

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
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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.

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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 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.

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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.

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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.

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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.

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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
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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	Total	Total
	Note	£	£	Capital £	£	£
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		633,979		556,180	
		<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		7,973	1,077
Net cash provided by / (used in) operating activities		<u>117,858</u>	<u>352,685</u>
 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
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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
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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