

Company No: 3070670

THE NATIONAL FOOTBALL MUSEUM

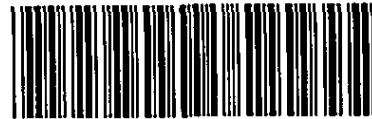
**TRUSTEES' REPORT AND
CONSOLIDATED ACCOUNTS**

FOR THE YEAR ENDED

31 MARCH 2012

Charity Number 1050792

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THE NATIONAL FOOTBALL MUSEUM

ACCOUNTS

YEAR ENDED 31 MARCH 2012

Contents	Page
Company information	1
Trustees' report	2
Independent auditor's report to the members	24
Consolidated statement of financial activities	26
Consolidated balance sheet	27
Charitable company balance sheet	28
Consolidated cash flow statement	29
Notes to the accounts	30-46

THE NATIONAL FOOTBALL MUSEUM

COMPANY INFORMATION

Chairman	Mr P Dermody
Trustees	Mr F Ali Mr S Barker Ms R Battle Sir H Bernstein Professor S J Broomhead Mr P Dermody Ms M Digby Mr J Farquharson Lord R Faulkner Mr A McNee Mr C Memmott Sir H Newby Mr N Paske Mr I Penrose Ms V S Rosin Ms M Stevenson Mr H Swain Mr G Thompson
Secretary	Mr D Martland
Registered office	Urbis Building Cathedral Gardens Manchester M4 3BG
Company number	3070670
Charity number	1050792
Auditor	Moore and Smalley LLP Chartered Accountants & Registered Auditor Richard House Winckley Square Preston PR1 3HP
Bankers	HSBC Bank Plc 49a Fishergate Preston PR1 8BQ
Solicitors	Brabners Chaffe Street 7-8 Chapel Street Preston PR1 8AN

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

The Trustees, who are also Directors for the purpose of the Companies Act, have pleasure in presenting their report and the accounts of the charity for the year ended 31 March 2012

Legal status

The Museum is a charitable company limited by guarantee with registered charity number 1050792 and company number 3070670. Not having a share capital, the Museum is governed by its Memorandum and Articles of Association dated 31 October 1996.

Current position

In November 2009 the trustees of NFM agreed to enter into an exciting new partnership with Manchester City Council. This partnership guarantees the long term future of the National Football Museum in the North West and a world-class new public face of the Museum opened in the Urbis building in Manchester in July 2012. This is a major new visitor attraction for the City of Manchester, the region and the nation and opens up the collection to a much wider audience.

Objectives and activities of the Museum

The objectives and activities of the Museum are summarised by the following

Why does the Museum exist?

The National Football Museum exists to explain how and why football has become "the people's game", a key part of England's heritage and way of life. It also aims to explain why England is the home of football, the birthplace of the world's most popular sport.

Who is the Museum for?

The Museum is for everyone, football fans and non-fans alike. People without a keen interest in football will enjoy finding out why so many people are so passionate about the game.

How does the Museum achieve its goals?

The Museum seeks to achieve these by undertaking the following seven key aims:

Developing the finest and most significant collection of objects and associated evidence connected with the development of football around the world

Protecting this important part of our cultural heritage for the benefit of all, both now and in the future

Researching the collection to explain how and why football has become the most popular sport in the world

Interpreting the collection in an entertaining and informative way, primarily through exhibitions, events and publications

Providing a range of educational opportunities based on the collection, for learners of all ages and levels of attainment

Satisfying customers with a level of visitor care which exceeds their expectations

Managing our resources effectively and creatively, to be innovative and to continue to improve the services we offer

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Objectives and activities of the Museum (cont)

A National and International Museum

The National Football Museum is the leading football museum in the world, holding the *world's* finest collection of football artefacts, including the FIFA Collection

England was the birthplace of the modern professional game of football, the world's most popular sport. Football is an important part of England's heritage, its people's way of life and sense of identity. The National Football Museum collects, preserves and interprets this unique heritage for the public benefit.

The Museum operates to the highest professional museum standards and has achieved National Museum Accreditation Status with the Arts Council England.

The Museum is recognised by the major national and international football bodies as the national museum of football for England. There is a Scottish Football Museum and a national collection has been established in Wales.

The Museum is a pioneer in terms of learning and social inclusion, reaching out to new audiences, and addressing the needs of disadvantaged sections of the community.

The National Football Museum has a national and international remit. The Museum has reached an audience of over two million people, through holding or contributing to over fifty exhibitions across the UK and over twenty-five overseas. In the UK this has included the Museum's highly successful touring exhibition, *Saved for the Nation: The Story of the FA Cup*, which has as its centrepiece the oldest surviving FA Cup trophy, which was used from 1896 to 1910 and is on loan to the Museum from Mr David Gold. Overseas exhibitions have included displays in France, Belgium, Germany, Portugal, Switzerland, Japan, Hong Kong, Austria, Turkey, Finland and Brazil.

The National Football Museum has advised many current and planned football club museums in England and a number of club museums overseas. We have also advised the projects to establish national football museums in Spain, the Netherlands, Germany, Brazil, Japan, Korea and Uruguay, which are supported by the football associations in each country. In addition, we have advised and worked in partnership with the Scottish Football Museum and the Welsh Football Collection, which is held by Wrexham County Borough Museum. The Museum has developed strong partnerships with the Everton Collection Charitable Trust, the Homes of Football, the Neville Evans Collection and the Priory Collection. The Museum will continue to work closely with the football club museums in England, such as those at Liverpool, Arsenal, Manchester United and Manchester City.

The President of the Museum is Sir Bobby Charlton. The Vice Presidents are Sir Alex Ferguson, Sir Tom Finney, Sir Trevor Brooking and Sir Geoff Hurst.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Benefit to the Public

Through its objectives and activities the Museum provides a wide range of benefits to the general public. By developing the finest and most significant collection of objects and associated evidence connected with the development of football around the world, the Museum creates a unique resource, of benefit not just to all in society today, but also for future generations. In protecting this important part of our cultural heritage for the benefit of all, both now and in the future, the Museum provides a unique and long-lasting public benefit. By researching the collection to explain how and why football has become the most popular sport in the world, the Museum makes an important contribution to human knowledge. In interpreting the collection in an entertaining and informative way, primarily through exhibitions, events and publications, the Museum contributes to the public understanding, appreciation and enjoyment of the game of football, its history, and its role in society. In providing a range of educational opportunities based on the collection, for learners of all ages and levels of attainment, the Museum makes a powerful contribution to education and social inclusion. By satisfying customers with a level of visitor care which exceeds their expectations, the Museum provides an outstanding experience for its visitors. By managing our resources effectively and creatively, to be innovative and to continue to improve the services we offer, the Museum provides outstanding value for money for the public and private investment which is made each year in the Museum.

Organisation/management of the Museum

The Trustees meet four times per year. Reports from the Director are submitted to, and discussed at, each of these meetings. New Trustees can be appointed by ordinary resolution at these meetings. Trustees are appointed for a period of three years. Trustees can be reappointed.

The Trustees of the Museum are selected according to their skills and knowledge in order to aid the management of the Museum.

The current Trustees are detailed on page 1. The Trustees who served during the period are set out on the next page.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Organisation/management of the Museum (continued)

Name	Date of Appointment	Date of Retirement
Ms M Stevenson	1 November 2003	AGM 2013
Mr P Dermody	1 July 2004	AGM 2013
Mr S Barker	2 July 2009	AGM 2012
Mr A McNee	20 July 2005	AGM 2014
Ms M Digby	20 July 2005	AGM 2014
Mr J Farquharson	7 November 2005	AGM 2014
Mr F Ali	26 March 2007	AGM 2013
Mr C Memmott	16 November 2007	AGM 2013
Mr I Penrose	16 November 2007	AGM 2013
Mr G Thompson	16 November 2007	AGM 2013
Sir Howard Newby	14 July 2008	AGM 2014
Sir Howard Bernstein	9 June 2010	AGM 2013
Councillor M Amesbury	9 June 2010	16 May 2012
Mr S Mycio	9 June 2010	9 June 2011
Professor S J Broomhead	9 June 2011	AGM 2014
Ms V S Rosin	9 June 2011	AGM 2014
Lord R Faulkner	8 September 2011	AGM 2014
Mr H P Swain	12 December 2011	AGM 2015
Ms R M Battle	14 June 2012	AGM 2015
Mr N J Paske	14 June 2012	AGM 2015

Mr S Mycio resigned as trustee on 9 June 2011

Councillor M Amesbury resigned as trustee on the 16 May 2012

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review

1 Introduction

This has been a very important year in the development of the National Football Museum (NFM) with the successful opening of a world-class new Museum at the Urbis building in 2012. This is a major new visitor attraction for the city of Manchester and the region, opening up the collection to a much wider audience.

Manchester City Council (MCC) is providing revenue funding of £2 million p.a. for a minimum ten-year period, with MCC also undertaking to separately fund the maintenance of the Urbis building. Thanks to this revenue funding from MCC, admission to the Museum is free. MCC also underwrote the £8.5 million capital funding required to create the National Football Museum at Urbis. Just under £4 million for the capital project was secured from the European Regional Development Fund (ERDF).

The reaction to the new Museum from the football community, the media and above all the public has been outstanding and visitor numbers in the first few weeks have been considerably higher than the projections. All the signs augur well for a highly successful future for the new Museum. The 100,000th visitor is expected before the end of August.

NFM's Preston site is continuing to operate as the collection storage and research facility. Access to the collections in storage continues to be provided on request to researchers and members of the public. The Museum is retaining and developing its research partnership with the University of Central Lancashire (UCLan), the International Football Institute (IFI).

The Museum will build on the success achieved to date, further developing the world's greatest football collection, and will take the collection to an even wider audience across the country. The Museum will further develop its highly successful Hall of Fame and in addition will also expand and develop its groundbreaking learning and social inclusion programmes, which use the power of football to reach and help all our communities.

The Museum can also now maximise its partnership with Stuart Clarke's *Homes of Football*, the greatest collection of photographs of football fandom of the past twenty years, consisting of over 100,000 images.

The Museum will also continue to develop its international profile, through its long-standing highly successful partnership working with FIFA and UEFA.

2 Stakeholders

The support of a range of organisations and individuals has been, and will continue to be, vital to the achievement of the Museum's unique mission. The Museum works in close partnership with a wide range of organizations, from local and regional, to national and international bodies. These include community groups, heritage organisations, tourism bodies, football organizations, businesses and universities.

Manchester City Council is the key stakeholder and strategic partner for NFM. The partnership with MCC has secured the Museum's future and will ensure NFM will prosper and fulfill its outstanding potential. The partnership with MCC has enabled the Museum to open the exciting, new, world-class museum in the Urbis building.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

Endorsement by the key national and international football bodies including FIFA, UEFA, The Football Association, the Premier League, the Football League, the Professional Footballers' Association (PFA), League Managers Association, the Football Foundation, The Referees' Association and other football bodies is of great importance, in providing credibility for the Museum within all areas of the game. The Museum will continue to work in partnership with these organisations to preserve football's heritage. All of the football bodies generously supported the development of the new galleries, including waiving fees for the use of film footage.

The outgoing Northwest Regional Development Agency (NWDA) was a vital partner for the Museum. NWDA provided support for the development of the Museum of over £2.6 million. The continued support of the successor bodies to NWDA will be vital to the Museum's future development.

The support of the local and regional community is also vital to any museum, even one which is of national significance and scope. The Museum will continue to benefit greatly from the partnerships developed with a wide range of local and regional organisations, developing in particular new partnerships in Manchester. NFM exists for the public benefit, and is the people's museum of the people's game.

The National Football Museum has been working in very close partnership with FIFA since 1997, when FIFA decided that NFM would be the most appropriate place in the world to permanently house the FIFA Collection. The Museum purchased the FIFA Collection from FIFA, with grant funding from the Heritage Lottery Fund (HLF) and the NWDA. FIFA provided funding so that NFM could purchase the world's finest collection of football books, which is known as the FIFA Book Collection. With the support of FIFA, items from the FIFA Collection have featured in over 25 exhibitions around the world, including during the 1998, 2002, 2006 and 2010 FIFA World Cup Finals.

Since 2003 NFM has developed a very close working relationship with UEFA. UEFA has worked in partnership with the Museum on the *Only a Game?* touring exhibition, in England, Belgium, Turkey, Finland and Poland (see 3.4). UEFA has also supported a separate UEFA branded display area in the new Museum (see 3.1).

The Museum continues to benefit greatly from the contributions of a team of highly skilled and committed volunteers, of all ages and backgrounds.

We are pleased that International MBA students from the Manchester Business School, University of Manchester, have worked on three consultancy projects for NFM, for no charge. They have considered the future of the Preston site, the development of the Hall of Fame, and the potential for further international touring exhibitions by NFM. The Museum is also exploring further links with the University of Manchester and Manchester Metropolitan University.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

3 Key Achievements

Key achievements in the period from 1 April 2011 included

3.1 The new National Football Museum

Successfully opening the world-class new National Football Museum to the public on 6 July 2012

3.2 Collections

Continuing to develop the world's finest collection of football artefacts, including the FIFA Collection

3.3 Research

Making an important contribution to football research, particularly through the International Football Institute (IFI)

3.4 Exhibitions

Successfully launching three temporary exhibitions at the new Museum and contributing to major exhibitions across the UK and overseas

3.5 Hall of Fame

Developing the National Football Museum Hall of Fame

3.6 Learning and Community

Continuing to develop a range of ground-breaking learning and community services

3.7 Marketing

Developing a highly successful launch and ongoing marketing campaign, including a new website

3.8 Commercial

Highly successful launch of the commercial and income generation offer

3.9 Leadership in the Museums Sector

Providing leadership and expertise in the wider museums sector

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

3.1 The new National Football Museum

The new National Football Museum has state of the art, world class displays on three levels (Ground Level, Level 1 and Level 2), together with a Changing Exhibitions Gallery on Level 3 and a dedicated Learning and Community Zone on Level 4. There is a shop and café on the ground level, and Kaleido, a restaurant and bar on Levels 5 and 6. The Museum occupies the whole of the iconic Urbis Building and is more than twice the size of the previous site in Preston.

The new National Football Museum has proved to be a huge success following its opening to the public on 6 July 2012. The media and public reaction to the Museum has been overwhelmingly positive, with visitor numbers far exceeding projections. The projection for the first year is 350,000 visitors, just under 1,000 per day. By 20 August the Museum had already welcomed 100,000 visitors, at an average of more than 2,000 visitors each day. The Museum is clearly already a huge hit with visitors and is a major new tourist attraction and cultural facility. This compares to previous figures of 100,000 visitors per annum at the Museum's Preston site.

The reaction from the first visitors has been extraordinary. Here are some typical example statements from visitor comment cards:

- "I would live here if I could"
- "Fantastic. 10/10. Well done!"
- "The best time I have ever had in my life" (Lewis, aged 11)
- "Well worth the wait"
- "The best museum in the world!"
- "The Home of Football!"
- "Hate football. Love the museum."
- "Another great museum for Manchester"
- "I particularly love Stuart Clarke's photographs"
- "The staff are so friendly and helpful"

We have had a few negative comments regarding the ability to read labels and have changed the location of some of these as a result.

A very significant late addition to the new galleries was a space sponsored and branded by UEFA and designed by Album, the designers of the *Only a Game?* European football touring exhibition, the partnership between the Museum and UEFA. The display features the UEFA Cup Winners' Cup trophy on loan from UEFA and celebrates some of the great winning teams of this competition, both English and continental, through film and an innovative display of replica shirts suspended at height within the outer glass envelope of the building. UEFA plan to update this display on a regular basis in coming years.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

3.2 The World's Finest Football Collections

The National Football Museum has continued to develop, preserve and document the world's finest collections relating to the history of football. This now consists of over 140,000 items. Each day brings the offer of new artefacts for the Museum's collections. NFM continues to collect historical items, and also collects material relating to football today, for the benefit of future generations.

Significant new loans to the Museum during the year include

- Additions to the Neville Evans Collection, in particular shirts from famous players from famous games
- Key items from the PFA Collection, including George Best's European Player of the Year trophy
- George Best memorabilia from the 'Best Chances' organisation
- Personal loans from Sir Bobby Charlton, Hope Powell, Sue Lopez, Howard Webb and Colin Bell
- European Cup Winners' Cup from UEFA
- 'Lady Trophy', the original Football League trophy, from the Football League
- Short-term loan from the FA of the 1863 Minute Book, which contains the first hand-written laws of the game
- Short-term loan from the PFA of the painting 'Going to the Match' by L. S. Lowry

Significant acquisitions by gift and purchase have included

- Didier Drogba shirt from the UEFA Champions League donated by Chelsea FC
- Wayne Rooney England shirt from 2006 friendly
- Dick Kerr Ladies material from Alfred Frankland's grandson
- Official presentation trophies of the FA Cup, the Premier League trophy and the League Cup

3.3 Research

The International Football Institute (IFI), the Museum's research partnership with the University of Central Lancashire, has continued to make excellent progress. Based at the Museum and the University, IFI undertakes research on all aspects of football and makes this research available to the widest possible audience. IFI has produced over fifty publications to date. IFI is headed by Professor John Hughson. Three PhD studentships are being co-supervised by Professor Hughson and the Museum's Director, Kevin Moore. The Museum also has strong research links with the International Centre for Sports History and Culture at De Montfort University. Kevin Moore has been made an honorary Visiting Research Fellow at the International Centre for Sports History and Culture.

Outputs at IFI this year included a number of major publications and conference presentations. Director Kevin Moore has also written an article for the *MCC Magazine* on the historic links between football and cricket, and the new National Football Museum, 'Cricket in summer, football in winter'.

The IFI held a highly successful seminar in partnership with the International Fashion Institute at UCLan. Papers from the event have been published in a special issue of the Oxford University academic journal *Costume*, edited by Professor John Hughson of IFI. Professor Hughson and Kevin Moore have written a paper for the volume on one of the NFM's key exhibits, Diego Maradona's shirt from the 1986 World Cup Quarter Final.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

The post of an IFI two-year Research Fellow, endorsed by the FA, and fully funded by UCLan, has been advertised and attracted over 50 high quality applications. Jane Clayton has been appointed. The Research Fellow will play a key role in organising the events the Museum has planned, in partnership with IFI and De Montfort University, to celebrate the FA's 150th anniversary in 2013. We are working closely with the official at the FA who is leading on the 150th anniversary celebrations.

The Museum has been awarded an Arts and Humanities Research Council (AHRC) grant for a PhD studentship under the collaborative doctoral awards scheme, with Dr. Mike O'Mahony, Department of the History of Art, University of Bristol. This will be a study of the Museum's art collection.

NFM Collections Officer Alex Jackson has been awarded his PhD, which was based on a study of NFM's collections. Alex was co-supervised by Professor Dave Russell, Leeds Metropolitan University, Professor Tony Collins, Head of the International Centre for Sports History and Culture, De Montfort University, and the Museum's Director, Kevin Moore.

Director Kevin Moore spoke at the University of Cambridge on "Football in British history" as part of the University's Public and Popular History seminar series. He also spoke at an international conference on the Olympics and Paralympics at the University of Oxford. Moore was one of the three keynote speakers, and the only one from overseas, at the Australian Society for Sports History Biennial Conference in July 2011. The keynote papers from this conference will be published in a special issue of the international *Journal of Sport History* in 2013. He has also contributed a Preface to a volume of essays by leading academic historians, edited by Dr. Murray Phillips, on the relation between sports museums and sports historians, *Representing the Sporting Past in Museums and Halls of Fame*, and the Foreword to a new book on the founder of the Football League, William McGregor, by Peter Lupson and John Lerwill, *The Inspirational William McGregor: Father of the Football League*. Moore is one of the editors of a major new book on sports heritage, *Sport, History and Heritage: An Investigation into the Public Representation of Sport*, which will be published in late 2012. He has been invited to be the keynote speaker at two major international conferences, in Rotterdam and Melbourne, in November.

3.4 Changing and Touring Exhibitions

The new Museum opened with two major changing exhibitions. Linked to *We Face Forward*, an exhibition being mounted jointly by Manchester Art Gallery, the Whitworth Art Gallery and the Gallery of Costume, and forming part of the London 2012 Cultural Olympiad, the Museum has created an exhibition of artworks by contemporary West African artists on football. These use football to explore wider social, political, cultural and economic issues, including those of globalisation and trade, gender and generational relationships, corruption and violence. The exhibition was curated by Martin Barlow, previously Director of the Mostyn Gallery in Llandudno. The project received grant funding of £30,000 from the Arts Council. The quality of the work is indicated by the fact that the participants in the exhibition are leading artists in their countries and in all cases have participated in major international exhibitions and events.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

The other major opening changing exhibition was an introduction to the work of Stuart Roy Clarke, the foremost photographer of football culture the *Homes of Football*. His photographs of teams big and small, fans, grounds and football moments are known all over the world. The exhibition features some of Clarke's best known images, plus some images never displayed before. Some new images have been commissioned across Europe and in West Africa. Co-curated by designer Wayne Hemingway and with a specially recorded soundtrack by Mercury Prize nominated band British Sea Power, the exhibition has introduced an even wider audience to the artistry of Clarke.

As one of the more than 100 community exhibitions being organised across the country by the Sports Heritage Network (which is chaired by NFM Director Kevin Moore), in the *Our Sporting Life* festival, the *Our Sport, Our Life* exhibition at NFM was developed by a group of young people aged 15-24 from Greater Manchester, who volunteered to be part of the project. This exhibition celebrates Greater Manchester's sporting heritage and sporting heroes – past, present and future. The four key themes the young people chose to highlight were Equality, Community, Fashion and Young Athletes. The exhibition features objects from British Paralympic athletes Simon Jackson and Shelly Woods and local sporting heroes Steve Pullen and Sunny Lowry. This ground-breaking exhibition opened to the public on Level 4 of the Museum on 14 July 2012. The project leader museum consultant Adele Finley was funded by a grant of £17,000 which NFM received from Arts Council Renaissance. The exhibition has had an excellent response from the many visitors who have already viewed it.

In April 2012 UEFA's European football exhibition *Only a Game?*, developed in partnership with the Museum, continued its European tour to Wroclaw in Poland for the 2012 UEFA European Championships. This exhibition encourages visitors to question football's role in Europe, while engaging in the passion for the continent's favourite sport, and it has previously toured to Brussels, Liverpool, Istanbul and Turku. The exhibition in Poland was hosted by the Wroclaw Contemporary Museum from April until July. The items loaned by the Museum told distinctive stories about European football. Shirts from opposing captains Miguel Munoz and Robert Jonquet mark the first European Cup and Real Madrid's 1956 victory over Stade de Reims. A tracksuit on loan from NFM Special Ambassador, Mark Lawrenson was from the tragic Heysel final in 1985. There were also shirts that feature greats of the European game such as Puskas, Beckenbauer and Gento.

During the year the Museum also loaned items to a further eight exhibitions across the UK and overseas, as follows: the UEFA *Only a Game?* Exhibition in Turku, Finland, Bradford Industrial Museum, Hatworks Museum, Stockport, Ironbridge Gorge Museum Trust, Scottish National Portrait Gallery, Harris Museum, Preston, Museum of Lancashire, Preston, and the Sir Tom Finney Sports Centre, University of Central Lancashire.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

3.5 Hall of Fame

The National Football Museum launched the *National Football Museum Hall of Fame* in 2002, to celebrate the greatest players and managers of all time in English Football. The Museum recognised that an English football hall of fame had been overdue. The achievements of many of the stars of the game had not been recognised as fully as they could have been during their lifetime.

To select those 'legends' from over a century of football's history to be inducted into the *National Football Museum Hall of Fame*, the Museum put together a selection panel of some of the greatest names in the game, including the President of the Museum Sir Bobby Charlton, and the Museum's Vice Presidents, Sir Alex Ferguson, Sir Tom Finney, Sir Trevor Brooking and Sir Geoff Hurst.

The NFM Hall of Fame award ceremonies are attended by a glittering array of star guests and attract substantial media coverage, making them outstanding events in the English football calendar.

In the new Museum we have created a dedicated Hall of Fame gallery, exploring the life stories of these legends of the game. This has proved to be highly popular with visitors. In the evening the Hall of Fame can host dinners and corporate events for up to 500 guests – including Hall of Fame induction ceremonies.

While the new Museum was being created, Hall of Fame events were not prioritised. However, in October 2011 the commercial team took the opportunity to induct Aston Villa's European Cup winning team of 1982 into the Hall of Fame at Aston Villa FC. The evening was attended by more than 500 guests and was a great success.

3.6 Learning and Community

The National Football Museum is breaking new ground in bringing new audiences to museums, and ensuring that access is provided to *all* in society. NFM offers a wide range of learning and community services for learners of all ages and levels of attainment, both regionally and nationally. The Museum has continued to target disadvantaged youngsters through its social inclusion projects.

Streetspeak is a project funded by the Football Foundation and the Arts Council, which uses poetry to improve the literacy skills of young people, particularly those from disadvantaged backgrounds. *Streetspeak* is a three-year project, in which participants are involved in a programme of performance poetry workshops, producing new pieces of poetry with a football theme. It will culminate in the creation of on-line learning resources, a film, an exhibition at the National Football Museum and a performance of newly commissioned work by poets and community participants. More than 800 young people will be involved in the project. Working with Manchester City Council, the *Streetspeak* project is now engaging with youngsters in the city.

As part of this scheme NFM has engaged with the Assessment and Qualifications Alliance (AQA) Examination Board regarding the Unit Award Certificates for participants. NFM's Head of Learning and Communities, Peter Evans, has written a specific Unit and become an AQA Examination Officer, to enable youngsters to gain a certificate through the project, to help raise their self esteem and encourage them to go on to further formal training. In many cases this is the first certificate these young people have ever been awarded.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

The Oglesby Charitable Trust is funding a new NFM numeracy project, *Footie Plus*, which is based on the success of NFM's *Streetspeak* literacy project. *Footie Plus* will work with socially disadvantaged NEET (Not in Education, Employment or Training) young people, using their interest in and knowledge of football to give them confidence to develop their maths skills. The Trust is contributing £45,000 towards a total project cost of £75,000. We are now working with groups of youngsters in Manchester on the final trial stage of this project.

The National Football Museum, in partnership with Chelsea FC, sponsored the sixth annual *Football For All* festival this year. This is now the biggest disability football tournament in the country for young people, involving over 600 players from over 30 colleges nationwide. This year one of the key venues was Manchester College. Tournaments were also held in London, Belfast and Dortmund.

As a part of building links with museums in Manchester and raising NFM's profile in the city, NFM has run outreach sessions as part of the Science Festival in Cathedral Gardens and during the summer holidays at the Museum of Science and Industry (MOSI). Excellent partnerships are being developed with other museums and cultural institutions in the city, particularly the Manchester Art Gallery and the Whitworth Art Gallery, through the We Face Forward exhibition project.

The Museum contributed to the Manchester Weekender, an important Manchester cultural event. Two sessions were organised by the Learning Team and funded by an Arts Council Renaissance grant. They were led by one of the Museum's consultant poets Mark Mace Smith.

For the Manchester Histories Festival the Museum developed links with local schools, including Cheetham Hill Community Primary School, Benchill Primary School, Temple Primary School and Abraham Moss Secondary School. These included successful sessions led by our consultant poets Paul Cookson and Terry Caffrey. The project was funded by a £6,000 Arts Council Renaissance grant.

In December The Learning and Communities team delivered a highly successful two-week residency at the BBC at Media City, in conjunction with Shelley Alexander, Outreach Manager for BBC Sport, in the run up to the BBC Sports Personality of the Year programme at Media City. An exciting programme of activities for schoolchildren, community groups and families was delivered, which involved approximately 1,500 participants in NFM led activities. For families with under 5s we worked in conjunction with Baby Moves, for families with children aged 2 – 7 we delivered our multi-sensory interactive story session 'Pickles the Dog' followed by creative collage sessions. For schools and families we offered 'Football Family Creative'. 'Put Yourself in the Picture' giant football collage, Kit design and object casting sessions.

We also had a number of drama sessions for schools based on the play, "The Christmas Truce" and led by the BBC Radio Drama unit. This play, By Dr Iain Adams, UCLan, is about the football match in no-man's land on Christmas Day, 1914. These events were linked to workshops led by the Imperial War Museum North. NFM Poet in Residence Paul Cookson also delivered three days of workshops for school children using football to inspire creative writing.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

Finally, there were handling sessions on the Science of Football Kit as part of a BBC Learning Department "Bang goes the Theory" sport science day, which was run in collaboration with the Manchester City FC community team. The sessions were very well received by all participants and a number of BBC presenters dropped in to get involved, including Helen Skelton from Blue Peter, commentator Jackie Oatley, and presenters Dan Walker and Jake Humphrey. There was also a display of objects at Media City organised by our Collections Team, which created much interest from all visiting the space.

The Learning and Communities Team worked in partnership with the NFM Exhibitions team on the highly successful *Our Sporting Life* project, *Our Sport Our Life*, which culminated in the exhibition launched on 14th July in the Learning Zone (Level 4) of the Museum.

The Learning team were involved with 'Culture Shots: Museums and Galleries in Hospitals Week', a series of taster events run by museums from across the city, designed specifically for health professionals. Dave Yates delivered three 'Meet the Footy Professor' sessions at the Eye Hospital, the Manchester Royal Infirmary and the Children's Hospital.

3.7 Marketing

A high profile integrated marketing and PR campaign kicked off on 27 March 2012 with a 100 day countdown to the opening of the Museum, with the new National Football Museum website launching at the same time.

Press/Media: 100 day announcement

Top referee Howard Webb and ex Everton manager Howard Kendall attended a media launch for the 100 day countdown, resulting in coverage on (amongst others), ITV Granada Reports, ITV's early morning Daybreak programme, BBC Radio Manchester and Key 103. Print media coverage included the Sunday Express, The Sun, the Daily Mirror, the Daily Mail and regional newspapers including Manchester Evening News, the Liverpool Echo and the Wigan Evening Post. Online coverage extended to The Sun, The Times, manutdtalk.com, qpr.com, granadatv.com and manchesterconfidential.com.

Press/Media: Launch event

A successful media launch day on 5 July saw ex Liverpool and England footballer John Barnes and Rachel Brown and Jill Scott, both from the England and Team GB Ladies football team, taking part in media interviews and photographs, alongside the Museum's Director Kevin Moore. Coverage of the launch was extensive and started early in the morning with BBC Breakfast (9 mentions over the period of the programme) and included an interview with John Barnes at the Museum. Other coverage included BBC1 North West Tonight, Granada News, BBC1 Yorkshire and Channel 4's Countdown programme. Radio coverage included BBC Radio 4 News, BBC Radio Front Row (interview with Stuart Roy Clarke), BBC Radio 2, (Steve Wright and Alex Lester), BBC Radio 5 Live, BBC Radio regional stations (Manchester, Lancashire, Humberside, Cumbria) and Key 103. Print media included The Independent on Sunday, The Daily Telegraph, Daily Express, The Guardian, Manchester Evening News and many regional papers and magazines. International coverage included the San Francisco Chronicle, the Sydney Morning Herald, Football Mundial and the Dubai Sports Channel.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

PR/Media: Post Launch

Positive PR has continued to be generated. Coverage has been obtained in a number of international newspapers including the Shanghai Daily News, The Bund (China), and The Washington Post. The Museum has been featured in the BBC TV programmes Match of the Day Kickabout and Football Focus and upcoming programmes the BBC Great Antiques Hunt and the final of the Young Apprentice both feature the Museum. An updated PR strategy is being put together with Brazen PR from August 2012 – March 2013.

Launch Event

Over 800 guests brought their unique 'red cards' (designed by the MCC creative team M4) along to a successful VIP launch event. The Museum's President Sir Bobby Charlton and Lady Charlton attended alongside Vice Presidents Sir Trevor Brooking and Sir Geoff Hurst. Gordon Taylor, Chief Executive of the PFA, top referee Howard Webb, and leading artist/illustrator Paul Trevillion were among many leading guests from the world of football, and a range of people from the media also attended, such as Blue Peter presenter Helen Skelton. Music was provided by Chetham's School of Music with all guests receiving a gift bag, sponsored by Selfridges and including a unique, limited edition National Football Museum t-shirt, specially designed by Umbro.

Website

The new website launched on the same day as the 100 day countdown (27 March) with a campaign to get visitors to the site to submit their own 'doodles', relating to any figure between 1 and 100. Over 300 people submitted doodles to the countdown, with prizes being offered on a weekly basis for the best doodle submitted for that week. Visits to the new site immediately increased from 200 a day to 1,000 over the first few days of the launch announcement.

Since the beginning of July there have been over 72,000 website visits, including a spike of over 7,500 visits on opening day (Friday 6 July). These visits have been made by over 55,000 individuals, with an average of over 4.5 pages per visit and average duration of 2 minutes 47 seconds spent on the site. In total the site has had over 326,000 page impressions.

68% of visitors arrive at the site via search engines, mostly using search terms 'national football museum', 'football museum Manchester' and similar. 19% of visits are referred from other sites, the most popular being Facebook, Twitter, VisitManchester.com and Wikipedia. Of the 12% of visitors who go directly to the site, the vast majority land on the homepage. 1,372 visits to the site began with the Football Plus registration page (with over 6,000 visitors to this page in total). The homepage accounts for 24% of all page views, with the Visit Us section providing 4 of the next 10 most popular pages. The Football Plus registration page is the 4th most popular on the site.

Banner advertising has been taken up by our hotel partners Park Inn, whose advert has been on pages which have received over 102,000 impressions, and has received over 350 clicks.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

Social Media

We saw a peak in new interest over the launch period and are seeing a steady growth in friends and followers on the two main social media platforms we use. Twitter (4,883 followers) and Facebook (166 new 'likes' since launch, up to 466 total with posts around launch event reaching 2,600 users)

Since the launch period, our twitter followers have clicked on our trackable links 972 times, with the 5 most popular articles posted being Manchester Confidential review of the Museum by a non-football fan, preview of the Museum in The Independent, photos of launch event on NFM website, article about All The Bells on NFM website, photos of launch events on museum Flickr page. The museum has been directly @mentioned approximately 1,000 times on twitter since launch. Our images on Flickr, a platform that we will look to develop, have been viewed 708 times.

Advertising

An extensive advertising campaign, supported by MCC and their in house creative team M4, started in June. The main focus of this was a city wide initiative, using the brand identity and key images to get the opening message across. Billboards, digital screens, banners, 'washroom advertising', 'four sheet' and 'six sheet' poster sites appeared around Manchester. This was supported by advertising at Piccadilly and Victoria rail stations and key regional stations, including Bolton, Chorley, Stockport and Liverpool Lime Street. Marketing Manchester provided 500 sites at underground stations in London. Print and website advertising (supported by editorial) included 442. When Saturday Comes, Manchester FA, Football Supporters' Federation and Primary Times Magazine.

Print & Distribution

A complete set of print has been produced, targeting the audiences we need to attract. This includes

- Groups – 5,000 leaflets produced for distribution at Great Days Out and in response to enquiries
- 'Teaser' postcard – 30,000 distributed around city centre and Greater Manchester in May. Outlets included other arts attractions, libraries, sports centres, bars, shops, cafes and pubs
- 'Family Friendly' flyer – 20,000 distributed July/August, at Manchester Piccadilly rail station, other arts attractions, libraries, sports centres, pre-school and nurseries in city centre and Greater Manchester. In school bags prior to school summer holidays in Manchester, Lancs and Cumbria
- What's On guide – 110,000 across Manchester and North West. Arts attractions, hotels, libraries, transport hubs. Also key locations in Cheshire, Derbyshire, Lancs, Yorkshire and Liverpool and key locations in London to coincide with Olympics (e.g. Euston station). Distribution continuing until November 2012
- Postcard – 'Manchester's most exciting new fixture' – 10,000 purely for hand to hand distribution in the city around transport hubs and key events (such as the Premier League Trophy Tour)

Other pieces of print include 'Become a Fan', Comments Card and Visitor Guide (£1), all distributed within the Museum. A temporary exhibition flyer is distributed externally and within the Museum.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

3.8 Commercial

The commercial team has developed a strategy and launched all areas of fundraising within the Museum – including corporate opportunities, sponsorship, individual giving and Trusts and Foundations

Following a successful pre-launch event in which we introduced the corporate and business sector to the breadth of opportunities to become involved with the Museum, we have worked to further develop these relationships to gain corporate support. There are a number of ways for companies to work with the Museum including corporate membership, sponsorship, advertising, corporate hospitality and events

All of these areas have had success pre opening and we have secured sponsorship and corporate partnerships with several commercial partners. We have sold advertising space in the Museum's Visitor Guide and on our website to further support our commercial activity

Individual Giving schemes were launched to coincide the opening of the Museum, with the opportunity for visitors to enjoy a closer association with the Museum by signing up to be a Fan or Super Fan. The schemes, which reflect a traditional museum's friend's scheme, are priced at £60 and £950 per annum respectively. The commercial team plan to develop the schemes further by having promotional days in which the team will spend time within the Museum, actively encouraging visitors to become members

The opening of the Museum has allowed the commercial team to work closely with the Learning and Communities team in order to support their projects and to find potential sources of funding through Trusts and Foundations. The NFM community projects which will launch post opening will provide additional potential CSR engagement

The Changing Exhibition programme will encourage support from the local business market and will be an area of income generation throughout the year

Individual donations are encouraged through the placement of several donation boxes throughout the Museum which subtly remind our visitors that entry to the Museum is free and their support through a suggested donation of £4.00 is much appreciated

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

Hall of Fame, Venue Hire and Events

We are currently proactively selling the Hall of Fame atrium space and galleries as an exclusive venue for evening events which range from product launches and dinners to Christmas parties and receptions. Notable events post opening include two VIP launches for NFM and a VIP reception for the USA and UK basketball teams after their pre-Olympic showcase matches at Manchester Arena.

Our catering partners The Crown Group, trading under their Kudos name, are developing the Museum Café and closely monitoring visitor feedback to ensure they maximize every opportunity to meet and exceed our visitor expectations and financial targets. The location of the Café is ideally situated to attract non museum visitors from the Cathedral Gardens neighborhood and local area.

The Kaleido Restaurant and Bar located on the 5th & 6th floor of NFM is also managed by our Kudos catering partners. A VIP and media launch is planned in September to coincide with the Manchester Food Festival.

The retail shop located within the Museum is being developed and we are closely monitoring visitor feedback. It is already proving to be highly popular with our summer visitors.

3.9 Leadership in the Museums Sector

The National Football Museum is increasingly asked to advise on best practice in the wider museums sector, including the globally rapidly-growing sports museums sector. The Museum's Director, Kevin Moore, is Chair of the organisation of the UK's sports museums, the Sports Heritage Network (SHN), which includes Wimbledon Lawn Tennis Museum, the World Rugby Museum, the MCC Cricket Museum, Lord's, the British Golf Museum, the River and Rowing Museum and the National Horseracing Museum. The SHN is recognised by the Arts Council as a Specialist Subject Network (SSN).

As the Chair of SHN Kevin Moore was the opening speaker at a one-day conference 'Moving the Goalposts Sport in Transition, 2012', held at Lord's Cricket Ground on Thursday 19 April. Speakers included Jonathan Edwards, former GB Athletics team captain Sir Menzies Campbell MP, Olympians Guin Batten and Liz McColgan, and a number of leading academic historians of sport including Professor Tony Collins. Sessions were chaired by BBC broadcaster John Inverdale. Over 100 people attended what was a highly successful event.

SHN has developed *Our Sporting Life*, a four-year celebration and exploration of the UK's unique sporting heritage, in the build up to the London 2012 Olympic and Paralympics. This involves thousands of people across the country in gathering memories and artefacts, and organising exhibitions and events. *Our Sporting Life* has been awarded the Inspire mark by LOCOG, MLA and the Arts Council have been highly supportive of *Our Sporting Life* and have provided funding support to assist the creation of community exhibitions of local sporting heritage at over 100 museums and other community venues across the country, from Cornwall to Northumberland. These exhibitions will attract a total audience of over one million people. Further details can be found at the dedicated website, www.oursportinglife.co.uk

SHN has been awarded £8,000 by the Arts Council for a scoping study on the development of sporting heritage in Britain, including the Paralympics, with a particular focus on collections in danger.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Business review (continued)

4 Operations

To successfully achieve all of the above a huge amount of work has gone into buildings and facilities management, HR and the development of financial systems and procedures. We have retained the services of the buildings facility management company, which, together with our Buildings Manager, have ensured that the building is a safe workable environment for all the employees as well as safe, comfortable and clean for the visitors. An enormous amount of time and careful planning went into the maintenance and cleaning of the building preopening and the subsequent schedule for maintaining the same level post opening. The building has been signed off by building control and has passed all the necessary fire & health and safety checks. All licensing is in place and adheres to local requirements.

Financial Policies & Procedures covering all operational cash handling, balancing and banking have been documented. These policies have been written to ensure that there is a complete segregation of duties throughout the cash cycle which concludes with the banking being collected from site by a security company, thus ensuring maximum safety throughout the process. Daily financial and statistics reports have been introduced to enable self auditing to take place, these daily reports make up a weekly financial forecast and assist with the completion of the monthly Profit & Loss. This enables the management team to make business decisions in a more effective and timely manner.

There is flexibility in all of the approaches to both Finance and Operations so we can easily adapt to any situation that arises in the future.

HR has included the recruitment and selection to build a full staffing complement of 68 staff, including part-time and casual staff. Over 1,000 applications were received for the new posts. Staff policies and procedures have been revised and updated and a new company pension scheme has been introduced.

Future Plans

The partnership with Manchester City Council guarantees the long term future of the National Football Museum in the North West and an exciting new public face of the Museum opened in the Urbis building in Manchester on 6 July 2012. This is a major new visitor attraction for the City of Manchester and the region and opens up the collection to a much wider audience.

The Museum will build on the success achieved to date, further developing the world's greatest football collection, and take the collection to an even wider audience across the country. NFM will also expand and develop its groundbreaking learning and social inclusion programmes, which use the power of football to reach and help all our communities.

The Museum will also continue to develop its international profile through its long-standing highly successful partnership working with FIFA and UEFA. The Museum will take the world's greatest football collection, including the FIFA Collection, to the world.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Financial review

General

The Financial statements for the Museum for the year ending 31st March 2012 highlight the continuing transitional arrangements of the move of the National Football Museum from Preston to Manchester. Manchester City Council will continue with a direct grant funding arrangement through to March 2013 pending completion of the long term funding arrangements. The Museum continued to generate some commercial income throughout the year.

Detailed

Total unrestricted income generated within the year was £1,956,879 of which £1,949,671 was received from Manchester City Council. The Museum met the balance of expenditure through small grants from other public bodies, and through small amounts of trading and charitable activities.

Accounts Structure

The accounting year end was altered to March 31st to bring us in line with Manchester City Council and most other major institutions. The format of the accounts has been changed over recent years to reflect the recommendations of the charity SORP. The management feel that these changes have enabled a better understanding of the accounts.

Funding Issues and Financial Management

The partnership with Manchester City Council allows funding through to March 2013 and will be superseded by a long term funding arrangement which ensures the Museum's future. With the opening of the new world-class National Football Museum at Urbis in Manchester 2012, the Museum is well placed to maximise opportunities for significantly increasing its commercial income both in Manchester and nationally and internationally, as outlined in the commercial business plan. The Museum, with the assistance of partners, has successfully navigated a course through a critical year. All Financial Policies & Procedures have been prepared and presented to management to protect the profitability of the Museum, reduce fixed costs and departmentalise the monthly figures, giving the managers more autonomy in preparation for the opening.

Going Concern

The trustees are aware of their responsibilities to assess whether there are significant doubts about the Museum's ability to trade as a going concern. At the date of approving the accounts the Trustees have been given assurances from Manchester City Council in respect of ongoing future revenue funding for the foreseeable future.

Subsidiary companies

The museum owns the whole of the issued share capital of The National Football Museum (Trading) Limited and The National Football Museum at Urbis (Trading) Limited, both companies registered in England and Wales. The subsidiaries undertake a number of commercial activities for the Museum. They include retail, catering, corporate hospitality, commercial sponsorship, image rights and licensing and publication royalties.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Heritage assets

The Museum holds fourteen distinct collections of major historical significance. Details of the individual collections are included within note 9 to the accounts.

Reserves policy

The Museum has a number of restricted funds, the majority of which relate to specific capital expenditure and collections. The purpose of these funds is detailed in note 15 in the financial statements and summarises the period's movements on each fund.

The Museum is striving to achieve general reserves equivalent to at least twelve months running costs in order to effectively manage unforeseen circumstances.

Risk management

The Museum has a Risk Management Strategy and Risk Register, which is reviewed regularly, at least on an annual basis.

Responsibilities of the trustees

The trustees (who are also the directors of the National Football Museum for the purposes of company law) are responsible for preparing the Trustees Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these accounts, the trustees are required to

- select suitable accounting policies and then apply them consistently,

- observe the methods and principles in the Charities SORP,

- make judgements and estimates that are reasonable and prudent,

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

THE NATIONAL FOOTBALL MUSEUM

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

Responsibilities of the trustees (cont)

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

In so far as the trustees are aware

there is no relevant audit information of which the charitable company's auditor is unaware, and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

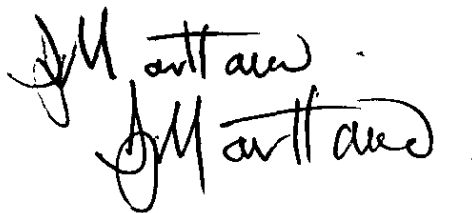
Auditor

Moore and Smalley LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report was approved by the board on 6/9/12 and signed on its behalf

Mr D Martland – Secretary

Sir Tom Finney Way
Preston
Lancashire
PR1 6PA



THE NATIONAL FOOTBALL MUSEUM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NATIONAL FOOTBALL MUSEUM

YEAR ENDED 31 MARCH 2012

We have audited the accounts of The National Football Museum for the year ended 31 March 2012 on pages 26 to 46. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Respective responsibilities of the trustees and auditor

As explained more fully in the Trustees Responsibilities Statement set out on pages 22 and 23, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the group and the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period 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.

THE NATIONAL FOOTBALL MUSEUM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NATIONAL FOOTBALL MUSEUM

YEAR ENDED 31 MARCH 2012

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial period for which the accounts are prepared is consistent with the accounts

Matters on which we are required to report by exception

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

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



Christine Wilson (Senior Statutory Auditor)
For and on behalf of
Moore and Smalley LLP
Chartered Accountants & Statutory Auditor

Richard House
Winckley Square
Preston
PR1 3HP

6/2/12

THE NATIONAL FOOTBALL MUSEUM

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2012

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Incoming resources					
Incoming resources from generated funds					
Grant and donations	2	1,949,671	42,995	1,992,666	936,603
Incoming resources from charitable activities	3	7,145	-	7,145	11,603
Interest received		63	-	63	24
Total incoming resources		<u>1,956,879</u>	<u>42,995</u>	<u>1,999,874</u>	<u>948,230</u>
Resources expended					
Charitable expenditure					
Costs in furtherance of charitable objects					
Costs of generating funds	4	14,175	58,955	73,130	116,792
Costs of Museum operation	4	1,663,882	181,139	1,845,021	924,271
Governance costs	5	46,033	-	46,033	32,886
Total resources expended	6	<u>1,724,090</u>	<u>240,094</u>	<u>1,964,184</u>	<u>1,073,949</u>
Net incoming/(outgoing) resources before transfers	7	232,789	(197,099)	35,690	(125,719)
Transfers between funds		(3,663)	3,663	-	-
Net incoming/(outgoing) resources for the year		229,126	(193,436)	35,690	(125,719)
Balances brought forward		<u>108,581</u>	<u>8,314,848</u>	<u>8,423,429</u>	<u>8,549,148</u>
Balances carried forward		<u>337,707</u>	<u>8,121,412</u>	<u>8,459,119</u>	<u>8,423,429</u>

The group has no recognised gains or losses other than the results for the period as set out above

All of the activities of the group are classed as continuing

THE NATIONAL FOOTBALL MUSEUM

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2012

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Fixed assets					
Tangible assets	8	197,627	7,009,729	7,207,356	7,221,970
Heritage assets	9	-	1,505,709	1,505,709	1,505,709
		197,627	8,515,438	8,713,065	8,727,679
Current assets					
Stocks		13,819	-	13,819	18,702
Debtors	11	265,720	5,549	271,269	133,600
Cash at bank and in hand		367,139	19,758	386,897	60,471
		646,678	25,307	671,985	212,773
Creditors: amounts falling due within one year	12	(506,598)	(19,333)	(525,931)	(117,023)
Net current assets/(liabilities)		140,080	5,974	146,054	95,750
Total assets less current liabilities		337,707	8,521,412	8,859,119	8,823,429
Creditors: amounts falling due after more than one year	13	-	(400,000)	(400,000)	(400,000)
Net assets		337,707	8,121,412	8,459,119	8,423,429
Funds					
Unrestricted funds	14	337,707	-	337,707	108,581
Restricted funds	15	-	8,121,412	8,121,412	8,314,848
		337,707	8,121,412	8,459,119	8,423,429

Approved by the Board of Trustees on 6/9/12

and signed on its behalf by

Mr P Dermody
Trustee - Chair

Trustee

Company Registration Number 3070670

THE NATIONAL FOOTBALL MUSEUM

BALANCE SHEET OF THE COMPANY (LIMITED BY GUARANTEE)

AS AT 31 MARCH 2012

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Fixed assets					
Tangible assets	8	197,627	7,009,729	7,207,356	7,221,970
Heritage assets	9	-	1,505,709	1,505,709	1,505,709
Investments	10	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		197,629	8,515,438	8,713,067	8,727,681
Current assets					
Stocks					-
Debtors	11	279,604	5,549	285,153	150,412
Cash at bank and in hand		<u>363,646</u>	<u>19,578</u>	<u>383,404</u>	<u>59,198</u>
		643,250	25,307	668,557	209,610
Creditors: amounts falling due within one year	12	<u>(503,172)</u>	<u>(19,333)</u>	<u>(522,505)</u>	<u>(113,862)</u>
Net current assets/(liabilities)		140,078	5,974	146,052	95,748
Total assets less current liabilities		337,707	8,521,412	8,859,119	8,823,429
Creditors: amounts falling due after more than one year	13	<u>-</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>
Net assets		<u>337,707</u>	<u>8,121,412</u>	<u>8,459,119</u>	<u>8,423,429</u>
Funds					
Unrestricted funds	14	337,707	-	337,707	108,581
Restricted funds	15	<u>-</u>	<u>8,121,412</u>	<u>8,121,412</u>	<u>8,314,848</u>
		<u>337,707</u>	<u>8,121,412</u>	<u>8,459,119</u>	<u>8,423,429</u>

Approved by the Board of Trustees on

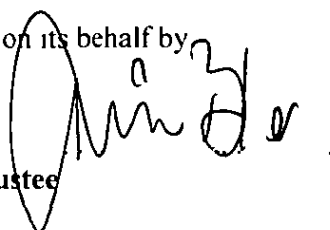
6/9/12

and signed on its behalf by

Mr P Dermody
Trustee - Chair



Trustee



Company Registration Number 3070670

THE NATIONAL FOOTBALL MUSEUM

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2012

	Note	£	2012 £	£	2011 £
Net cash inflow/(outflow) from operating activities	19		510,411		(40,991)
Returns on investments and servicing of finance					
Interest received			63		24
Interest paid			(66)		(65)
Capital expenditure					
Payments to acquire tangible fixed assets			(183,982)		(25,741)
Cash inflow/outflow before financing			326,426		(66,773)
Financing					
Net inflow/(outflow) from bank loans		-	-	-	-
Net inflow/(outflow) from other long term creditors		-	-	-	-
Net cash inflow/(outflow) from financing			-		-
Increase/(decrease) in cash	21		326,426		(66,773)

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of Schedule 1 of The Small Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Incoming resources

Grant and other similar income is credited to the statement of financial activities as it becomes due, gross of income tax where applicable. Restricted income relates to amounts which are received for a specific purpose and is matched to related expenditure in the statement of financial activities.

Grants relating to fixed asset purchases are credited in full to the statement of financial activities in the year in which they are receivable. This treatment is not in accordance with SSAP 4, however it does comply with the charity SORP, which the trustees consider to be most applicable. Where the obligation attached to the grant income is fully met by purchasing the relevant capital items, the fund balance is transferred to unrestricted funds.

Resources expended

Expenditure has been charged to the statement of financial activities on an accruals basis. Expenditure relating directly to the objects of the charitable group is allocated as costs of operating the museum with central administration costs allocated to the management and administration of the charitable group.

Exhibition costs which relate to short term or temporary exhibitions are expended in the statement of financial activities in the year in which they arise.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

1 Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant and office equipment	Over 3 years
Leasehold improvements	Over the remaining life of the lease
Permanent exhibition stands	Over 10 years

Exhibition costs which relate to long term museum exhibition stands and displays are capitalised in the balance sheet

Heritage assets

Heritage assets comprise collection items displayed throughout the Museum. Purchased items are capitalised and included at cost. Donated collection items are capitalised at their estimated market value.

It is the responsibility of the Museum to preserve collection items for the benefit of the nation and due to their nature they are expected to have a long life. Depreciation is therefore not charged on collection items which have been capitalised since this is deemed to be immaterial. Impairment reviews are carried out annually in respect of such assets.

Stocks

The cost of books, guides and publications produced are valued at the lower of cost and net realisable value.

Pension costs

The charitable group pays contributions to personal money purchase schemes for eligible employees and accounts for the amount due each year in the SOFA.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

1 Accounting policies (continued)

Fund accounting

Funds held by the charitable group are either

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees and have not been designated for other purposes

Designated funds - these are the funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charitable group. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the restricted income relating to the purchase of capital items is transferred to unrestricted funds in the statement of financial activities

2 Grants and donations

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
MCC grant	1,949,562	-	1,949,562	755,525
DCMS grant	-	-	-	78,839
Other grants and donations	<u>109</u>	<u>42,995</u>	<u>43,104</u>	<u>102,239</u>
	<u>1,949,671</u>	<u>42,995</u>	<u>1,992,666</u>	<u>936,603</u>

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Hall of Fame income	1,885	-	1,885	4,604
Miscellaneous	<u>5,260</u>	<u>-</u>	<u>5,260</u>	<u>6,999</u>
	<u>7,145</u>	<u>-</u>	<u>7,145</u>	<u>11,603</u>

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

4 Costs in furtherance of charitable objects

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Costs of generating funds:				
Purchases for resale	5,114	-	5,114	3,897
Hall of Fame costs	7,478	-	7,478	16,840
Cost of events and projects	<u>1,583</u>	<u>58,955</u>	<u>60,538</u>	<u>96,055</u>
	14,175	58,955	73,130	116,792
	<u>14,175</u>	<u>58,955</u>	<u>73,130</u>	<u>116,792</u>
Costs of Museum operation:				
Wages and national insurance	712,161	-	712,161	321,474
Pension costs	13,174	-	13,174	7,962
Training and education	12,920	-	12,920	8,201
Rent, rates and water	53,268	-	53,268	23,846
Heat & light	48,935	-	48,935	38,000
Insurance	15,511	-	15,511	13,454
Repairs and maintenance	23,323	-	23,323	15,312
Building contracts and services	278,528	-	278,528	-
Cleaning	4,197	-	4,197	5,004
Exhibition and marketing costs	181,250	-	181,250	106,722
Collections development costs	125,321	-	125,321	-
Telephone	21,908	-	21,908	7,812
Printing, postage and stationery	8,896	-	8,896	38,813
Motor and travel expenses	18,368	-	18,368	10,488
General expenses	34,459	-	34,459	21,166
Software support	18,070	-	18,070	2,621
Bank charges	974	-	974	77
Interest payable and similar charges	66	-	66	65
Legal and professional	75,096	-	75,096	57,924
Rebranding and relocation costs	-	-	-	26,284
Depreciation – leasehold improvements	-	164,224	164,224	113,892
Depreciation – permanent exhibitions	-	16,915	16,915	97,794
Depreciation – plant and equipment	<u>17,457</u>	<u>-</u>	<u>17,457</u>	<u>7,360</u>
	1,663,882	181,139	1,845,021	924,271
	<u>1,663,882</u>	<u>181,139</u>	<u>1,845,021</u>	<u>924,271</u>

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

5 Governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£
Wages and national insurance	16,384	-	16,384	6,676
Legal and professional	13,149	-	13,149	12,042
Audit and accountancy	15,270	-	15,270	13,147
Insurance	<u>1,230</u>	<u>-</u>	<u>1,230</u>	<u>1,021</u>
	46,033	-	46,033	32,886
	<u><u>46,033</u></u>	<u><u>-</u></u>	<u><u>46,033</u></u>	<u><u>32,886</u></u>

6 Total resources expended

	Staff Costs	Depreciation	Other Costs	Total Funds 2012	Total Funds 2011
	£	£	£	£	£
Direct charitable expenditure	725,335	198,596	994,220	1,918,151	950,912
Governance costs	<u>16,384</u>	<u>-</u>	<u>29,649</u>	<u>46,033</u>	<u>123,037</u>
	741,719	198,596	1,023,869	1,964,184	1,073,949
	<u><u>741,719</u></u>	<u><u>198,596</u></u>	<u><u>1,023,869</u></u>	<u><u>1,964,184</u></u>	<u><u>1,073,949</u></u>

The aggregate payroll costs were:

	2012 £	2011 £
Wages and salaries	649,513	299,019
Social security costs	79,032	29,131
Pension costs	<u>13,174</u>	<u>7,962</u>
	741,719	336,112
	<u><u>741,719</u></u>	<u><u>336,112</u></u>

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

6 Total resources expended (continued)

Particulars of employees

The average number of employees, calculated on a full-time equivalent basis, analysed by function was

	2012 £	2011 £
Research and collections development	10	5
Front of house	4	2
Management and administration	<u>7</u>	<u>6</u>
	21	13

One member of staff was paid an annual salary over £60,000 during the period (2011 none) No members of staff were paid an annual salary over £70,000 during the current period or previous year

The trustees received no remuneration from the charitable group A total of £332 (2011 £Nil) was paid to trustees in relation to the reimbursement of travelling expenses incurred attending trustee meetings

The cost of insurance to indemnify the trustees against the consequences of any neglect or default on their part amounted to £1,230 (2011 £1,021)

7 Net incoming resources

Net incoming resources is stated after charging

	2012 £	2011 £
Pension costs	13,174	7,962
Depreciation	198,596	219,046
Auditors remuneration	<u>15,270</u>	<u>13,147</u>
	227,060	240,155

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

8 Tangible fixed assets

Group and charitable company

	Leasehold Improvements £	Permanent Exhibitions £	Plant & Equipment £	Total £
Cost				
At 1 April 2011	8,959,449	2,183,630	121,705	11,264,784
Additions	<u>79,887</u>	<u>52,025</u>	<u>52,070</u>	<u>183,982</u>
At 31 March 2012	<u>9,039,336</u>	<u>2,235,655</u>	<u>173,775</u>	<u>11,448,766</u>
Depreciation				
At 1 April 2011	1,833,540	2,118,671	90,603	4,042,814
Charge for the year	<u>164,224</u>	<u>16,915</u>	<u>17,457</u>	<u>198,596</u>
At 31 March 2012	<u>1,997,764</u>	<u>2,135,586</u>	<u>108,060</u>	<u>4,241,410</u>
Net book value				
At 31 March 2012	<u>7,041,572</u>	<u>100,069</u>	<u>65,715</u>	<u>7,207,356</u>
At 31 March 2011	<u>7,125,909</u>	<u>64,959</u>	<u>31,102</u>	<u>7,221,970</u>

Apart from general plant and office equipment, all of the above fixed assets are used for direct charitable purposes

Leasehold improvements brought forward comprise all works carried out at the Deepdale Stadium in constructing the Museum, including the cost of acquiring the 60-year lease from Preston North End Plc for £1 975 million in March 2003. The vast majority of these improvements have been funded by the Heritage Lottery Fund and the Northwest Regional Development Agency.

Permanent exhibitions relate to the long term stands and displays within the Museum.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

9 Heritage assets

Group and charitable company

	Collection items £	Total £
Cost		
At 1 April 2011	1,505,709	1,505,709
Additions	-	-
At 31 March 2012	1,505,709	1,505,709
Net Book Value		
At 31 March 2012	1,505,709	1,505,709
At 31 March 2011	1,505,709	1,505,709

The National Football Museum holds fourteen distinct collections, each of which is of major historical significance in its own right. They include two collections relating to FIFA, football's world governing body, and the collection of the world's oldest Football Association and oldest Football League. Collectively they form the largest publicly held collection of football memorabilia in the world, totalling over 140,000 items. Items range in age from the 16th to the 21st centuries.

The Museum has a detailed Acquisitions and Disposal Policy, which has been approved by the Arts Council, the Government body responsible for promoting standards in museums.

The Museum has not capitalised the value of items added to the collections during the period. The Museum has comprehensive insurance for all the collections held, both those on loan and those which are owned by the Museum.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

9 Heritage assets (continued)

The following seven collections are owned by the Museum

The FIFA Museum Collection

This collection was acquired in 1999 from FIFA with the assistance of a grant from the Heritage Lottery Fund. It consists of over 4,000 items, reflecting all aspects of the history of English football, the ancient and medieval forerunners of the modern game, and also the development of the game around the world. The collection includes paintings, drawings and prints, photographs and posters, playing kit and equipment, metal sculpture, fine metal and ceramic decorative items, toys and games, books and ephemera.

The Peoples' Collection

This collection consists of over 6,000 items donated by hundreds of supporters, players and other individuals related to the game. It is tangible evidence of the extensive public support which the Museum has attracted. It offers an extraordinarily rich and diverse social history of the game and its role in English society throughout the twentieth century. A number of items in the Peoples' Collection are on loan.

The FIFA Book Collection

This collection of over 1,200 football books was purchased with the financial assistance of FIFA in 1998. The collection is particularly strong in terms of rare nineteenth century yearbooks and annuals, but also contains early histories of the game, club histories from the 1920's onwards, players' biographies and autobiographies, and football fiction from 1900 onwards.

The Harry Langton Collection

This collection, created by Harry Langton, the man who created the FIFA Museum Collection, was purchased by the museum in February 2000, with the assistance of a grant from the Heritage Lottery Fund. As with the FIFA Museum Collection, the material includes paintings, drawings and prints, photographs and posters, playing kit and equipment, metal sculpture, fine metal and ceramic decorative items, toys and games, and books and ephemera.

The Preston North End Football Club Collection

This collection consists of over 2,000 items reflecting all aspects of the club's history from the 1870s onwards, including trophies, medals, caps, jerseys, archive material and supporters' memorabilia.

The Sir Stanley Matthews Collection

This collection was purchased in 2001 with the assistance of a grant from the Heritage Lottery Fund. It consists of items relating to the career of one of the greatest English players of all time, including international caps, badges and associated information relating to Sir Stanley's club career and his international career with England.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

9 Heritage assets (continued)

The following collection was donated to the Museum in partnership with De Montfort University

UEFA Library Collection

UEFA's library collection of over 8,500 football books and reports donated to the Museum in partnership with the International Centre for Sports History and Culture (ICSHC) at De Montfort University, the world's leading centre of its kind

The following seven collections are on long term loan to the Museum, apart from a small number of items in the Football Association Collection, which have been donated. The loaned collections have not been capitalised within the accounts of the Museum

The Football Association Collection

This collection of over 1,600 items reflects all aspects of the history of the world's first football association, founded in 1863. The collection consists of trophies and awards from international tournaments, gifts to the FA marking international matches, painting and sculptures, photographs and archive documents. A small number of items in this collection have been donated and these items have been capitalised at their estimated market value

The Football League Collection

This collection of over 1,500 items reflects all aspects of the history and development of the world's oldest professional league, founded in 1888. It consists of trophies and medals, commemorative plaques, shields, pennants, banners, ceramics and glassware, framed photographs, presentation scrolls and artwork, and ephemera, including match programmes, original newspapers and Football League publications

The Littlewoods Pools Collection

The Museum holds on loan a collection of over 5,000 items relating to the history of the Littlewoods Pools. Littlewoods Pools has played a key part in the game, both through the significance of football pools in the social history of football since the 1920s, and also through the major investment in the game which has come from the Government's Levy on the football pools

In addition to the above collections David Gold, Chairman of Birmingham City Football Club, has kindly loaned to the Museum for display the oldest surviving FA Cup Trophy, which was used from 1896 to 1910

The Priory Collection

The National Football Museum has acquired on loan 300 outstanding items from one of the finest private sporting collections in the country, the Priory Collection. The loan includes outstanding artworks on a football theme and objects relating to world famous players and legendary matches

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

9 Heritage assets (continued)

The Bolton Wanderers Collection

The National Football Museum has acquired on loan objects from the Bolton Wanderers FC collection, which have gone on display in the permanent galleries of the Museum. The club, founded in 1874, was one of the twelve founder members of the Football League in 1888 and has remained in the league ever since. Among the loan of objects are early trophies such as the Bolton Charity trophy, in use from 1882 to 1905, and the Turton FC trophy from 1874. The loan also includes tickets and dinner menus from Bolton's FA Cup wins in the 1920s and a model of Burnden Park, Bolton's ground for 102 years before they moved to the Reebok Stadium.

Homes of Football Collection

More than 100,000 images by the nationally renowned photographer of football fandom, Stuart Roy Clarke, transferred to NFM under a 10 year loan agreement. The archive forms an unparalleled artistic record of English fans over the last 20 years.

Neville Evans Collection

The best privately owned collection of match shirts, medals and associated career material relating to famous players from English and Welsh football on long-term loan.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

10 Investments

<i>Charitable company</i>	2012 £	2011 £
The National Football Museum (Trading) Limited	1	1
The National Football Museum at Urbis (Trading) Limited	1	1
	<u>2</u>	<u>2</u>

The shares in the subsidiary undertakings are the charitable company's investment in The National Football Museum (Trading) Limited and The National Football Museum at Urbis (Trading) Limited, both companies incorporated in England and Wales. The investment represents a holding of 100% of the ordinary share capital in each of these companies.

11 Debtors

	2012 £	Group 2011 £	Charitable Company 2012 £	2011 £
Trade debtors	9,793	48,853	7,671	42,412
Taxation and social security	64,635	42,480	64,330	42,864
Gift aid receivable	-	-	8,123	808
Amounts due from subsidiary	-	-	8,188	22,595
Other debtors	3,137	4,191	3,137	4,191
Accrued income	89,352	4,014	89,352	4,014
Prepayments	<u>104,352</u>	<u>34,062</u>	<u>104,352</u>	<u>333,528</u>
	<u>271,269</u>	<u>133,600</u>	<u>285,153</u>	<u>150,412</u>

12 Creditors: amount falling due within one year

	2012 £	Group 2011 £	Charitable Company 2012 £	2011 £
Trade creditors	172,159	55,442	168,733	52,281
Taxation and social security	20,506	16,989	20,506	16,989
Obligations under finance leases	-	1,115	-	1,115
Deferred income	19,333	-	19,333	-
Accruals	<u>313,933</u>	<u>43,477</u>	<u>313,933</u>	<u>43,477</u>
	<u>525,931</u>	<u>117,023</u>	<u>522,505</u>	<u>113,862</u>

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

13 Creditors: amounts falling due after more than one year

	2012 £	Group 2011 £	Charitable Company 2012 £	2011 £
Chattel mortgage	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
	400,000	400,000	400,000	400,000
	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

The chattel mortgage from the Football Foundation originated in October 2002 with a £300,000 loan secured against two items in the FIFA Collection (combined value £325,000). In August 2003 the mortgage was further extended by £100,000 with security over another item in the FIFA Collection (value of £50,000). The chattel mortgage will only become repayable should the Museum cease to operate.

14 Unrestricted funds

	Group £	Charitable Company £
Balance at 1 April 2011	108,581	108,581
Net incoming resources	232,789	232,789
Funds transfers	<u>(3,663)</u>	<u>(3,663)</u>
Balance at 31 March 2012	<u>337,707</u>	<u>337,707</u>

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

15 Restricted funds

Charitable company

	Balance at 1 April 2011 £	Income £	Expenditure £	Funds Transfers £	Balance at 31 Mar 2012 £
HLF grant – capital	5,409,463	-	(113,802)	-	5,295,661
Collections fund	1,105,709	-	-	-	1,105,709
NWDA grant – capital	1,726,338	-	(62,202)	-	1,664,136
Other capital grants	28,928	-	(1,875)	-	27,053
Museums and Galleries Improvement Fund	5,514	-	(760)	-	4,754
UEFA donation	20,625	-	(2,500)	-	18,125
Football Foundation and Arts Council	3,271	28,220	(31,491)	5,550	5,550
Other grants and donations	15,000	14,775	(27,464)	(1,887)	424
Total restricted funds	8,314,848	42,995	(240,094)	3,663	8,121,412

The "HLF Grant – Capital" fund relates to capital grants received. This fund will be written off over the life of the fixed assets to which it relates by allocating a proportion of the depreciation charge each year.

The Collection Fund relates to amounts received towards the purchase of Collection items which are capitalised in the balance sheet. These assets are not depreciated and as such this fund will remain in perpetuity, which reflects the ongoing restriction.

The "NWDA Grant – Capital" and other grant funds relate to capital grants received in the year. The funds will be written off over the life of the fixed assets to which they relate by allocating a proportion of the depreciation charge each year.

The 'UEFA donation' fund relates to a donation consisting of LCD television screens, computer software and videos licences. This fund will be written off over the life of the fixed asset by the depreciation charge each year.

The 'Football Foundation and Arts Council' fund relates to a specific learning and community project called Streetspeak that will continue into the next financial year. All costs incurred for this project will be restricted and allocated against the fund.

Other grants and donations comprises various projects including Footie Plus, The Everlution Project, Our Sporting Life, Sports Heritage Network and Manchester Histories - The Language of Football.

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

16 Future plans

As detailed more fully in the Trustees Annual Report, the partnership with Manchester City Council guarantees the long term future of the National Football Museum in the North West and that an exciting new public face of the Museum will open in the Urbis building in Manchester in early 2012. This will be a major new visitor attraction for the City of Manchester and the region and will open up the collection to a much wider audience.

17 Company limited by guarantee

The National Football Museum is a charitable company limited by guarantee, having no share capital and governed by its Memorandum and Articles of Association dated 31 October 1996.

18 Subsidiary companies

The National Football Museum owns the whole of the issued capital of The National Football Museum (Trading) Limited and The National Football Museum at Urbis (Trading) Limited, both companies registered in England and Wales.

The National Football Museum (Trading) Limited is used to generate sponsorship and promotional income for the charitable company. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the charity. A summary of the results of the subsidiary is shown below.

	2012 £	2011 £
Turnover	6,845	10,715
Cost of sales	<u>(5,649)</u>	<u>(9,589)</u>
Gross profit	1,196	1,126
Administration expenses	<u>6,927</u>	<u>(318)</u>
Net profit	8,123	808
Gifted to charity	<u>(8,123)</u>	<u>(808)</u>
	-	-

The aggregate of the assets, liabilities and funds was

	2012 £	2011 £
Assets	19,739	26,950
Liabilities	<u>(19,738)</u>	<u>(26,949)</u>
Funds (representing 1 ordinary share of £1)	<u>1</u>	<u>1</u>

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

18 Subsidiary companies (cont)

The National Football Museum at Urbis (Trading) Limited was incorporated on 22 February 2011 and has not yet commenced trading

The aggregate of the assets, liabilities and funds was

	2012 £	2011 £
Assets	1	1
Liabilities	-	-
Funds (representing 1 ordinary share of £1)	1	1

19 Reconciliation of changes in resources to net cash inflow from operating costs

	2012 £	2011 £
Net outgoing resources	35,690	(141,989)
Interest received	(63)	(24)
Interest paid	66	65
Depreciation	198,596	219,046
(Increase)/decrease in stocks	4,883	(6,645)
(Increase)/decrease in debtors	(137,669)	(84,891)
(Decrease)/increase in creditors	408,908	(26,553)
Net cash (outflow)/inflow from operating activities	510,411	(40,991)

20 Reconciliation of net cash flow to movement in net debt

	2012 £	2011 £
(Decrease)/increase in cash in the year	326,426	(66,773)
Cash flow from movement in net debt	-	-
Movement in net debt in the year	326,426	(66,773)
Net debt at 1 April 2011	(339,529)	(272,755)
Net debt at 31 March 2012	(13,103)	(339,528)

THE NATIONAL FOOTBALL MUSEUM

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2012

21 Analysis of changes in net funds

	1 April 2011 £	Cash flow £	31 Mar 2012 £
Cash at bank and in hand	60,471	326,426	386,987
Debt due within one year	-	-	-
Debt due after one year	<u>(400,000)</u>	<u>-</u>	<u>(400,000)</u>
Net (debt)/funds	<u>(339,529)</u>	<u>326,426</u>	<u>(13,103)</u>