	
Net current assets			<u>722,827</u>		<u>734,014</u>
Total assets less current liabilities			2,031,331		3,077,903
Creditors: amounts falling due after one year	20		<u>(328,116)</u>		<u>(424,259)</u>
Net assets			<u>1,703,215</u>		<u>2,653,644</u>
Financed by:					
Unrestricted funds	23		63,190		1,052,762
Restricted general funds	23		63,512		-
Restricted capital funds	23		1,576,513		1,600,882
			<u>1,703,215</u>		<u>2,653,644</u>

The financial statements were approved by the Board of Trustees on 21/03/2024 and were signed on its behalf by:


 B T Nelson
 Chair

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
	Note	£	£
Cash flows from operating activities:			
Cash generated from operations	29	134,247	125,822
Cash flows from investing activities:			
Purchase of property, plant and equipment	(56,543)	(40,059)	
Proceeds on disposal of tangible assets	10,624	-	-
Interest received	<u>638</u>	<u>5</u>	
		(45,281)	(40,054)
Net cash used in financing activities:			
Interest paid	<u>(9,148)</u>	<u>(7,969)</u>	
		(9,148)	(7,969)
Net increase in cash and cash equivalents		<u>79,818</u>	<u>77,799</u>
Cash and cash equivalents at beginning of year		<u>633,979</u>	<u>556,180</u>
Cash and cash equivalents at end of year		<u><u>713,797</u></u>	<u><u>633,979</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting Policies

Charity information

Clarets In The Community Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Turf Moor, Harry Potts Way, Burnley, BB10 4BX. The members of the company are the Trustees previously named. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary BFCITC Facilities (Enterprises) Ltd on a line-by-line basis. A separate Statement of Financial Activities for the Charity has not been presented because the group has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Going concern

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

The trustees have considered the financial stability of the Charity for a period of at least 12 months from the date of signing these financial statements. They have assessed financial performance and ensured that the company has sufficient finance available to maintain its cashflow during this period.

Charitable funds

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

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

Restricted capital funds are restricted funds received to fund the renovation of the Whitehough Outdoor Centre and the conversion of part of the Brierfield Mill site into The Leisure Box community leisure centre.

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.

Income is measured at the fair value of the consideration received and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related items.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting Policies (continued)

Resources expended

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

- 'Costs of raising funds' comprise the costs of attracting voluntary income, and those incurred in trading activities that raise funds.
- 'Expenditure on charitable activities' includes the costs of specific programmes undertaken to further the purposes of the Charity and their associated support costs.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, such as support costs, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

All expenditure is exclusive of irrecoverable VAT.

Tangible fixed assets

Individual tangible fixed assets costing £1,000 or more are capitalised. Tangible fixed assets are measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold and property improvements	0.8% or 2% per annum straight line
Play, climbing or other equipment	5%, 8% or 10% per annum straight line
Office, kitchen and computer equipment	20% or 33.3% per annum straight line
Outdoor equipment	20% or 33.3% per annum straight line
Motor vehicles	25% per annum 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 the statement of financial activities.

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).

Investments

Investments are stated at cost less provision for impairment.

Cash and cash equivalents

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

Financial instruments

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

Financial instruments are recognised in the Charity's statement of financial position when the company becomes party to the contractual provisions of the instrument.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting Policies (continued)

Basic financial assets

Basic financial assets, which include debtors, loans to fellow group companies and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Employee benefits

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

Redundancy and termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide redundancy or termination benefits.

Retirement benefits

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

Leases

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

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are 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.

The main area of judgement that has a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in relation to the useful economic lives of the Charity's fixed assets.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

3 Income from donations and legacies

	2023	2022
	£	£
Grants – Premier League	138,667	230,000
Grants – English Football League	35,000	-
Donations	534,336	385,900
	<u>708,003</u>	<u>615,900</u>
Analysis by fund		
Unrestricted funds	528,236	414,534
Restricted general funds	179,767	201,366
Restricted capital funds	-	-
	<u>708,003</u>	<u>615,900</u>

4 Income from charitable activities

	2023	2022
	£	£
Grants – Premier League	649,501	754,461
Grants – local authority	102,293	104,900
Grants – other	258,311	243,701
Projects, courses and education	839,409	684,780
Fundraising and sponsorship	91,015	31,340
Other	15,354	3,656
	<u>1,955,883</u>	<u>1,822,838</u>
Analysis by fund		
Unrestricted funds	249,524	719,775
Restricted general funds	1,706,359	1,103,063
Restricted capital funds	-	-
	<u>1,955,883</u>	<u>1,822,838</u>

5 Income from other trading activities

	2023	2022
	£	£
Trading facilities	403,294	753,736
Fundraising events	86,801	57,987
Other	2,834	-
	<u>492,929</u>	<u>811,723</u>
Analysis by fund		
Unrestricted funds	492,041	811,723
Restricted general funds	888	-
Restricted capital funds	-	-
	<u>492,929</u>	<u>811,723</u>

The wholly owned trading subsidiary BFCITC Facilities (Enterprises) Ltd is incorporated in the United Kingdom (company number: 10951684) and the intention is to pay any profits to the Charity under the gift aid scheme. The subsidiary manages the Whitehough Outdoor Centre and The Leisure Box community leisure centre both in the Borough of Pendle. Whilst the subsidiary made a profit in the year ended 30 June 2022, no profit has been paid by gift aid to the Charity due to the negative balance on the profit and loss account.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

5 Income from other trading activities (continued)

The summary financial performance of the subsidiary alone is:

	2023	2022
	£	£
Turnover	640,669	927,917
Cost of sales and administration costs	(769,983)	(838,180)
Finance charges	(245)	(969)
Net profit/(loss)	<u>(129,559)</u>	<u>88,768</u>
Amount gift aided to the Charity	-	-
Retained in subsidiary	<u>(129,559)</u>	<u>88,768</u>

The assets and liabilities of the subsidiary were:

	2023	2022
	£	£
Fixed assets	1,233,350	1,336,422
Current assets	211,494	212,263
Current liabilities	<u>(221,769)</u>	<u>(196,051)</u>
Total net assets	<u>1,223,075</u>	<u>1,352,634</u>
Called up share capital	2,040,001	2,040,001
Profit and loss account	<u>(816,926)</u>	<u>(687,367)</u>
Aggregate share capital and reserves	<u>1,223,075</u>	<u>1,352,634</u>

6 Income from investments

	2023	2022
	£	£
Interest receivable	<u>637</u>	<u>5</u>
Analysis by fund		
Unrestricted funds	637	5
Restricted general funds	-	-
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>637</u>	<u>5</u>

7 Other income

	2023	2022
	£	£
Rental income	49,000	5,898
Gain on the disposal of tangible fixed assets	10,625	-
Insurance proceeds	1,617	-
Contributions towards trips and end of season events	-	11,255
Apprentice and Kickstart scheme funding	1,500	29,615
Miscellaneous income	<u>1,052</u>	<u>42,776</u>
	<u>63,794</u>	<u>89,544</u>
Analysis by fund		
Unrestricted funds	63,794	89,544
Restricted general funds	-	-
Restricted capital funds	<u>-</u>	<u>-</u>
	<u>63,794</u>	<u>89,544</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

8 Expenditure on raising funds

	2023	2022
	£	£
Fundraising and marketing costs		
Staff costs	145,079	144,237
Fundraising events costs	111,260	21,518
Marketing costs	<u>22,747</u>	<u>48,096</u>
	<u>279,086</u>	<u>213,851</u>
 Costs of trading facilities		
Staff costs	419,982	461,305
Food costs	42,278	70,918
Instructors	33,386	37,053
Marketing	9,615	8,450
Office costs	9,095	20,987
Professional fees	3,296	4,391
Telephone and broadband	9,971	6,039
Cleaning and refuse	9,996	12,535
Insurance	23,479	20,401
Equipment leasing	20,235	17,677
Rent and service charge	39,683	44,371
Water	10,072	9,315
Electricity and gas	65,943	76,363
Repairs and maintenance	46,460	53,355
IT and equipment	20,450	27,655
Bad debt	-	6,050
Depreciation	<u>127,789</u>	<u>128,952</u>
	<u>891,730</u>	<u>1,005,817</u>
	<u>1,170,816</u>	<u>1,219,668</u>
 Analysis by fund		
Unrestricted funds	828,695	980,922
Restricted general funds	242,470	139,005
Restricted capital funds	<u>99,651</u>	<u>99,741</u>
	<u>1,170,816</u>	<u>1,219,668</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

9 Expenditure on charitable activities

	2023	2022
	£	£
Staff costs	1,230,805	1,301,590
Direct project costs	159,264	161,440
Venue hire	29,560	16,714
Hospitality	-	1,937
Office costs	210	100
Vehicle costs	3,713	4,424
Professional fees	429	416
Telephone and broadband	716	666
Insurance	327	2,944
Rent and service charge	(4,832)	6,566
Water	519	294
Electricity and gas	5,153	8,518
Repairs and maintenance	-	174
Depreciation	10,541	10,541
	<u>1,436,405</u>	<u>1,516,324</u>
Share of support costs (see note 10)	656,662	496,215
Share of governance costs (see note 10)	9,850	8,545
	<u>2,102,917</u>	<u>2,021,084</u>
Analysis by fund		
Unrestricted funds	332,309	503,627
Restricted general funds	1,767,659	1,513,980
Restricted capital funds	2,949	3,477
	<u>2,102,917</u>	<u>2,021,084</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

10 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	415,386		415,386	287,997
Kit costs	60,674		60,674	49,848
Hospitality	1,224		1,224	15,425
Office costs	25,708		25,708	23,859
Vehicle costs	25,870		25,870	18,674
Professional fees	5,840		5,840	7,301
Telephone and broadband	13,571		13,571	18,395
Insurance	219		219	994
Equipment leasing	4,564		4,564	5,262
Rent and service charge	17,000		17,000	-
Repairs and maintenance	530		530	1,062
IT and equipment	6,576		6,576	3,187
VAT partial exemption restriction	52,756		52,756	31,615
Depreciation	26,744		26,744	32,596
Audit fees		9,000	9,000	7,250
Accountancy		-	-	1,295
Legal and professional		850	850	-
	<u>656,662</u>	<u>9,850</u>	<u>666,512</u>	<u>504,760</u>
Analysed between:				
Charitable activities	<u>656,662</u>	<u>9,850</u>	<u>666,512</u>	<u>504,760</u>

11 Net income for the year is stated after charging

	2023	2022
	£	£
Depreciation	165,075	172,089
Auditor's remuneration - statutory audit fee	9,000	7,250
Auditor's remuneration - other accountancy services	-	1,295
Operating lease rentals	<u>57,159</u>	<u>55,619</u>

12 Staff costs

	2023	2022
	£	£
Wages and salaries	1,944,703	1,950,616
Social security costs	158,319	153,083
Defined contribution pension costs	30,591	27,417
Defined benefit pension costs	4,301	4,005
Other employee benefits	3,495	3,917
	<u>2,141,409</u>	<u>2,142,724</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

12 Staff costs (continued)

The average number of employees including part time staff (excluding trustees) analysed by function was:

	2023	2022
Delivery of charitable activities	46	49
Trading facilities	13	18
Management and administration of the Charity	14	14
	<u>73</u>	<u>81</u>

In addition to the above, the Charity utilises the services of sessional workers on zero-hours contracts to cover staff absences and periods of high demand. During the year the average number of sessional workers utilised was 36 (2022: 40).

The number of employees whose employee benefits (including national insurance contributions, but excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£100,001 - £110,000	-	1
£90,001 - £100,000	1	-
£80,001 - £90,000	<u>1</u>	<u>-</u>

The key management personnel of the Charity have been identified to be the Chief Executive Officer, Chief Operating Officer and Head of Finance. The aggregate employment benefits, including employer national insurance contributions for these key management personnel for the year was £248,415 (2022: £227,901).

During the year the Charity restructured certain operations including The Leisure Box trading facility. These changes resulted in the redundancy of seven permanent staff with total redundancy payments of £1,442. Furthermore, two members of staff left the Charity with total termination payments of £14,834.

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or other benefits for the year ended 30 June 2023 (2022: £nil).

During the year, trustees collectively donated £106,290 to the group (2022: £110,504). Such donations are made either personally or thorough entities controlled by those trustees. Donations were typically made to further the objectives of particular programmes, however no conditions were attached to any of the donations.

14 Volunteers

The Charity has volunteers who give their time freely across to support various activities to support delivery staff. In line with the Charities SORP, no monetary value is placed on the contribution of volunteers. During the year the Charity had nine volunteers.

15 Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

There is no tax liability arising in the trading subsidiary: BFCITC Facilities (Enterprises) Ltd.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

16 Tangible fixed assets

Group

	Leasehold property and improvements	Motor vehicles	Office, kitchen and computer equipment	Play, climbing and other equipment	Outdoor equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2022	960,735	38,190	391,624	855,474	50,757	2,296,780
Additions	20,067	3,905	26,570	-	6,001	56,543
Disposals	-	27,690	17,737	-	2,425	47,852
At 30 June 2023	980,802	14,405	400,457	855,474	54,333	2,305,471
Depreciation						
At 1 July 2022	65,737	38,190	283,783	229,374	39,386	656,470
Charge for the year	18,751	651	58,566	77,691	9,416	165,075
Disposals	-	27,690	17,738	-	-	45,428
At 30 June 2023	84,488	11,151	324,611	307,065	48,802	776,117
Net book value						
At 30 June 2023	896,314	3,254	75,846	548,409	5,531	1,529,354
At 30 June 2022	894,998	-	107,841	626,100	11,371	1,640,310

Charity only

	Leasehold property and improvements	Motor vehicles	Office, kitchen and computer equipment	Play, climbing and other equipment	Outdoor equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2022	268,051	14,740	246,161	-	10,338	539,290
Additions	-	-	26,571	-	5,256	31,827
Disposals	-	14,740	17,737	-	2,425	34,902
At 30 June 2023	268,051	-	254,995	-	13,169	536,215
Depreciation						
At 1 July 2022	18,882	14,740	195,503	-	6,277	235,402
Charge for the year	2,950	-	31,079	-	3,257	37,286
Eliminated in respect of disposals	-	14,740	17,737	-	-	32,477
At 30 June 2023	21,832	-	208,845	-	9,534	240,211
Net book value						
At 30 June 2023	246,219	-	46,150	-	3,635	296,004
At 30 June 2022	249,169	-	50,658	-	4,061	303,888

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

16 Tangible fixed assets (Continued)

Charges

In respect of the Group, within 'leasehold property and improvements' and 'play, climbing and other equipment' there are items charged as security in favour of The Football Foundation and Sport England on a pari passu basis. The carrying amount of such security at 30 June 2023 was £567,551 (2022: £579,961) in respect of leasehold property and improvements and £545,980 (2022: £623,536) in respect of play, climbing and other equipment.

Custodian Trusteeship Disclosure

No assets were held as custodian trustee during the reporting period.

17 Fixed asset investments

	Group		Charity only	
	2023	2022	2023	2022
	£	£	£	£
Shares in group undertakings	-	-	1,012,500	2,040,001
	<u>-</u>	<u>-</u>	<u>1,012,500</u>	<u>2,040,001</u>

Shares in group undertakings

	Subsidiary undertakings	Total
	£	£
Cost		
At 1 July 2022	2,040,001	2,040,001
At 30 June 2023	<u>2,040,001</u>	<u>2,040,001</u>
Impairment		
At 1 July 2022	-	-
Charge for the year	1,027,501	1,027,501
At 30 June 2023	<u>1,027,501</u>	<u>1,027,501</u>
Net book value		
At 1 July 2022	2,040,001	2,040,001
At 30 June 2023	<u>1,012,500</u>	<u>1,012,500</u>

The subsidiary undertaking relates to BFCITC Facilities (Enterprises) Ltd (company number 10951684), the principal activity of which is to operate and manage the Whitehough Outdoor Centre and The Leisure Box community leisure centre both in the Borough of Pendle.

Since opening in April 2019, the Leisure Box has struggled to achieve its original financial targets due to the multiple challenges brought about by COVID, high energy costs, and cost of living pressures which have negatively impacted disposable incomes. However, the facility continues to operate with a sustainable financial model, it offers substantial free usage to many participants, and it provides an essential base for many of the Charity's own projects. Pursuing profits at the expense of utilisation would hinder the original, charitable objectives of the facility and the intention to provide subsidised leisure facilities to those who need them.

At 30 June 2023, the trustees have impaired the investment in BFCITC Facilities (Enterprises) Ltd to reflect that The Leisure Box currently intends to breakeven financially, rather than generate excess profits to feed back into the Charity as originally intended. As such, the impairment is based upon a revaluation method whereby the investment is now valued at the amortised value of the original grants that funded the conversion of the property into a leisure facility. As such, no additional value is currently allocated based upon expectations of future profitability.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

18 Debtors

	Group		Charity only	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	96,639	40,967	59,671	26,468
Prepayments and accrued income	101,531	37,889	73,326	18,389
Due from group undertakings	-	-	121,916	83,235
Value added tax	-	10,618	-	10,618
Other debtors	144,000	142,794	144,000	141,420
	<u>342,170</u>	<u>232,268</u>	<u>398,913</u>	<u>280,130</u>
Amounts falling due after more than one year:				
Other debtors	<u>328,116</u>	<u>424,259</u>	<u>328,116</u>	<u>424,259</u>
Total debtors	<u>670,286</u>	<u>656,527</u>	<u>727,029</u>	<u>704,389</u>

19 Creditors: amounts falling due within one year

		Group		Charity only	
	Notes	2023	2022	2023	2022
		£	£	£	£
Obligations under finance lease and hire purchase contracts		-	1,055	-	-
Trade creditors		93,433	72,616	53,130	34,719
Value added tax		11,702	31,156	4,408	-
Other taxes and social security		42,772	44,760	42,772	44,760
Pension costs		6,651	7,845	6,651	7,845
Accruals		21,947	29,901	13,641	16,327
Deferred income	21	495,024	352,674	451,074	323,539
Other creditors		-	271	-	271
		<u>671,529</u>	<u>540,278</u>	<u>571,676</u>	<u>427,461</u>

20 Creditors: amounts falling due after more than one year

		Group		Charity only	
	Notes	2023	2022	2023	2022
		£	£	£	£
Deferred income	21	<u>328,116</u>	<u>424,259</u>	<u>328,116</u>	<u>424,259</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

21 Deferred income

	Group	Charity only
	£	£
Balance at 1 July 2022	775,267	747,798
Released from previous year	(351,007)	(323,538)
Resources deferred in the year	398,880	354,930
Deferred income at 30 June 2023	823,140	779,190

Deferred income includes grant income from the Austin Hope Pilkinton Trust, Barclays, Burnley Leisure, Burnley Probation, Garfield Weston, the Premier League, Sport England, Spring North, and Travis Perkins. The grants stipulate the periods over which the funding applies and the charitable activities must be delivered. Deferred income also includes income from various schools where billing is in advance for each school term. The income is deferred over the duration of the grant or the school term.

Deferred income is also recognised on donations received from former club shareholders. Such donations can only be used on qualifying purchases from Burnley Football Club. The donations have been deferred and are released upon their utilisation.

22 Retirement benefit schemes

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

The Charity also contributes to a defined benefit retirement scheme operated by the Lancashire County Pension Fund regarding one employee who joined the Charity on a TUPE arrangement from Lancashire County Council.

The charge to the Statement of Financial Activities in respect of retirement benefit schemes was £34,892 (2022: £31,372)

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

23 Analysis of charitable funds

For the year ended 30 June 2023:

Group	Balance at 1 July 2022	Incoming Resources	Resources expanded	Transfers	Balance at 30 June 2023
	£	£	£	£	£
Unrestricted funds					
General funds	656,887	1,334,232	(1,161,004)	(186,627)	643,488
Designated funds	-	-	-	-	-
	<u>656,887</u>	<u>1,334,232</u>	<u>(1,161,004)</u>	<u>(186,627)</u>	<u>643,488</u>
Restricted general funds					
Governance & operations	-	-	(214,565)	214,565	-
Food bank	-	180,913	(155,682)	-	25,231
Health & fitness	-	134,279	(88,102)	(31,626)	14,551
Champions	-	73,662	(70,170)	(3,492)	-
Veterans	-	65,633	(82,939)	17,306	-
Premier League Kicks	-	287,360	(287,284)	(76)	-
Premier League Inspires	-	89,567	(92,087)	2,520	-
Premier League Primary Stars	-	270,052	(266,126)	(3,926)	-
Schools mental wellbeing	-	278,652	(282,540)	3,888	-
Employability	-	43,402	(19,672)	-	23,730
Higher education partnership	-	354,640	(357,658)	3,018	-
Girls Emerging Talent Centre	-	33,664	(18,118)	(15,546)	-
Player Development Centre	-	23,820	(23,816)	(4)	-
Trading facilities	-	51,370	(51,370)	-	-
	<u>-</u>	<u>1,887,014</u>	<u>(2,010,129)</u>	<u>186,627</u>	<u>63,512</u>
Restricted capital funds					
Trading facilities	1,309,392	-	(102,600)	-	1,206,792
Total funds	<u><u>1,966,279</u></u>	<u><u>3,221,246</u></u>	<u><u>(3,273,733)</u></u>	<u><u>-</u></u>	<u><u>1,913,792</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2023:

Company

	Balance at 1 July 2022	Incoming Resources	Resources expanded	Transfers	Balance at 30 June 2023
	£	£	£	£	£
Unrestricted funds					
General funds	1,052,762	840,019	(1,478,039)	(351,552)	63,190
Designated funds	-	-	-	-	-
	<u>1,052,762</u>	<u>840,019</u>	<u>(1,478,039)</u>	<u>(351,552)</u>	<u>63,190</u>
Restricted general funds					
Governance & operations	-	-	(297,920)	297,920	-
Foodbank	-	180,913	(155,682)	-	25,231
Health & fitness	-	134,279	(119,728)	-	14,551
Champions	-	73,661	(70,970)	(2,691)	-
Veterans	-	65,633	(87,014)	21,381	-
Premier League Kicks	-	287,359	(316,491)	29,132	-
Premier League Inspires	-	89,567	(92,177)	2,610	-
Premier League Primary Stars	-	270,052	(267,431)	(2,621)	-
Schools mental wellbeing	-	278,653	(282,541)	3,888	-
Employability	-	43,402	(19,672)	-	23,730
Higher education partnership	-	354,641	(358,317)	3,676	-
Girls Emerging Talent Centre	-	33,664	(18,118)	(15,546)	-
Player Development Centre	-	23,820	(37,623)	13,803	-
	<u>-</u>	<u>1,835,644</u>	<u>(2,123,684)</u>	<u>351,552</u>	<u>63,512</u>
Restricted capital funds					
Trading facilities	<u>1,600,882</u>	<u>-</u>	<u>(24,369)</u>	<u>-</u>	<u>1,576,513</u>
Total funds	<u>2,653,644</u>	<u>2,675,663</u>	<u>(3,626,092)</u>	<u>-</u>	<u>1,703,215</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

23 Analysis of charitable funds (Continued)

Unrestricted funds

Unrestricted funds are available to be spent for any purpose of the Charity.

Restricted funds

Restricted funds are those funds where the income received is restricted to provide specific programmes and activities, with further details of each fund below.

Governance & operations

Central staffing and office costs allocated to restricted activities.

Foodbank

A partnership with Burnley Together to deliver a foodbank service within the local community.

Health & fitness

A range of programmes including mental health, weight loss, walking sports, over 50's groups, cancer rehabilitation and dementia support.

Champions

A youth custody intervention partnership with Lancashire Police working with young offenders.

Veterans

A range of programmes supporting armed forces veterans.

Premier League Kicks

Developed by the Premier League, a programme offering free baseball, cricket, climbing, football, multi-sports and netball sessions for young people aged 8–18 years old.

Premier League Inspires

Developed by the Premier League, a programme supporting 11-25 year olds who are marginalised or at risk of not reaching their potential.

Premier League Primary Stars

Developed by the Premier League, a programme to inspire primary school children both inside and outside the classroom, whilst underpinning all elements with high-quality teaching materials that cover English, Maths, PE and PSHE.

Schools mental wellbeing

A programme whereby a team of mental wellbeing workers are placed within secondary schools across Burnley and Pendle, to provide an early intervention to support students who are struggling with mental health issues.

Employability

A range of programmes aimed at helping young people into work through the development of essential skills, understanding the job market, and supporting their transition into work.

Higher education partnership

A partnership with higher education providers to bridge the gap between grassroots and academy sport. The programme enables participants to combine academic studies with practical sport experience.

Girls Emerging Talent Centre

Developed by the FA, a programme to provide greater accessibility to the player pathway and more inclusivity for female players to enhance player development.

Player Development Centre

A programme aimed at providing a pathway for players aged 9-16, for both boys and girls.

Trading Facilities

The Whitehough Outdoor Centre and The Leisure Box community leisure facility, both in the Borough of Pendle.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2022:

Group	Balance at 1 July 2021 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2022 £
Unrestricted funds					
General funds	371,686	2,140,481	(1,484,549)	(370,731)	656,887
Designated funds	-	-	-	-	-
	<u>371,686</u>	<u>2,140,481</u>	<u>(1,484,549)</u>	<u>(370,731)</u>	<u>656,887</u>
Restricted general funds					
Governance & operations	-	1,200	(193,490)	192,290	-
Food bank	-	173,171	(198,759)	25,588	-
Health & fitness	-	33,788	(28,162)	(5,626)	-
Champions	-	41,667	(42,297)	630	-
Veterans	-	95,715	(94,593)	(1,122)	-
Premier League Kicks	-	275,330	(231,644)	(43,686)	-
Premier League Inspires	-	71,250	(96,832)	25,582	-
Premier League Primary Stars	-	100,798	(209,232)	108,434	-
Schools mental wellbeing	82,725	203,315	(344,078)	58,038	-
Employability	-	163,049	(131,379)	(31,670)	-
Player Development Centre	-	31,216	(51,519)	20,303	-
Trading facilities	-	9,030	(31,000)	21,970	-
	<u>82,725</u>	<u>1,199,529</u>	<u>(1,652,985)</u>	<u>370,731</u>	<u>-</u>
Restricted capital funds					
Trading facilities	<u>1,412,610</u>	<u>-</u>	<u>(103,218)</u>	<u>-</u>	<u>1,309,392</u>
Total funds	<u><u>1,867,021</u></u>	<u><u>3,340,010</u></u>	<u><u>(3,240,752)</u></u>	<u><u>-</u></u>	<u><u>1,966,279</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

23 Analysis of charitable funds (Continued)

For the year ended 30 June 2022:

Company	Balance at 1 July 2021 £	Incoming Resources £	Resources expanded £	Transfers £	Balance at 30 June 2022 £
Unrestricted funds					
General funds	1,038,797	1,198,259	(730,778)	(453,516)	1,052,762
Designated funds	-	-	-	-	-
	<u>1,038,797</u>	<u>1,198,259</u>	<u>(730,778)</u>	<u>(453,516)</u>	<u>1,052,762</u>
Restricted general funds					
Governance & operations	-	231,199	(305,837)	74,638	-
Foodbank	-	133,025	(194,745)	61,720	-
Health & fitness	-	33,788	(30,395)	(3,393)	-
Champions	-	41,667	(42,297)	630	-
Veterans	-	95,715	(98,435)	2,720	-
Premier League Kicks	-	275,330	(248,899)	(26,431)	-
Premier League Inspires	-	71,250	(97,222)	25,972	-
Premier League Primary Stars	-	100,798	(209,232)	108,434	-
Schools mental wellbeing	-	203,315	(344,078)	140,763	-
Employability	-	163,049	(161,879)	(1,170)	-
Player Development Centre	-	31,216	(69,634)	38,418	-
Trading facilities	-	-	(31,215)	31,215	-
	<u>-</u>	<u>1,380,352</u>	<u>(1,833,868)</u>	<u>453,516</u>	<u>-</u>
Restricted capital funds					
Trading facilities	1,604,359	-	(3,477)	-	1,600,882
Total funds	<u>2,643,156</u>	<u>2,578,611</u>	<u>(2,568,123)</u>	<u>-</u>	<u>2,653,644</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

24 Analysis of net assets between funds

For the year ended 30 June 2023:

	Unrestricted funds	Restricted general funds	Restricted capital funds	Total
	£	£	£	£
Group				
Fixed assets	322,562		1,206,792	1,529,354
Net current assets	320,926	391,628	-	712,554
Creditors: amounts falling due after more than one year	-	(328,116)	-	(328,116)
	<u>643,488</u>	<u>63,512</u>	<u>1,206,792</u>	<u>1,913,792</u>
Company				
Fixed assets	(268,009)	-	1,576,513	1,308,504
Net current assets	331,199	391,628	-	722,827
Creditors: amounts falling due after more than one year	-	(328,116)	-	(328,116)
	<u>63,190</u>	<u>63,512</u>	<u>1,576,513</u>	<u>1,703,215</u>

For the year ended 30 June 2022:

	Unrestricted funds	Restricted general funds	Restricted capital funds	Total
	£	£	£	£
Group				
Fixed assets	330,918	-	1,309,392	1,640,310
Net current assets	325,969	424,259	-	750,228
Creditors: amounts falling due after more than one year	-	(424,259)	-	(424,259)
	<u>656,887</u>	<u>-</u>	<u>1,309,392</u>	<u>1,966,279</u>
Company				
Fixed assets	743,007	-	1,600,882	2,343,889
Net current assets	309,755	424,259	-	734,014
Creditors: amounts falling due after more than one year	-	(424,259)	-	(424,259)
	<u>1,052,762</u>	<u>-</u>	<u>1,600,882</u>	<u>2,653,644</u>

25 Operating lease commitments

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

	Group		Charity Only	
	2023	2022	2023	2022
	£	£	£	£
Within one year	84,053	58,418	34,404	9,505
Between one and five years	231,814	163,609	87,816	8,016
In over five years	448,875	477,375	-	-
	<u>764,742</u>	<u>699,402</u>	<u>122,220</u>	<u>17,521</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

26 Related party transactions

The Charity has taken the exemption contained within FRS 102 for disclosing transactions with wholly owned subsidiaries as consolidated financial statements are prepared.

The Burnley Football & Athletic Company Limited ('BFC')

Trustees M L Garlick, S A Hunt, and A G Pace have all been directors of BFC during the period of these accounts. During the year, the Group received income from BFC totalling £201,472 (2022: £192,875). Additionally, BFC provided goods and services to the group totalling £61,122 (2022: £64,118).

At 30th June 2023 the amount owed to BFC was £3,509 (2022: £708 owed from BFC).

The Sutton Pendle Charitable Trust ('SPCT')

Trustee R Sutton is a trustee of SPCT. During the year, SPCT provided services to the Group totalling £58,156 (2022: £61,593).

At 30th June 2023 the amount owed to SPCT was £22,123 (2022: £16,051).

Nelson & Colne College ('N&CC')

Trustee D L Rothwell is key management personnel at N&CC. During the year, the Group received income from N&CC totalling £364,972 (2022: £284,988). Additionally, N&CC provided services to the Group totalling £11,375 (2022: £25,976).

At 30th June 2023 the amount owed from N&CC was £32,010 (2022: £2,310 owed to N&CC).

Burnley Borough Council ('BBC')

Former trustee L Patel is key management personnel at BBC and trustee A Anwar is the Leader of BBC. During the year, the Group received income from BBC totalling £114,925 (2022: £104,900). Additionally, BBC provided services to the Group totalling £429 (2022: £416).

At 30th June 2023 the amount owed from BBC was £Nil (2022: £1,130).

ALK Capital LLC ('ALK')

Trustees A G Pace and S A Hunt are key management personnel at ALK. During the year, the Group received income from ALK totalling £13,750 (2022: £Nil).

At 30th June 2023 the amount owed from ALK was £Nil (2022: £Nil).

27 Controlling party

The Charity is under the control of the trustees as noted in the trustees' report.

28 Analysis of net debt

The Charity had no debt during the year.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

29 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	(52,487)	99,258
Adjustments for:		
Interest received	(638)	(5)
Interest paid	9,148	7,969
Depreciation of tangible fixed assets	165,074	172,089
Profit on disposal of tangible fixed assets	(8,199)	-
Movements in working capital:		
Decrease / (increase) in debtors	(13,759)	(585,623)
(Decrease) / increase in creditors	35,108	432,134
Cash generated from operations	<u>134,247</u>	<u>125,822</u>

CLARETS IN THE COMMUNITY LIMITED

England & Wales - Charity number 1155856

Accounts

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2022
Company Number: 08615704
Registered Charity Number: 1155856



CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

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CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

DIRECTORS AND OFFICERS

Directors

H Al-Kailani
A N Allen (*resigned 1 October 2021*)
A Anwar (*appointed 4 July 2021*)
M L Garlick
B C Kilby
D M Lawson
Y Naheed (*appointed 8 March 2022*)
B T Nelson (Chair)
A G Pace (*appointed 4 July 2021*)
L Patel (*resigned 10 October 2022*)
D L Rothwell (*appointed 4 July 2021*)
R H J Sutton
M Thompson (*appointed 26 January 2023*)
R Webb (*resigned 20 December 2021*)
M R Williams (*appointed 26 January 2023*)
P A S Wilson

The directors are also classed as Trustees for the purposes of the Charity Commission.

Chief Executive Officer

H L Gurman (*appointed 16 January 2023*)
Dr S J Ward (*resigned 13 January 2023*)

Registered office

Turf Moor
Harry Potts Way
Burnley
Lancashire
BB10 4BX

Company number

08615704

Registered charity number

1155856

Independent Auditors

Azets Audit Services
Crown House
Bridgewater Close
Burnley
BB11 5TE

Bankers

Barclays Bank plc
72/78 St James Street
Burnley
Lancashire
BB11 1NH

CLARETS IN THE COMMUNITY LIMITED

(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2022

The directors present their report and the audited financial statements of the group and the company for the year ended 30 June 2022.

Structure, Governance and Management

The company is registered as a charity (number: 1155856) with the Charity Commission.

The charity is constituted as a company limited by guarantee (number: 08615704) and is governed by its Articles of Association.

The charity operates under its working name of 'Burnley FC in the Community'.

The charity either advertises for new directors, or approaches individuals with the appropriate skills and/or experience to contribute to the management of the organisation. All directors are appointed following a formal recruitment process and attend a comprehensive induction programme.

New directors undergo training on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the committee and decision-making process; the business plan and recent financial performance of the charity. During the induction training programme, new directors learn about the organisation's purpose, history, aims and objectives, services, staff and volunteers, facilities, security, funding, safeguarding requirements, residents' participation, strategic work, multi-agency involvement and partnership involvement. They also meet key staff personnel to learn about their work roles.

The directors are all volunteers and do not receive any remuneration for their services.

The remuneration of the charity's key management personnel is set by annual review and confirmed by the directors.

The Burnley Football & Athletic Company Limited ('BFC') is a related party. Related party transactions between the charity and BFC are disclosed in the notes to the financial statements.

The charity continues to control its wholly-owned trading subsidiary, BFCITC Facilities (Enterprises) Ltd - a company limited by shares (number: 10951684) - which has been assigned to operate the Whitehough Outdoor Centre and the Leisure Box community leisure facility, both in the Borough of Pendle.

Public benefit

The directors have had regard to the Charity Commission's guidance on public benefits in carrying out the activities of the charity.

Objectives and Activities

Burnley FC in the Community is a self-financing registered charity with a mission to inspire, support and deliver positive change for all. This is achieved through the delivery of 2 overarching outcomes and 3 targeted outcomes:

Overarching Outcomes

1. To harness the unique standing of Burnley FC to deliver lasting change in the local community.
2. To embed ourselves in the local community for the long term operating outstanding facilities.

CLARETS IN THE COMMUNITY LIMITED

(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2022

Targeted Outcomes

1. Engage with our communities to raise aspirations.
2. Support our community to live healthy lives.
3. Create a level playing field for all to engage in sport and physical activity.

Burnley FC in the Community is committed to developing a range of community-based projects across the boroughs of Burnley, Pendle, Rossendale, Ribbles Valley and Calderdale.

The charity has four core values which are the ideals it strives to achieve every day in the delivery of its activities and charitable work: *Inclusive, Integrity, Passionate and Resilient*.

The charity delivered a wide range of community projects during the 2021-22 financial year including:

- Premier League Primary Stars
- Premier League Kicks
- Premier League Inspires
- Female Football
- Disability Sport
- Schools Sport
- Football Coaching
- Youth Crime Reduction
- Clarets Welcome – Refugees Project
- Veterans Programme
- Active Clarets – Health and Wellbeing Programmes
- Mental Wellbeing Programme
- Achieving Moor (Intervention Project)
- Get Outdoors Project (at Whitehough Outdoor Centre)

Achievements and Performance

This financial year represents the charity's eighth full year of operations. During the year, the charity engaged with over 40,000 individuals, delivering over 50 community projects in Burnley and the wider region.

Despite the lessening of COVID restrictions we continued to experience a significant increase in demand for our foodbank, the Burnley Community Kitchen. We have continued to work in partnership with several organisations in the area as part of BurnleyTogether to ensure that we were able to support the most vulnerable in the town.

At the year end, the charity employed 83 full time staff and 62 part time staff and has further established a strong team of coaches, teachers, mentors, administrators, managers and other skilled practitioners to develop the work of the charity further.

Financial Review

A summary of the financial performance for the year ended 30 June 2022 can be found in the Consolidated Statement of Financial Activities (page 14) and a summary of the financial position as at 30 June 2022 can be found in the Consolidated Statement of Financial Position (page 15).

- Consolidated income generated for the financial year was £3,340,010.
- The income generated increased by £763,288 compared to the prior year, which was severely impacted by the COVID-19 pandemic that forced the closure of the trading facilities at The Leisure Box and Whitehough.
- Resources expanded during the financial year were £3,240,752, an increase of £720,056 compared to the prior year, as the charity returned to full operations following the end of COVID-19 restrictions.

CLARETS IN THE COMMUNITY LIMITED

(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2022

- Net income for the year was £99,258, an improvement over £56,026 the prior year.
- Cash and cash equivalents at 30 June 2022 were £633,979, an increase of £77,799 over the reporting period. The group targets days cash on hand in excess of 60 days and this remained above 60 days throughout the year.

Fundraising

The charity undertakes some fundraising activity in the form of fundraising events, the purpose of which is to generate unrestricted income for the charity. Any incoming resources from fundraising are recognised in the Consolidated Statement of Financial Activities once the charity is entitled to the fundraising income and provided that the income has been reliably measured.

A number of fundraising events were successful in raising vital funds for the charity, including:

- Burnley FC in the Community Charity Golf Day
- Trim on the Turf
- Burnley FC in the Community Charity Dinner
- Zipline Challenge

The charity did not approach the general public with regards to fundraising in an unsolicited manner and does not intend to do so in future years.

The charity did not receive any complaints during the year about its fundraising activities.

In addition to the unrestricted funds and donations received, the charity is grateful to the following funders and donors who has supported us by way of restricted grants and donations during the year which have been used to directly deliver provision and services:

- Premier League Charitable Fund
- The Football Foundation
- Barclays
- Integrated Communities Innovation Fund
- The Armed Forces Covenant Fund Trust
- Lancashire County Council
- Lancashire Care Foundation Trust
- BBC Children in Need
- The Masonic Charitable Fund
- Burnley Borough Council
- East Lancashire Clinical Commissioning Group
- Charles Hayward Foundation
- The Duchy of Lancaster Benevolent Fund
- Lancashire Environmental Fund
- Groundwork UK
- Cash for Kids
- Community Foundation for Lancashire
- The Evan Cornish Foundation

Investment Policies

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the directors see fit and as necessary for carrying out the charitable activities.

During 2021-22, the charity did not invest any further shares in its trading subsidiary, BFCITC Facilities (Enterprises) Ltd.

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2022

In addition, under the Memorandum and Articles of Association, the charity may set aside income as a reserve against future expenditure, but only in accordance with its Reserves Policy.

Risk Management

The directors are aware of their responsibilities to identify, assess and manage the major risks to which the charity is exposed.

During the year, the charity has furthered its work on risk management making all its staff and volunteers risk aware. All staff and volunteers continue to have a good understanding of their day to day responsibilities in managing risk.

The charity maintains its 'three lines of defence' model to help with the management of risk. The 'three lines of defence' are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

1. The first 'line of defence', consists of all staff and volunteers.
2. The second 'line of defence' consists of all management colleagues.
3. The third 'line of defence' consists of the Chief Executive Officer and the directors.

The charity holds a Principal Risk Inventory, on which all identified risks are categorised and logged. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Conversely, the charity has also a Principal Controls Inventory, which lists all controls and maps them to one or more risks as appropriate. Where there is a control which maps to more than one risk, the charity calls this a key control.

The processes in place to identify, log and manage risk are reviewed annually.

The main risks currently identified relate to: reserves and liquidity management; facilities risk; turnover of staff; and major incidents which could damage the reputation of the charity.

The Principal Risk Inventory is reviewed and approved on an annual basis.

Reserves Policy

The objective of having unrestricted funds in reserve, is to enable the charity to cope with unplanned events. Very often, the effects of an unplanned event can be managed in the long-term, but the Group needs reserves in the meantime.

The directors are working towards maintaining an overall target level for all reserves which is equivalent to three months net operating costs, where fixed assets are discounted when calculating the level of reserves for the charity. The directors believe this level of reserves will mitigate against the risk that some income is more volatile in nature to ensure that the charity's obligations can always be met.

The directors must monitor and review the level of reserves annually, in line with the guidance issued by the Charity Commission; however, the level of reserves is monitored throughout the year as part of the normal monitoring and budgetary reporting processes. The level of reserves is always discussed by the directors at their quarterly governance meeting during the Finance agenda item.

The directors acknowledge that the level of reserves for the charity changes during the year and could either be a good indicator of the underlying financial health of the charity; or could be an indicator of potential problems.

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2022

Over the medium to longer term, in the event that the charity builds significant reserves, the directors must:

- Identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Ensure that the Reserves Policy continues to be relevant as the charity develops or if the strategy and activities of the charity changes.

Plans for future periods

The charity has a three-year strategy which runs from 2022 – 2025 and a business plan which is reviewed and updated annually, in order to achieve its objectives.

The charity will continue to meet and further develop existing public, private and voluntary sector partnerships.

The charity will look to enhance and further promote fundraising initiatives, so to increase its reserve levels.

Going concern

At the time of approving the annual report and financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Directors

The directors who served the company during the year were as follows:

H Al-Kailani
A N Allen (*resigned 1 October 2021*)
A Anwar (*appointed 4 July 2021*)
M L Garlick
B C Kilby
D M Lawson
Y Naheed (*appointed 8 March 2022*)
B T Nelson (Chair)
A G Pace (*appointed 4 July 2021*)
L Patel (*resigned 10 October 2022*)
D L Rothwell (*appointed 4 July 2021*)
R H J Sutton
R Webb (*resigned 20 December 2021*)
P A S Wilson

Disclosure of information to the Independent Auditors

Each director has taken steps that they ought to have taken as a director, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2022

Appointment of Independent Auditors

In accordance with the group's financial policies, the choice of independent auditor is reviewed every three years. The next review is due ahead of the audit of the accounts for the year ended 30 June 2023. A resolution proposing the choice of auditor for next year's accounts will be put at a general meeting of the directors.

Liability of members

The liability of each member by way of their guarantee to the company is to contribute a sum not exceeding ten pounds to the assets of the company, if so required on the winding up of the company.

Approved by the Board on:
and signed on its behalf by:

16/03/23


B T Nelson
Director

CLARETS IN THE COMMUNITY LIMITED

(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES - YEAR ENDED 30 JUNE 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company, and of the income and expenditure account for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
YEAR ENDED 30 JUNE 2022**

Opinion

We have audited the financial statements of Clarets in the Community Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2022 which comprise the group statement of financial activities, the group statement of financial position, the company statement of financial position, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2022 and of the group's profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director 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 director is 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
YEAR ENDED 30 JUNE 2022**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or has 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
YEAR ENDED 30 JUNE 2022**

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

Use of our report

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

21st March 2023.

Mr Nicholas Stockton (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

Crown House
Bridgewater Close
Network 65 Business Park
Burnley BB11 5TE

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022

		2022	2022	2022	2022	2021 (restated)
		Unrestricted	Restricted	Restricted Capital	Total	Total
	Note	£	£	£	£	£
Incoming resources						
Income and endowments from:						
Donations and legacies	2	414,534	201,366	-	615,900	359,322
Charitable activities	2	825,875	996,963	-	1,822,838	1,677,429
Other trading activities		810,523	1,200	-	811,723	154,718
Investments	5	-	-	-	5	61
Other income		89,544	-	-	89,544	385,192
Total		<u>2,140,481</u>	<u>1,199,529</u>	<u>-</u>	<u>3,340,010</u>	<u>2,576,722</u>
Resources expended						
Expenditure on:						
Raising funds		980,922	139,005	99,741	1,219,668	589,186
Charitable activities	3	503,627	1,513,980	3,477	2,021,084	1,931,510
Total		<u>1,484,549</u>	<u>1,652,985</u>	<u>103,218</u>	<u>3,240,752</u>	<u>2,520,696</u>
Net income for the year	4	<u>655,932</u>	<u>(453,456)</u>	<u>(103,218)</u>	<u>99,258</u>	<u>56,026</u>
Transfers between funds		(370,731)	370,731	-	-	-
Net movement in funds		<u>285,201</u>	<u>(82,725)</u>	<u>(103,218)</u>	<u>99,258</u>	<u>56,026</u>
Reconciliation of funds:						
Total funds brought forward		<u>371,686</u>	<u>82,725</u>	<u>1,412,610</u>	<u>1,867,021</u>	<u>1,810,995</u>
Total funds carried forward		<u>656,887</u>	<u>-</u>	<u>1,309,392</u>	<u>1,966,279</u>	<u>1,867,021</u>

All amounts relate to continuing activities. All recognised gains and losses are included in the Consolidated Statement of Financial Activities.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	8		1,640,310		1,772,340
Current assets					
Debtors	10	656,527		70,904	
Cash at bank and in hand		<u>633,979</u>		<u>556,180</u>	
		<u>1,290,506</u>		<u>627,084</u>	
Creditors: amounts falling due within one year	11	<u>(540,278)</u>		<u>(531,348)</u>	
Net current assets			<u>750,228</u>		<u>95,736</u>
Total assets less current liabilities			2,390,538		1,868,076
Creditors: amounts falling due after more than one year	12		(424,259)		(1,055)
Net assets			<u>1,966,279</u>		<u>1,867,021</u>
Financed by:					
Unrestricted funds	14		656,887		371,686
Restricted funds	14		-		82,725
Restricted Capital funds	14		1,309,392		1,412,610
			<u>1,966,279</u>		<u>1,867,021</u>

The financial statements were approved by the Board of Trustees on 16/03/23
and were signed on its behalf by:

.....

B T Nelson
Director

CLARETS IN THE COMMUNITY LIMITED
CHARITY ONLY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	8		303,888		325,163
Investments	9		<u>2,040,001</u>		<u>2,040,001</u>
			<u>2,343,889</u>		<u>2,365,164</u>
Current assets					
Debtors	10	704,389		264,964	
Cash at bank and in hand		<u>457,086</u>		<u>496,313</u>	
		<u>1,161,475</u>		<u>761,277</u>	
Creditors: amounts falling due within one year	11	<u>(427,461)</u>		<u>(483,285)</u>	
Net current assets			<u>734,014</u>		<u>277,992</u>
Creditors: amounts falling due after one year	11		<u>(424,259)</u>		<u>-</u>
Net assets			<u>2,653,644</u>		<u>2,643,156</u>
Financed by:					
Unrestricted funds	14		1,052,762		1,038,797
Restricted funds	14		-		-
Restricted Capital funds	14		1,600,882		1,604,359
			<u>2,653,644</u>		<u>2,643,156</u>

The financial statements were approved by the Board of Trustees on 16/03/23 and were signed on its behalf by:

.....

B T Nelson
Director

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from operations	1	109,890	351,669
Interest received		(5)	(61)
Interest paid		<u>7,973</u>	<u>1,077</u>
Net cash provided by / (used in) operating activities		117,858	352,685
 Cash flows from investing activities:			
Purchase of property, plant and equipment		(40,059)	(35,365)
Net cash provided by / (used in) investing activities		<u>(40,059)</u>	<u>(35,365)</u>
 Change in cash and cash equivalents in the reporting period		77,799	317,320
 Cash and cash equivalents at the beginning of the reporting period		<u>556,180</u>	<u>238,860</u>
 Cash and cash equivalents at the end of the reporting period	2	<u><u>633,979</u></u>	<u><u>556,180</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

1. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Consolidated Statement Of Financial Activities)	99,258	56,026
Adjustments for:		
Depreciation charges	172,089	179,220
Loss on disposal of assets	-	21,101
Interest received	5	61
Interest paid	(7,973)	(1,077)
Decrease / (increase) in debtors	(585,623)	5,187
(Decrease) / increase in creditors	432,134	91,151
Cash generated from operations	<u>109,890</u>	<u>351,669</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Cash at bank and in hand	633,979	556,180
Total cash and cash equivalents	<u>633,979</u>	<u>556,180</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2021	Cashflows	At 30 June 2022
Cash	556,180	77,799	633,979
Finance lease obligations	(5,276)	4,221	(1,055)
Total	550,904	82,020	632,924

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. Accounting Policies

1.1 Basis of preparation

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

1.2 Basis of consolidation

The charity has a subsidiary undertaking. The subsidiary was incorporated on 7 September 2017 and is wholly owned by the charity.

The consolidated financial statements incorporate the results of Clarets in the Community Limited and its subsidiary undertakings on a line by line basis. The consolidated entity is referred to as the 'Group'. The subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The results of any subsidiaries acquired during the year are included in the Consolidated Statement Of Financial Activities from the effective date of acquisition. Where necessary, adjustments are made to the Consolidated Statement Of Financial Activities to bring their accounting policies into line with those used by the Group.

Intercompany transactions and balances between the company and its subsidiary, which is a related party, are eliminated in full. There have been no intercompany gains on transactions or losses.

1.3 Summary of disclosure exemptions

As permitted by Section 408 of the Companies Act 2006, a separate Statement Of Financial Activities dealing with the results of the charitable company only, has not been presented. The total income of the charitable company for the year was £2,578,611 (2021: £2,359,901). The net movement in funds of the charitable company only was £10,488 (2021: £263,581).

The charity has taken advantage of the exemption set out in FRS 102; Section 33, not to disclose any transactions between itself and its subsidiary undertaking.

1.4 Going concern

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

The directors have considered the financial stability of the charity for a period of at least 12 months from the date of signing these financial statements. They have assessed financial performance and ensured that the company has sufficient finance available to maintain its cashflow during this period.

Although there is a degree of uncertainty around the wider economic outlook, the directors do not consider there is a material uncertainty over going concern.

1.5 Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the company.

Restricted funds are subject to specific restricted conditions imposed by the donors or by the purpose of the grant. The purpose and use of restricted funds (when applicable) is set out in the notes to the financial statements.

Capital funds are those restricted funds having specific conditions relating to capital expenditure.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1.6 Incoming resources

All incoming resources are included in the Consolidated Statement Of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants, where entitlement is not conditional on the delivery of a specific performance by the company, are recognised when the company becomes unconditionally entitled to the grant. Grants, where related to performance and specific deliverances are accounted for as the company earns the right to consideration by its performance.

1.7 Fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to write off the cost of assets, other than leasehold property improvements over their estimated useful economic lives, as follows:

Leasehold and property improvements	0.8% or 2% per annum straight line
Play, climbing or other equipment	5%, 8% or 10% per annum straight line
Office, kitchen and computer equipment	20% or 33.3% per annum straight line
Outdoor equipment	20% or 33.3% per annum straight line
Motor vehicles	25% per annum straight line

The cost of tangible assets includes directly attributable incremental costs incurred at their acquisition and installation.

The company capitalises assets donated in-kind, unless the value of donated goods cannot be reliably measured.

1.8 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 a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably.

Resources expended are included in the Consolidated Statement of Financial Activities on an accrued basis.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, such as support costs, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

1.9 Significant judgements and estimates

The preparation of financial statements requires management to make significant judgements, estimates and assumptions. 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 and in any future periods affected. The main area of judgement that has the most significant effect on the amounts recognised in the financial statements is in relation to the recognition of funding from the Premier League Charitable Fund.

1.10 Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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

1.11 Hire purchasing and leasing

Rentals payable under operating leases are charged in the income statement on a straight-line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership have passed to the company, are capitalised in the consolidated statement of financial position as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the consolidated statement of financial position. The interest element of the rental obligation is charged to the consolidated income statement over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included with creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

1.12 Financial Instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, loans to fellow group companies 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 rate 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

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

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

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Incoming resources

	2022	2022	2022	2022
	Unrestricted	Restricted	Restricted	Total
	£	Other	Capital	£
Donations and legacies		£	£	
Grants received	230,000	-	-	230,000
Donations	184,534	201,366	-	385,900
	<u>414,534</u>	<u>201,366</u>	<u>-</u>	<u>615,900</u>
Charitable activities				
Projects, courses, facilities and match day income	<u>825,875</u>	<u>996,963</u>	<u>-</u>	<u>1,822,838</u>
	2021	2021	2021	2021
	(restated)	(restated)		(restated)
	Unrestricted	Restricted	Restricted	Total
	£	Other	Capital	£
Donations and legacies		£	£	
Grants received	237,000	10,834	1,250	249,084
Donations	15,238	95,000	-	110,238
	<u>252,238</u>	<u>105,834</u>	<u>1,250</u>	<u>359,322</u>
Charitable activities				
Projects, courses, facilities and match day income	<u>111,983</u>	<u>1,656,398</u>	<u>-</u>	<u>1,677,429</u>
Other trading activities				
All such income relates to unrestricted funds.				

3. Expenditure on charitable activities

	2022	2022	2022	2022
	Unrestricted	Restricted	Restricted	Total
	£	Other	Capital	£
Direct costs - projects, courses, including specific employee costs	351,022	1,195,931	-	1,546,953
Other employee costs	100,799	187,198	-	287,997
Administrative expenses	28,099	76,283	-	104,382
Bank charges	2,450	4,550	-	7,000
Depreciation	10,192	29,468	3,477	43,137
VAT - partial exemption restriction	11,065	20,550	-	31,615
	<u>503,627</u>	<u>1,513,980</u>	<u>3,477</u>	<u>2,021,084</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2021 (restated)	2021 (restated)	2021 (restated)	2021 (restated)
	Unrestricted	Restricted Other	Restricted Capital	Total
	£	£	£	£
Direct costs - projects, courses, including specific employee costs	104,964	1,205,663	-	1,310,627
Other employee costs	202,763	267,563	-	470,326
Administrative expenses	28,727	49,636	-	78,363
Bank charges	216	402	-	618
Depreciation	15,863	29,460	2,140	47,463
Gain/Loss on disposal of assets	142	265	-	407
VAT - partial exemption restriction	8,297	15,409	-	23,706
	<u>360,972</u>	<u>1,568,398</u>	<u>2,140</u>	<u>1,931,510</u>

4. Net income for the year is stated after charging:

	2022	2021
	£	£
Depreciation	172,089	179,220
Auditor's remuneration - statutory audit fee	7,250	6,500
Auditor's remuneration - other accountancy services	1,295	400
Operating lease rentals	<u>55,619</u>	<u>80,836</u>

5. Staff costs

	2022	2021
	£	£
Wages and salaries	1,950,616	1,683,183
Social security costs	153,083	135,306
Defined contribution pension costs	31,102	27,417
Defined benefit pension costs	4,005	3,955
	<u>2,138,806</u>	<u>1,849,861</u>

There were no Trustees' remuneration, expenses or other benefits for the year ended 30 June 2022 (2021: £nil).

The number of employees whose employee benefits (including national insurance contributions, but excluding employer pension costs) exceeded £60,000 was:

	2022	2021
	<u>1</u>	<u>1</u>
£100,001 - £110,000		

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

5. Staff costs (continued)

The key management personnel of the charity have been identified as the Chief Executive Officer, Chief Operating Officer and Head of Finance. The aggregate employment benefits, including employers national insurance contributions for these key management personnel for the year was £227,901 (2021: £209,765).

The average number of employees including part time staff (excluding trustees) analysed by function was:

	2022	2021
Delivery of charitable activities	67	55
Management and administration of the charity	14	16
	<u>81</u>	<u>71</u>

6. Pensions

The charity operates a defined contribution pension scheme which opened to eligible staff in October 2017. The charity also contributes to the Lancashire County Pension Fund as an approved employer in regard to one employee who joined the charity on a TUPE arrangement from Lancashire County Council.

Contributions payable by the charity to these schemes are charged to the Consolidated Statement Of Financial Activities in the period to which they relate. The contributions are split between unrestricted and restricted expenditure in the same ratio as the remaining staffing costs for a given individual.

7. Taxation

As a registered charity, Clarets in the Community Limited is exempt from tax on income and gains falling within sections 471-489 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

There is no tax liability arising in the trading subsidiary, BFCITC Facilities (Enterprises) Ltd.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

8. Tangible fixed assets

Group	Leasehold property and improvements £	Motor vehicles £	Office, kitchen and computer equipment £	Play, climbing and other equipment £	Outdoor equipment £	Total £
Cost						
As at 1 July 2021	960,735	38,190	353,989	855,474	48,333	2,256,721
Additions	-	-	37,635	-	2,424	40,059
Disposals	-	-	-	-	-	-
As at 30 June 2022	960,735	38,190	391,624	855,474	50,757	2,296,780
Depreciation						
As at 1 July 2021	48,717	36,725	217,616	151,681	29,642	484,381
Charge for the year	17,020	1,465	66,167	77,693	9,744	172,089
Disposals	-	-	-	-	-	-
As at 30 June 2022	65,737	38,190	283,783	229,374	39,386	656,470
Net book value						
As at 30 June 2022	894,998	-	107,841	626,100	11,371	1,640,310
As at 30 June 2021	912,018	1,465	136,373	703,793	18,691	1,772,340

Charity only	Leasehold property and improvements £	Motor vehicles £	Office, kitchen and computer equipment £	Play, climbing and other equipment £	Outdoor equipment £	Total £
Cost						
As at 1 July 2021	268,051	14,740	226,724	-	7,914	517,429
Additions	-	-	19,437	-	2,424	21,861
Disposals	-	-	-	-	-	-
As at 30 June 2022	268,051	14,740	246,161	-	10,338	539,290
Depreciation						
As at 1 July 2021	15,406	14,740	157,503	-	4,617	192,266
Charge for the year	3,476	-	38,000	-	1,660	43,136
Eliminated in respect of disposals	-	-	-	-	-	-
As at 30 June 2022	18,882	14,740	195,503	-	6,277	235,402
Net book value						
As at 30 June 2022	249,169	-	50,658	-	4,061	303,888
As at 30 June 2021	252,645	-	69,221	-	3,297	325,163

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

8. Tangible fixed assets (Continued)

Charges

In respect of the group assets, within leasehold property and improvements and play, climbing and other equipment there are items charged as security in favour of The Football Foundation and Sport England on a pari passu basis. The carrying amount of such security at 30 June 2022 was £579,961 (2021: £592,371) in respect of leasehold property and improvements and £701,092 (2021: £623,536) in respect of play, climbing and other equipment.

Hire purchase and finance lease assets

In respect of the group assets, within motor vehicles there are assets held under hire purchase or finance lease arrangements. The carrying amount of such assets at 30 June 2022 was £Nil (2021: £1,466).

Custodian Trusteeship Disclosure

No assets were held as custodian trustee during the reporting period.

9. Fixed asset investments

	Group		Charity only	
	2022	2021	2022	2021
	£	£	£	£
Shares in group undertakings	-	-	2,040,001	2,040,001
	<u>-</u>	<u>-</u>	<u>2,040,001</u>	<u>2,040,001</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings	Total
Cost	£	£
As at 1 July 2021	<u>2,040,001</u>	<u>2,040,001</u>
As at 30 June 2022	<u>2,040,001</u>	<u>2,040,001</u>
Net book value		
As at 1 July 2021	<u>2,040,001</u>	<u>2,040,001</u>
As at 30 June 2022	<u>2,040,001</u>	<u>2,040,001</u>

The subsidiary undertaking relates to BFCITC Facilities (Enterprises) Ltd (company number 10951684), the principal activity of which is to operate and manage the Whitehough Outdoor Centre and the Leisure Box community leisure centre both in the Borough of Pendle.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

10. Debtors

	Group		Charity only	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	40,967	39,826	26,468	20,096
Prepayments and accrued income	37,889	31,078	18,389	3,408
Due from group undertakings	-	-	83,235	241,460
Value added tax	10,618	-	10,618	-
Other debtors	567,053	-	565,679	-
	<u>656,527</u>	<u>70,904</u>	<u>704,389</u>	<u>264,964</u>

Within other debtors for both the Group and the Charity are amounts falling due after one year of the statement of financial position date of £424,259 (2021: NIL)

11. Creditors: amounts falling due within one year

	Group		Charity only	
	2022	2021	2022	2021
	£	£	£	£
Obligations under finance lease and hire purchase contracts	1,055	4,221	-	-
Trade creditors	72,616	37,233	34,719	24,702
Value added tax	31,156	16,601	-	14,395
Other taxes and social security	44,760	32,269	44,760	32,269
Pension costs	7,845	5,464	7,845	5,464
Accruals and deferred income	382,575	435,560	339,866	406,455
Other creditors	271	-	271	-
	<u>540,278</u>	<u>531,348</u>	<u>427,461</u>	<u>483,285</u>

Obligations under finance lease and hire purchase contracts are secured upon the assets to which the contract relates.

12. Creditors: amounts falling due after more than one year

	Group		Charity only	
	2022	2021	2022	2021
	£	£	£	£
Accruals and deferred income	424,259	-	424,259	-
Obligations under finance lease and hire purchase contracts	-	1,055	-	-
	<u>424,259</u>	<u>1,055</u>	<u>424,259</u>	<u>-</u>

Obligations under finance lease and hire purchase contracts are secured upon the assets to which the contract relates.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

13. Obligations under hire purchase and finance lease agreements

	Group		Charity only	
	2022	2021	2022	2021
	£	£	£	£
In one year or less on demand	1,055	4,221	-	-
Between one and two years	-	1,055	-	-
Between two and five years	-	-	-	-
	<u>1,055</u>	<u>5,276</u>	<u>-</u>	<u>-</u>

14. Movement in funds

	Group		
	Unrestricted	Restricted Other	Restricted Capital
	£	£	£
As at 1 July 2021	371,686	82,725	1,412,610
Net movement in funds	<u>285,201</u>	<u>(82,725)</u>	<u>(103,218)</u>
As at 30 June 2022	<u>656,887</u>	<u>-</u>	<u>1,309,392</u>

	Charity only		
	Unrestricted	Restricted Other	Restricted Capital
	£	£	£
As at 1 July 2021	1,038,797	-	1,604,359
Net movement in funds	<u>467,481</u>	<u>(453,516)</u>	<u>(3,477)</u>
Transfer between funds	<u>(453,516)</u>	<u>453,516</u>	<u>-</u>
As at 30 June 2022	<u>1,052,762</u>	<u>-</u>	<u>1,600,882</u>

15. Analysis of net assets between funds

	Group		
	Unrestricted	Restricted Other	Restricted Capital
	2022	2022	2022
	£	£	£
Fixed assets	330,918	-	1,309,392
Current assets	264,024	1,026,482	-
Creditors: amounts falling due within one year	61,945	(602,223)	-
Creditors: amounts falling due after more than one year	<u>-</u>	<u>(424,259)</u>	<u>-</u>
	<u>656,887</u>	<u>-</u>	<u>1,309,392</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

15. Analysis of net assets between funds (Continued)

	Unrestricted	Group Restricted Other	Restricted Capital
	2021	2021	2021
	£	£	£
Fixed assets	359,730	-	1,412,610
Current assets	130,771	496,313	-
Creditors: amounts falling due within one year	(117,760)	(413,588)	-
Creditors: amounts falling due after more than one year	(1,055)	-	-
	<u>371,686</u>	<u>82,725</u>	<u>1,412,610</u>

	Unrestricted	Charity only Restricted Other	Restricted Capital
	2022	2022	2022
	£	£	£
Fixed assets	743,007	-	1,600,882
Current assets	562,948	598,527	-
Creditors: amounts falling due within one year	(253,193)	(174,268)	-
Creditors: amounts falling due after more than one year	-	(424,259)	-
	<u>1,052,762</u>	<u>-</u>	<u>1,600,882</u>

	Unrestricted	Charity only Restricted Other	Restricted Capital
	2021	2021	2021
	£	£	£
Fixed assets	760,805	-	1,604,359
Current assets	315,530	445,747	-
Creditors: amounts falling due within one year	(37,538)	(445,747)	-
Creditors: amounts falling due after more than one year	-	-	-
	<u>1,038,797</u>	<u>-</u>	<u>1,604,359</u>

16. Commitments

As at 30 June 2022, the group and company had annual commitments under non-cancellable operating leases as set out below:

	Group		Charity Only	
	2022	2021	2022	2021
	£	£	£	£
Not later than one year	58,418	3,408	9,505	990
Later than one year and not later than five years	163,609	72,286	8,016	12,269
Later than five years	477,375	568,750	-	-
	<u>699,402</u>	<u>644,444</u>	<u>17,521</u>	<u>13,259</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

17. Other related party transactions outside of the Group

During the year, the company made the following related party transactions outside of the Group:

Trustee Donations

During the year, trustees collectively donated £110,504 to the group (2021: £72,202). Such donations are made either personally or thorough entities controlled by those trustees. Donations were typically made to further the objectives of particular programmes, however no conditions were attached to any of the donations.

The Burnley Football & Athletic Company Limited ('BFC')

Directors M L Garlick and A G Pace are also directors of BFC. Additionally, directors B C Kilby and B T Nelson were directors of BFC until 30th December 2020. During the year, the group received income from BFC totalling £192,875 (2021: £15,726) and it issued credits of £Nil (2021: £55,000). Additionally, BFC provided goods and services to the group totalling £64,118 (2021: £39,620).

At 30th June 2022 the amount owed from BFC was £708 (2021: £1,709).

The Sutton Pendle Charitable Trust ('SPCT')

Director R Sutton is a trustee of SPCT. During the year, SPCT provided services to the group totalling £61,593 (2021: £25,708).

At 30th June 2022 the amount owed to SPCT was £16,051 (2021: £Nil).

Nelson & Colne College ('N&CC')

Director D L Rothwell is key management personnel at N&CC. During the year, the group received income from N&CC totalling £284,988 (2021: £18,993). Additionally, N&CC provided services to the group totalling £25,976 (2021: £8,549).

At 30th June 2022 the amount owed to N&CC was £2,310 (2021: £18,088).

Burnley Borough Council ('BBC')

Director L Patel is key management personnel at BBC and director A Anwar is the Leader of BBC. During the year, the group received income from BBC totalling £104,900 (2021: £20,000). Additionally, BBC provided services to the group totalling £416 (2021: £793).

At 30th June 2022 the amount owed from BBC was £1,130 (2021: £Nil).

18. Prior Year Restatement

Income received by the trading subsidiary: BFCITC Facilities (Enterprises) Limited, and its associated costs, have historically been treated as income and expenditure from charitable activities. This treatment has been reconsidered and is now recognised as income from other trading activities and expenditure on raising funds respectively.

Certain donations received during the year ended 30 June 2021 were originally treated as income from charitable activities. Upon further investigation, these donations do not provide any significant benefit to the donor and are not conditional on delivering certain levels or volumes of a service or supply of charitable goods. Subsequently this income is now recognised as income from donations.

Marketing costs have historically been treated as expenditure on charitable activities. This treatment has been reconsidered and such costs are now recognised as expenditure on raising funds.

These adjustments impact the group Statement of Financial Activities for the year ended 30 June 2021 and consequently those figures have been restated within these accounts as detailed below. The changes have no effect on overall income or expenditure, overall movement in funds, the balance sheet, or the cashflow statement.

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

18. Prior Year Restatement (Continued)

	2021 (restated)	2021 (as originally stated)
	Total	Total
	£	£
Incoming resources		
Income and endowments from:		
Donations and legacies	359,322	249,322
Charitable activities	1,677,429	1,856,604
Other trading activities	154,718	85,543
Investments	61	61
Other income	385,192	385,192
Total	<u>2,576,722</u>	<u>2,576,722</u>
Resources expended		
Expenditure on:		
Raising funds	589,186	20,587
Charitable activities	1,931,510	2,500,109
Total	<u>2,520,696</u>	<u>2,520,696</u>
Net income for the year	<u>56,026</u>	<u>56,026</u>
Transfers between funds	-	-
Net movement in funds	<u>56,026</u>	<u>56,026</u>
Reconciliation of funds:		
Total funds brought forward	<u>1,810,995</u>	<u>1,810,995</u>
Total funds carried forward	<u>1,867,021</u>	<u>1,867,021</u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

19. Events after the End of the Reporting Period

Following the end of the reporting period, the facility at The Leisure Box underwent a restructure which resulted in the departure of seven permanent staff and redundancy payments of £1,442.

20. Company status

The company is limited by guarantee. The liability in respect of the guarantee as set out in the Memorandum of Association is limited to £10 per member.

The Company has a subsidiary undertaking. In future years, it is expected that the subsidiary makes a profit. It is the intention that the subsidiary will gift-aid donate any profits to the charity, as per the objective set out in the Articles of Association of the subsidiary.

21. Comparative Statement of Financial Activities for the Year Ended 30 June 2021 (restated)

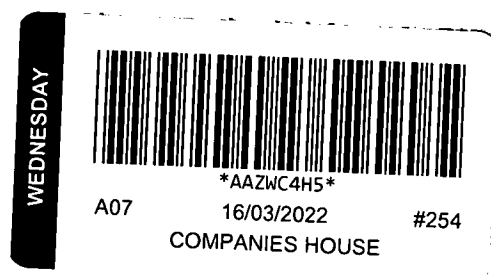
	Note	Unrestricted	Restricted	Restricted Capital	Total
Incoming resources					
Income and endowments from:					
Donations and legacies	2	252,238	105,834	1,250	359,322
Charitable activities	2	111,983	1,565,446	-	1,677,429
Other trading activities		154,718	-	-	154,718
Investments		61	-	-	61
Other income		385,192	-	-	385,192
Total		904,192	1,671,280	1,250	2,576,722
Resources expended					
Expenditure on:					
Raising funds		378,793	85,499	124,924	589,186
Charitable activities	3	360,972	1,568,398	2,140	1,931,510
Other		-	-	-	-
Total		739,765	1,653,867	127,064	2,520,696
Net income for the year	4	164,427	17,413	(125,814)	56,026
Transfers between funds		-	-	-	-
Net movement in funds		164,427	17,413	(125,814)	56,026
Reconciliation of funds:					
Total funds brought forward		207,259	65,312	1,538,424	1,810,995
Total funds carried forward		371,686	82,725	1,412,610	1,867,021

CLARETS IN THE COMMUNITY LIMITED

England & Wales - Charity number 1155856

Accounts

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021
Company Number: 08615704
Registered Charity Number: 1155856



CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

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CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)

DIRECTORS AND OFFICERS

Directors

H Al-Kailani
A N Allen (*resigned 1 October 2021*)
A Anwar (*appointed 4 July 2021*)
M L Garlick (*appointed 11 January 2021*)
B C Kilby
D M Lawson
B T Nelson (Chair)
A G Pace (*appointed 4 July 2021*)
L Patel
D L Rothwell (*appointed 4 July 2021*)
A Rushton (*resigned 7 May 2021*)
R H J Sutton
R Webb (*resigned 20 December 2021*)
P A S Wilson

The directors are also classed as Trustees for the purposes of the Charity Commission.

Chief Executive Officer

Dr S J Ward

Registered office

Turf Moor
Harry Potts Way
Burnley
Lancashire
BB10 4BX

Company number

08615704

Registered charity number

1155856

Independent Auditors

Azets Audit Services
St Crispin House
St Crispin Way
Rossendale
Haslingden
Lancashire
BB4 4PW

Bankers

Barclays Bank plc
72/78 St James Street
Burnley
Lancashire
BB11 1NH

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2021

The directors present their report and the audited financial statements of the group for the year ended 30 June 2021.

Structure, Governance and Management

The company is registered as a charity (number: 1155856) with the Charity Commission.

The charity is constituted as a company limited by guarantee (number: 08615704) and is governed by its Articles of Association.

The charity operates under its working name of 'Burnley FC in the Community'.

The charity either advertises for new directors, or approaches individuals with the appropriate skills and/or experience to contribute to the management of the organisation. All directors are appointed following a formal recruitment process and attend a comprehensive induction programme.

New directors undergo training on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association; the committee and decision-making process; the business plan and recent financial performance of the charity. During the induction training programme, new directors learn about the organisation's purpose, history, aims and objectives, services, staff and volunteers, facilities, security, funding, residents' participation, strategic work, multi-agency involvement and partnership involvement. They also meet key staff personnel to learn about their work roles.

The directors are all volunteers and do not receive any remuneration for their services.

The remuneration of the charity's key management personnel is set by annual review and confirmed by the directors.

The Burnley Football & Athletic Company Limited ('BFC') is a related party. Related party transactions between the charity and BFC are disclosed in the notes to the financial statements.

The charity continues to control its wholly-owned trading subsidiary, BFCitC Facilities (Enterprises) Ltd - a company limited by shares (number: 10951684) - which has been assigned to manage, operate and refurbish both the Whitehough Outdoor Centre in the Borough of Pendle and the Leisure Box (also in the Borough of Pendle).

Public benefit

The directors have had regard to the Charity Commission's guidance on public benefits in carrying out the activities of the charity.

Objectives and Activities

Burnley FC in the Community is a self-financing registered charity with a mission to inspire, support and deliver positive change for all. This is achieved through the delivery of 7 community objectives:

1. To engage with our community to raise aspirations.
2. To empower our employees, partners and participants to champion equality and inclusion.
3. To promote community cohesion, social inclusion, and health opportunities for young people and adults.
4. To provide an outstanding operational foundation, enabling the charity to operate efficiently, effectively and with the highest levels of integrity.
5. To use our facilities to provide long term sport, physical activities and education opportunities.

CLARETS IN THE COMMUNITY LIMITED

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DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2021

6. To deliver a holistic educational and employability provision to re-engage, upskill and embed vital life skills.
7. To provide football development opportunities for young people and adults of all abilities from grassroots to elite levels of the game.

Burnley FC in the Community is committed to developing a range of community-based projects across the boroughs of Burnley, Pendle, Rossendale, Ribble Valley and Calderdale.

The charity has four core values which are the ideals it strives to achieve every day in the delivery of its activities and charitable work: *Inclusive, Integrity, Passionate and Resilient*.

The charity delivered a wide range of community projects during the 2020-21 financial year including:

- Premier League Primary Stars
- Premier League Kicks
- Premier League Inspires
- Female Football
- Disability Sport
- Schools Sport
- Football Coaching
- Youth Crime Reduction
- Clarets Welcome – Refugees Project
- Veterans Programme
- Active Clarets – Health and Wellbeing Programmes
- Mental Wellbeing Programme
- Achieving Moor (Intervention Project)
- Get Outdoors Project (at Whitehough Outdoor Centre)

Achievements and Performance

This financial year represents the charity's seventh full year of operations. During the year, the charity engaged with over 40,000 individuals, delivering over 40 community projects in Burnley and the wider region.

The year saw the charity continue to feel impact of Covid19. Local lockdowns meant that the vast majority of our programmes ceased in their usual format and we had to adapt our activity to work within both local and national restrictions.

The most severe impact of Covid19 was the temporary closure of our two facilities, the Leisure Box and Whitehough, with an immediate drop in income from both facilities. Despite the lessening of restrictions we have continued to experience a significant increase in demand for our foodbank, the Burnley Community Kitchen. We have continued to work in partnership with several organisations in the area as part of BurnleyTogether to ensure that we were able to support the most vulnerable in the town.

The Charity was grateful for the support of funding partners and the government furlough scheme, which enabled the charity to navigate this difficult period.

At the year end, the charity employed 57 full time staff and 30 part time staff and has further established a strong team of coaches, teachers, mentors, administrators, managers and other skilled practitioners to develop the work of the charity further.

CLARETS IN THE COMMUNITY LIMITED

(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2021

Financial Review

A summary of the financial performance for the year ended 30 June 2021 can be found in the Consolidated Statement of Financial Activities (page 14) and a summary of the financial position as at 30 June 2021 can be found in the Consolidated Balance Sheet (page 15).

- Consolidated income generated for the financial year was £2,576,722.
- The income generated has reduced by £1,391,502, mostly due to the COVID-19 pandemic which forced the closure of the trading facilities at The Leisure Box and Whitehough.
- Resources expanded during the financial year were £2,520,696, a reduction of £895,403 as the charity sought to cut costs to combat the challenges brought by COVID-19.
- Cash and cash equivalents have increased by £317,320 over the reporting period, primarily due to reduced spend on fixed assets.

Fundraising

The charity undertakes some fundraising activity in the form of fundraising events, the purpose of which is to generate some unrestricted income for the charity. Any incoming resources from fundraising are recognised in the Consolidated Statement of Financial Activities once the charity is entitled to the fundraising income and provided that the income has been reliably measured.

A number of fundraising events were cancelled in light of local lockdowns and the inability to meet face to face, and so a number of online fundraising initiatives were launched to raise vital funds for the Charity. This included an online memorabilia auction and sponsored run.

The charity did not approach the general public with regards to fundraising in an unsolicited manner and does not intend to do so in future years.

The charity did not receive any complaints during the year about its fundraising activities.

In addition to the unrestricted funds and donations received, the charity is grateful to the following funders and donors who have supported us by way of restricted grants and donations during the year which have been used to directly deliver provision and services:

- Premier League Charitable Fund
- The Football Foundation
- Barclays
- Integrated Communities Innovation Fund
- The Armed Forces Covenant Fund Trust
- Lancashire County Council
- Lancashire Care Foundation Trust
- BBC Children in Need
- The Masonic Charitable Fund
- Burnley Borough Council
- East Lancashire Clinical Commissioning Group
- Charles Hayward Foundation
- The Duchy of Lancaster Benevolent Fund
- Lancashire Environmental Fund
- Groundwork UK
- Cash for Kids
- Community Foundation for Lancashire
- The Evan Cornish Foundation

CLARETS IN THE COMMUNITY LIMITED

(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2021

Investment Policies

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the directors see fit and as necessary for carrying out the charitable activities.

During 2020-21, the charity did not invest any further shares in its trading subsidiary, BFCitC Facilities (Enterprises) Ltd.

In addition, under the Memorandum and Articles of Association, the charity may set aside income as a reserve against future expenditure, but only in accordance with its Reserves Policy.

Risk Management

The directors are aware of their responsibilities to identify, assess and manage the major risks to which the charity is exposed.

During the year, the charity has furthered its work on risk management making all its staff and volunteers risk aware. All staff and volunteers continue to have a good understanding of their day to day responsibilities in managing risk.

The charity maintains its 'three lines of defence' model to help with the management of risk. The 'three lines of defence' are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

1. The first 'line of defence', consists of all staff and volunteers.
2. The second 'line of defence' consists of all management colleagues.
3. The third 'line of defence' consists of the Chief Executive Officer and the directors.

The charity holds a Principal Risk Inventory, on which all identified risks are categorised and logged. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Conversely, the charity has also a Principal Controls Inventory, which lists all controls and maps them to one or more risks as appropriate. Where there is a control which maps to more than one risk, the charity calls this a key control.

The processes in place to identify, log and manage risk are reviewed annually.

The main risks currently identified relate to: reserves and liquidity management; facilities risk; turnover of staff; and major incidents which could damage the reputation of the charity.

The Principal Risk Inventory is reviewed and approved on an annual basis and has been reviewed more regularly in light of the risks posed by COVID-19.

Reserves Policy

The objective of having unrestricted funds in reserve, is to enable the charity to cope with unplanned events. Very often, the effects of an unplanned event can be managed in the long-term, but the Group needs reserves in the meantime.

The directors are working towards maintaining an overall target level for all reserves which is equivalent to three months net operating costs, where fixed assets are discounted when calculating the level of reserves for the charity. The directors believe this level of reserves will mitigate against the risk that some income is more volatile in nature to ensure that the charity's obligations can always be met.

CLARETS IN THE COMMUNITY LIMITED

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YEAR ENDED 30 JUNE 2021

The directors must monitor and review the level of reserves annually, in line with the guidance issued by the Charity Commission; however, the level of reserves is monitored throughout the year as part of the normal monitoring and budgetary reporting processes. The level of reserves is always discussed by the directors at their quarterly governance meeting during the Finance agenda item.

The directors acknowledge that the level of reserves for the charity changes during the year and could either be a good indicator of the underlying financial health of the charity; or could be an indicator of potential problems.

Over the medium to longer term, in the event that the charity builds significant reserves, the directors must:

- Identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken.
- Ensure that the Reserves Policy continues to be relevant as the charity develops or if the strategy and activities of the charity changes.

Plans for future periods

The charity has a three-year business plan which is reviewed and updated annually, in order to achieve its objectives.

The charity will continue to meet and further develop existing public, private and voluntary sector partnerships.

The charity will look to enhance and further promote fundraising initiatives, so to increase its reserve levels.

Going concern

At the time of approving the annual report and financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Directors

The directors who served the company during the year were as follows:

H Al-Kailani
A N Allen
M L Garlick (*appointed 11 January 2021*)
B C Kilby
D M Lawson
B T Nelson (Chair)
L Patel
A Rushton (*resigned 7 May 2021*)
R H J Sutton
R Webb
P A S Wilson

Disclosure of information to the Independent Auditors

Each director has taken steps that they ought to have taken as a director, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are

CLARETS IN THE COMMUNITY LIMITED
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DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2021

aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Reappointment of Independent Auditors

The auditors, Azets Audit Services, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Liability of members

The liability of each member by way of their guarantee to the company is to contribute a sum not exceeding ten pounds to the assets of the company, if so required on the winding up of the company.

Approved by the Board on:
and signed on its behalf by:

10/2/22


B T Nelson
Director

CLARETS IN THE COMMUNITY LIMITED
(a company limited by guarantee)
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES - YEAR ENDED 30 JUNE 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure account for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2021**

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2021 and of the group's profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors 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 directors 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2021**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements ; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the parent 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 directors either intend to liquidate the 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 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.

Use of our report

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CLARETS IN THE COMMUNITY LIMITED
YEAR ENDED 30 JUNE 2021**



Mr Nicholas Stockton (Senior Statutory Auditor)

for and on behalf of Azets Audit Services

Charter Accountants

Statutory Auditor

22 FEB 2022

St Crispin House

St Crispin Way

Haslingden

Rossendale

Lancashire

BB4 4PW

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2021

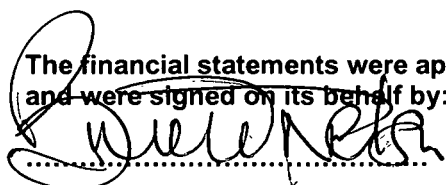
		2021	2021	2021	2021	2020
		Unrestricted	Restricted	Restricted	Total	Total
	Note	£	£	Capital	£	£
Incoming resources						
Income and endowments from:						
Donations and legacies	2	237,238	10,834	1,250	249,322	810,590
Charitable activities	2	196,158	1,660,446	-	1,856,604	2,630,516
Other trading activities		85,543	-	-	85,543	332,140
Investments		61	-	-	61	312
Other income		385,192	-	-	385,192	194,666
Total		<u>904,192</u>	<u>1,671,280</u>	<u>1,250</u>	<u>2,576,722</u>	<u>3,968,224</u>
Resources expended						
Expenditure on:						
Raising funds		20,587	-	-	20,587	54,214
Charitable activities	3	719,178	1,653,867	127,064	2,500,109	3,360,372
Other		-	-	-	-	1,513
Total		<u>739,765</u>	<u>1,653,867</u>	<u>127,064</u>	<u>2,520,696</u>	<u>3,416,099</u>
Net income for the year	4	<u>164,427</u>	<u>17,413</u>	<u>(125,814)</u>	<u>56,026</u>	<u>552,125</u>
Transfers between funds		-	-	-	-	-
Net movement in funds		<u>164,427</u>	<u>17,413</u>	<u>(125,814)</u>	<u>56,026</u>	<u>552,125</u>
Reconciliation of funds:						
Total funds brought forward		<u>207,259</u>	<u>65,312</u>	<u>1,538,424</u>	<u>1,810,995</u>	<u>1,258,870</u>
Total funds carried forward		<u><u>371,686</u></u>	<u><u>82,725</u></u>	<u><u>1,412,610</u></u>	<u><u>1,867,021</u></u>	<u><u>1,810,995</u></u>

All amounts relate to continuing activities. All recognised gains and losses are included in the Consolidated Statement of Financial Activities.

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	8		1,772,340		1,937,296
Current assets					
Debtors	10	70,904		76,091	
Cash at bank and in hand		<u>556,180</u>		<u>238,860</u>	
		<u>627,084</u>		<u>314,951</u>	
Creditors: amounts falling due within one year	11	<u>(531,348)</u>		<u>(435,976)</u>	
Net current assets			<u>95,736</u>		<u>(121,025)</u>
Total assets less current liabilities			1,868,076		1,816,271
Creditors: amounts falling due after more than one year	12		(1,055)		(5,276)
Net assets			<u>1,867,021</u>		<u>1,810,995</u>
Financed by:					
Unrestricted funds	14		371,686		207,259
Restricted funds	14		82,725		65,312
Restricted Capital funds	14		1,412,610		1,538,424
			<u>1,867,021</u>		<u>1,810,995</u>

The financial statements were approved by the Board of Trustees on 10/0/20
and were signed on its behalf by:

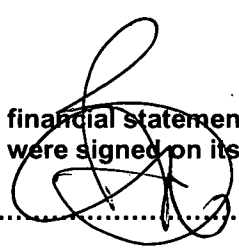


B T Nelson
Director

CLARETS IN THE COMMUNITY LIMITED
CHARITY ONLY BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	8		325,163		358,178
Investments	9		<u>2,040,001</u>		<u>2,040,001</u>
			<u>2,365,164</u>		<u>2,398,179</u>
Current assets					
Debtors	10	264,964		158,295	
Cash at bank and in hand		<u>496,313</u>		<u>235,920</u>	
		<u>761,277</u>		<u>394,215</u>	
Creditors: amounts falling due within one year	11	<u>(483,285)</u>		<u>(412,818)</u>	
Net current assets			<u>277,992</u>		<u>(18,603)</u>
Net assets			<u>2,643,156</u>		<u>2,379,576</u>
Financed by:					
Unrestricted funds	14		1,038,797		774,328
Restricted funds	14		-		-
Restricted Capital funds	14		1,604,359		1,605,248
			<u>2,643,156</u>		<u>2,379,576</u>

The financial statements were approved by the Board of Trustees on 10/2/22
and were signed on its behalf by:

.....

B T Nelson
Director

CLARETS IN THE COMMUNITY LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	1	351,669	707,309
Interest received		(61)	(312)
Interest paid		1,077	6,342
Net cash provided by / (used in) operating activities		<u>352,685</u>	<u>713,339</u>
 Cash flows from investing activities:			
Purchase of property, plant and equipment		(35,365)	(576,845)
Net cash provided by / (used in) investing activities		<u>(35,365)</u>	<u>(576,845)</u>
 Change in cash and cash equivalents in the reporting period		317,320	136,494
 Cash and cash equivalents at the beginning of the reporting period		<u>238,860</u>	<u>102,366</u>
 Cash and cash equivalents at the end of the reporting period	2	<u><u>556,180</u></u>	<u><u>238,860</u></u>

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

1. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Consolidated Statement Of Financial Activities)	56,026	552,125
Adjustments for:		
Depreciation charges	179,220	166,676
Loss on disposal of assets	21,101	-
Interest received	61	312
Interest paid	(1,077)	(6,342)
Decrease / (increase) in debtors	5,187	132,925
(Decrease) / increase in creditors	91,151	(138,387)
Cash generated from operations	<u>351,669</u>	<u>707,309</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	556,180	238,860
Total cash and cash equivalents	<u>556,180</u>	<u>238,860</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2020	Cashflows	At 30 June 2021
Cash	238,860	317,320	556,180
Finance lease obligations	(9,849)	4,573	(5,276)
Total	229,011	321,893	550,904

CLARETS IN THE COMMUNITY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting Policies

1.1 Basis of preparation

The financial statements of the charitable organisation, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 (effective 1 January 2015))', and the Companies Act 2006.

1.2 Basis of consolidation

The charity has a subsidiary undertaking. The subsidiary was incorporated on 7 September 2017 and is wholly owned by the charity.

The consolidated financial statements incorporate the results of Clarets in the Community Limited and its subsidiary undertakings on a line by line basis. The consolidated entity is referred to as the 'Group'. The subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The results of any subsidiaries acquired during the year are included in the Consolidated Statement Of Financial Activities from the effective date of acquisition. Where necessary, adjustments are made to the Consolidated Statement Of Financial Activities to bring their accounting policies into line with those used by the Group.

Intercompany transactions and balances between the company and its subsidiary, which is a related party, are eliminated in full. There have been no intercompany gains on transactions or losses.

1.3 Summary of disclosure exemptions

As permitted by Section 408 of the Companies Act 2006, a separate Statement Of Financial Activities dealing with the results of the charitable company only, has not been presented. The total income of the charitable company for the year was £2,359,901 (2020: £3,584,207). The net movement in funds of the charitable company only was £263,581 (2020: £887,682).

The charity has taken advantage of the exemption set out in FRS 102; Section 33, not to disclose any transactions between itself and its subsidiary undertaking.

1.4 Going concern

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

During the year, the spread of COVID-19 has continued to severely impact many economies around the globe. The charity operates within a sector where measures taken based upon Government advice to contain the spread of the virus, including social distancing, mean that operations may be affected beyond the initial period of lockdown. The charity has reduced costs and taken advantage of available incentives to manage the financial impact of the pandemic.

The directors have considered the financial stability of the charity for a period of at least 12 months from the date of signing these financial statements. They have assessed financial performance and ensured that the company has sufficient finance available to maintain its cashflow during this period.

Although there is a degree of uncertainty around the wider economic outlook, the directors do not consider there is a material uncertainty over going concern.

1.5 Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the company.

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Restricted funds are subject to specific restricted conditions imposed by the donors or by the purpose of the grant. The purpose and use of restricted funds (when applicable) is set out in the notes to the financial statements.

Capital funds are those restricted funds having specific conditions relating to capital expenditure.

1.6 Incoming resources

All incoming resources are included in the Consolidated Statement Of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants, where entitlement is not conditional on the delivery of a specific performance by the company, are recognised when the company becomes unconditionally entitled to the grant. Grants, where related to performance and specific deliverances are accounted for as the company earns the right to consideration by its performance.

1.7 Fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to write off the cost of assets, other than leasehold property improvements over their estimated useful economic lives, as follows:

Leasehold and property improvements	0.8% per annum straight line
Play, climbing or other equipment	5%, 8% or 10% per annum straight line
Office, kitchen and computer equipment	20% per annum straight line
Outdoor equipment	20% per annum straight line
Motor vehicles	25% per annum straight line

The cost of tangible assets includes directly attributable incremental costs incurred at their acquisition and installation.

The company capitalises assets donated in-kind, unless the value of donated goods cannot be reliably measured.

1.8 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 a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably.

Resources expended are included in the Consolidated Statement of Financial Activities on an accrued basis.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, such as support costs, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

1.9 Significant judgements and estimates

The preparation of financial statements requires management to make significant judgements, estimates and assumptions. 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 and in any future periods affected. The main area of judgement that has the most significant effect on the amounts recognised in the financial statements is in relation to the recognition of funding from the Premier League Charitable Fund.

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1.10 Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

1.11 Hire purchasing and leasing

Rentals payable under operating leases are charged in the statement of financial activities on a straight-line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership have passed to the company, are capitalised in the consolidated balance sheet as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the consolidated balance sheet. The interest element of the rental obligation is charged to the consolidated statement of financial activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included with creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

1.12 Financial Instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, loans to fellow group companies 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 rate 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

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

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

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2. Incoming resources

	2021 Unrestricted	2021 Restricted Other	2021 Restricted Capital	2021 Total
	£	£	£	£
Donations and legacies				
Grants received	237,000	10,834	1,250	249,084
Donations	238	-	-	238
	<u>237,238</u>	<u>10,834</u>	<u>1,250</u>	<u>249,322</u>
Charitable activities				
Projects, courses, facilities and match day income	<u>196,158</u>	<u>1,660,446</u>	<u>-</u>	<u>1,856,604</u>
	2020 Unrestricted	2020 Restricted Other	2020 Restricted Capital	2020 Total
	£	£	£	£
Donations and legacies				
Grants received	25,000	40,000	412,093	477,093
Donations	209,512	26,200	97,785	333,497
	<u>234,512</u>	<u>66,200</u>	<u>509,878</u>	<u>810,590</u>
Charitable activities				
Projects, courses, facilities and match day income	<u>785,020</u>	<u>1,845,496</u>	<u>-</u>	<u>2,630,516</u>
Other trading activities				
All such income relates to unrestricted funds.				

3. Expenditure on charitable activities

	2021 Unrestricted	2021 Restricted Other	2021 Restricted Capital	2021 Total
	£	£	£	£
Direct costs - projects, courses, including				
specific employee costs	104,969	1,205,663	-	1,310,632
Other employee costs	245,893	347,663	-	593,556
Administrative expenses	34,319	55,005	-	89,324
Bank charges	2,081	402	-	2,483
Depreciation	48,778	29,460	100,982	179,220
Gain/Loss on disposal of assets	142	265	26,082	26,489
Facilities costs	273,622	-	-	273,622
Hire purchase interest	1,077	-	-	1,077
VAT - partial exemption restriction	8,297	15,409	-	23,706
	<u>719,178</u>	<u>1,653,867</u>	<u>127,064</u>	<u>2,500,109</u>

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	2020	2020	2020	2020
	Unrestricted	Restricted Other	Restricted Capital	Total
	£	£	£	£
Direct costs - projects, courses, including specific employee costs	273,693	1,471,067	-	1,744,760
Other employee costs	257,361	420,949	-	678,310
Administrative expenses	33,395	62,020	-	95,415
Bank charges	5,697	645	-	6,342
Depreciation	44,765	30,714	91,197	166,676
Facilities costs	638,674	-	-	638,674
Hire purchase interest	1,325	637	-	1,962
VAT - partial exemption restriction	9,882	18,351	-	28,233
	<u>1,264,792</u>	<u>2,004,383</u>	<u>91,197</u>	<u>3,360,372</u>

4. Net income for the year is stated after charging:

	2021	2020
	£	£
Depreciation	179,220	166,676
Auditor's remuneration - statutory audit fee	6,500	6,500
Auditor's remuneration - other accountancy services	400	-
Operating lease rentals	<u>80,836</u>	<u>95,995</u>

5. Staff costs

	2021	2020
	£	£
Wages and salaries	1,683,183	2,122,174
Social security costs	135,306	151,680
Defined contribution pension costs	27,417	34,845
Defined benefit pension costs	3,955	3,574
	<u>1,849,861</u>	<u>2,312,273</u>

There were no Trustees' remuneration, expenses or other benefits for the year ended 30 June 2021 (2020: £nil).

The number of employees whose employee benefits (including national insurance contributions, but excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£100,001 - £110,000	1	-
£70,001 - £80,000	<u>-</u>	<u>1</u>

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The key management personnel of the charity have been identified as the Chief Executive Officer, Deputy Chief Executive Officer, Head of Finance and Company Secretary. The aggregate employment benefits, including employers national insurance contributions for these key management personnel for the year was £209,765 (2020: £252,558).

The average number of employees including part time staff (excluding trustees) analysed by function was:

	2021	2020
Delivery of charitable activities	55	77
Management and administration of the charity	16	15
	<u>71</u>	<u>92</u>

In response to the impact of COVID-19, a restructuring of staff was undertaken during the year to safeguard the long term financial viability of the company. Together with some projects coming to a natural close, this resulted in lower numbers of both delivery staff and those involved in administration and management of the company.

6. Pensions

The charity operates a defined contribution pension scheme which opened to eligible staff in October 2017. The charity also contributes to the Lancashire County Pension Fund as an approved employer in regard to one employee who joined the charity on a TUPE arrangement from Lancashire County Council.

Contributions payable by the charity to these schemes are charged to the Consolidated Statement Of Financial Activities in the period to which they relate. The contributions are split between unrestricted and restricted expenditure in the same ratio as the remaining staffing costs for a given individual.

7. Taxation

As a registered charity, Clarets in the Community Limited is exempt from tax on income and gains falling within sections 471-489 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

There is no tax liability arising in the trading subsidiary, BFCitC Facilities (Enterprises) Ltd.

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8. Tangible fixed assets

Group

	Leasehold property and improvements £	Motor vehicles £	Office, kitchen and computer equipment £	Play, climbing and other equipment £	Outdoor equipment £	Total £
Cost						
As at 1 July 2020	974,949	38,190	369,872	836,638	48,833	2,268,482
Additions	2,005	-	14,524	18,836	-	35,365
Disposals	16,219	-	30,407	-	500	47,126
As at 30 June 2021	960,735	38,190	353,989	855,474	48,333	2,256,721
Depreciation						
As at 1 July 2020	32,743	30,862	172,263	75,201	20,117	331,186
Charge for the year	16,317	5,863	70,793	76,480	9,767	179,220
Disposals	343	-	25,440	-	242	26,025
As at 30 June 2021	48,717	36,725	217,616	151,681	29,642	484,381
Net book value						
As at 30 June 2021	912,018	1,465	136,373	703,793	18,691	1,772,340
As at 30 June 2020	942,206	7,328	197,609	761,437	28,716	1,937,296

Charity only

	Leasehold property and improvements £	Motor vehicles £	Office, kitchen and computer equipment £	Play, climbing and other equipment £	Outdoor equipment £	Total £
Cost						
As at 1 July 2020	266,046	14,740	234,428	-	7,914	523,128
Additions	2,005	-	12,849	-	-	14,854
Disposals	-	-	20,553	-	-	20,553
As at 30 June 2021	268,051	14,740	226,724	-	7,914	517,429
Depreciation						
As at 1 July 2020	13,267	14,740	133,909	-	3,034	164,950
Charge for the year	2,139	-	43,741	-	1,583	47,463
Eliminated in respect of disposals	-	-	20,147	-	-	20,147
As at 30 June 2021	15,406	14,470	157,503	-	4,617	192,266
Net book value						
As at 30 June 2021	252,645	-	69,221	-	3,297	325,163
As at 30 June 2020	252,779	-	100,519	-	4,880	358,178

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Hire purchase and finance lease assets

Included within the net book value of consolidated tangible fixed assets is £1,466 (2020: £7,328) in respect of assets held under hire purchase or finance lease arrangements. Depreciation for the year on those assets was £5,863 (2020: £5,863).

Custodian Trusteeship Disclosure

No assets were held as custodian trustee during the reporting period.

9. Fixed asset investments

	Group		Charity only	
	2021	2020	2021	2020
	£	£	£	£
Shares in group undertakings	-	-	2,040,001	2,040,001
	<u>-</u>	<u>-</u>	<u>2,040,001</u>	<u>2,040,001</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings	Total
Cost	£	£
As at 1 July 2020	<u>2,040,001</u>	<u>2,040,001</u>
As at 30 June 2021	<u>2,040,001</u>	<u>2,040,001</u>
Net book value		
As at 1 July 2020	<u>2,040,001</u>	<u>2,040,001</u>
As at 30 June 2021	<u>2,040,001</u>	<u>2,040,001</u>

The subsidiary undertaking relates to BFCitC Facilities (Enterprises) Ltd (company number 10951684), the principal activities of which are to operate, manage and refurbish the Whitehough Outdoor Centre and the Leisure Box both in the Borough of Pendle.

10. Debtors

	Group		Charity only	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	39,826	58,723	20,096	29,982
Prepayments and accrued income	31,078	9,888	3,408	4,500
Due from group undertakings	-	-	241,460	123,813
Value added tax	-	7,480	-	-
	<u>70,904</u>	<u>76,091</u>	<u>264,964</u>	<u>158,295</u>

All debtors fall due within one year of the balance sheet date

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11. Creditors: amounts falling due within one year

	Group		Charity only	
	2021	2020	2021	2020
	£	£	£	£
Obligations under finance lease and hire purchase contracts	4,221	4,221	-	-
Trade creditors	37,233	42,696	24,702	22,663
Value added tax	16,601	24,776	14,395	24,776
Other taxes and social security	32,269	98,349	32,269	98,349
Pension costs	5,464	6,396	5,464	6,396
Salary costs due	-	-	-	-
Accruals and deferred income	435,560	258,338	406,455	244,912
Due to group undertakings	-	-	-	15,722
Provision for doubtful debts	-	1,200	-	-
	<u>531,348</u>	<u>435,976</u>	<u>483,285</u>	<u>412,818</u>

Obligations under finance lease and hire purchase contracts are secured upon the assets to which the contract relates.

12. Creditors: amounts falling due after more than one year

	Group		Charity only	
	2021	2020	2021	2020
	£	£	£	£
Obligations under finance lease and hire purchase contracts	1,055	5,628	-	-
	<u>1,055</u>	<u>5,628</u>	<u>-</u>	<u>-</u>

Obligations under finance lease and hire purchase contracts are secured upon the assets to which the contract relates.

13. Obligations under hire purchase and finance lease agreements

	Group		Charity only	
	2021	2020	2021	2020
	£	£	£	£
In one year or less on demand	4,221	4,221	-	-
Between one and two years	1,055	4,221	-	-
Between two and five years	-	1,407	-	-
	<u>5,276</u>	<u>9,849</u>	<u>-</u>	<u>-</u>

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14. Movement in funds

	Unrestricted	Group Restricted Other	Restricted Capital
	£	£	£
As at 1 July 2020	207,259	65,312	1,538,424
Net movement in funds	<u>164,427</u>	<u>17,413</u>	<u>(125,814)</u>
As at 30 June 2021	<u>371,686</u>	<u>82,725</u>	<u>1,412,610</u>

	Unrestricted	Charity only Restricted Other	Restricted Capital
	£	£	£
As at 1 July 2020	774,328	-	1,605,248
Net movement in funds	278,910	(14,441)	(889)
Transfer between funds	<u>(14,441)</u>	<u>14,441</u>	<u>-</u>
As at 30 June 2021	<u>1,038,797</u>	<u>-</u>	<u>1,604,359</u>

15. Analysis of net assets between funds

	Unrestricted	Group Restricted Other	Restricted Capital
	2021	2021	2021
	£	£	£
Fixed assets	359,730	-	1,412,610
Current assets	130,771	496,313	-
Creditors: amounts falling due within one year	(117,760)	(413,588)	-
Creditors: amounts falling due after more than one year	<u>(1,055)</u>	<u>-</u>	<u>-</u>
	<u>371,686</u>	<u>82,725</u>	<u>1,412,610</u>

	Unrestricted	Group Restricted Other	Restricted Capital
	2020	2020	2020
	£	£	£
Fixed assets	398,872	-	1,538,424
Current assets	131,668	183,283	-
Creditors: amounts falling due within one year	(318,005)	(117,971)	-
Creditors: amounts falling due after more than one year	<u>(5,276)</u>	<u>-</u>	<u>-</u>
	<u>207,259</u>	<u>65,312</u>	<u>1,538,424</u>

CLARETS IN THE COMMUNITY LIMITED
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15. Analysis of net assets between funds (CONTINUED)

	Unrestricted	Charity only Restricted Other	Restricted Capital
	2021	2021	2021
	£	£	£
Fixed assets	760,805	-	1,604,359
Current assets	315,530	445,747	-
Creditors: amounts falling due within one year	(37,538)	(445,747)	-
Creditors: amounts falling due after more than one year	-	-	-
	<u>1,038,797</u>	<u>-</u>	<u>1,604,359</u>

	Unrestricted	Charity only Restricted Other	Restricted Capital
	2020	2020	2020
	£	£	£
Fixed assets	792,931	-	1,605,248
Current assets	74,619	319,596	-
Creditors: amounts falling due within one year	(93,222)	(319,596)	-
Creditors: amounts falling due after more than one year	-	-	-
	<u>774,328</u>	<u>-</u>	<u>1,605,248</u>

16. Commitments

As at 30 June 2021, the company had annual commitments under non-cancellable operating leases as set out below:

	2021 £	2020 £
Operating leases which expire within one year:	3,408	75,000
Operating leases which expire within two and five years:	72,286	85,686
Operating leases which expire after more than five years:	568,750	593,750
	<u>644,444</u>	<u>754,436</u>

17. Other related party transactions outside of the Group

During the year, the company made the following related party transactions outside of the Group:

The Burnley Football & Athletic Company Limited ('BFC')

Directors M L Garlick and A G Pace are also directors of BFC. Additionally, directors B C Kilby and B T Nelson were directors of BFC until 30th December 2020. During the year, the company received income from BFC totalling £15,726 (2020: £167,141) and it issued credits of £55,000 (2020: £nil).

During the year, BFC provided goods and services to the company totalling £39,620 (2020: £3,251).

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18. Company status

The company is limited by guarantee. The guarantors of the company are J Blake and P A S Wilson.

The liability in respect of the guarantee as set out in the Memorandum of Association is limited to £10 per member of the community.

The Company has a subsidiary undertaking. In future years, it is expected that the subsidiary makes a profit. It is the intention that the subsidiary will gift-aid donate any profits to the charity, as per the objective set out in the Articles of Association of the subsidiary.

19. Comparative Statement of Financial Activities for the Year Ended 30 June 2020

	Note	Unrestricted	Restricted	Restricted Capital	Total
Incoming resources					
Income and endowments from:					
Donations and legacies	2	234,512	66,200	509,878	810,590
Charitable activities	2	785,020	1,845,496	-	2,630,516
Other trading activities		332,140	-	-	332,140
Investments		312	-	-	312
Other income		194,666	-	-	194,666
Total		1,546,650	1,911,696	509,878	3,968,224
Resources expended					
Expenditure on:					
Raising funds		54,214	-	-	54,214
Charitable activities	3	1,264,792	2,004,383	91,197	3,360,372
Other		1,513	-	-	1,513
Total		1,320,519	2,004,383	91,197	3,416,099
Net income for the year	4	226,131	(92,687)	418,681	552,125
Transfers between funds		(121,156)	121,156	-	-
Net movement in funds		104,975	28,469	418,681	552,125
Reconciliation of funds:					
Total funds brought forward		102,284	36,843	1,119,743	1,258,870
Total funds carried forward		207,259	65,312	1,538,424	1,810,995