

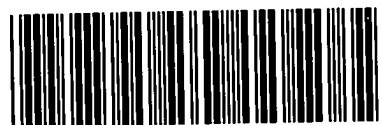
Registered Company Number: 3876305

Registered Charity Number: 1079309

THE FOOTBALL FOUNDATION

Annual Report and Financial Statements
for the year ended 31 May 2023

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Annual Report and Financial Statements for the year ended 31 May 2023

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The Football Foundation - Trustees Report Structure Governance and Management

Trustees and Directors

The Trustees and Directors of the company who were in office during the year and up to the date of signing the annual report were:

M R Glenn (Chairman)
P D G McCormick OBE
J D Pearce
J C Bird
W M Bush
T Hollingsworth
M W Bullingham
K Taylor
E Narozanski

Chief Executive

R J Sullivan

Company Secretary

J Goodman

Registered office

Wembley Stadium
Wembley Park
London
HA9 0WS

Independent auditor

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Solicitors

Bates Wells
10 Queens Street Place
London EC4R 1BE

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

The Football Foundation - Trustees Report Structure Governance and Management

The Trustees, who are also Directors of the company for the purposes of the Companies Act, present their annual report and the audited consolidated financial statements for the year ended 31 May 2023 (FY23).

The Trustees have referred to the Charity Commission's guidance on reporting on public benefit (section 4 of Charities Act 2011) when reviewing the Charity's aims and objectives, and when planning the Charity's activities. The Trustees are therefore content that the Charity meets the public benefit requirements.

The information with respect to Trustees, Directors, Officers and Advisers set out on page 3 forms part of this report. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Status and administration

The Football Foundation is a charitable company limited by guarantee, incorporated in the United Kingdom in November 1999 as The Football Trust Charitable Trust, changing its name to The Football Foundation (the Foundation or Charity) in April 2000 (company registration number 3876305) and registered with the Charity Commission (Charity number 1079309). The Football Foundation's Memorandum and Articles of Association detail the charitable objectives.

The other company included within the Group is the non-charitable wholly owned trading subsidiary The Football Foundation Trading Limited (FFTL), which was incorporated in April 2001 (company registration number 4202574).

The report and consolidated financial statements for the year ended 31 May 2023 relate to the total activities of the two legal entities.

The Football Foundation receives funding from three Partners: The Football Association (The FA), the Premier League and the Department for Culture, Media and Sport (DCMS).

The Foundation does not raise any funds from the public nor enter into any fundraising activities.

The Football Foundation - Trustees Report Structure Governance and Management

Structure, governance, and management

The Foundation is governed by its Memorandum and Articles of Association dated 6 August 2020.

Trustees

The Trustees and Directors were appointed to the Board as follows:

Independent Chair	Appointed by the Board of Trustees for a three-year term
The FA	Two Trustees
Premier League	Two Trustees
Sport England	One Trustee
DCMS	One Trustee
Independent	Two Trustees

The Board supports the principles of good governance set out in the Code for Sports Governance and the continuous improvement model which the Code promotes. During the year ended 31 May 2023, the Board continued to work with Sport England to deliver an action plan to support the full transition to the Code.

During the year ended 31 May 2023 there was no change in our trustees and these are as detailed on page 3. The process for any new Trustees is that they undertake a structured induction process including one-to-one meetings with the Chair of the Board and CEO and are offered the opportunity to visit a Foundation-funded facility. The Board receives relevant training, including legal and regulatory updates, on a periodic basis.

The Foundation is committed to develop a membership that is as inclusive as possible, and which effectively represents the broad, diverse constituency that the Foundation is looking to support. The aim is therefore to bring together a diverse, informed body of individuals. As a recipient of public funding, 25% of the Foundation's Board of Trustees are to be Independent Non-Executive Trustees (INET). INETs are initially appointed for a three-year term and are limited to serving two additional terms of three years (a max of nine years), before being required to step down.

The Trustees may appoint an independent, non-executive Chairperson for a period of up to three years, after which they can be reappointed. M R Glenn was appointed as Chairman on 1 January 2020 for three years and renewed for an additional three years on 1 January 2023.

Qualifying third party indemnity insurance for the benefit of all of the Trustees was in force throughout 2023 and continues to be in place.

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Football Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial

The Football Foundation - Trustees Report Structure Governance and Management

statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In the case of each Director/Trustee in office at the date the Report of the Trustees is approved, that:

(a) so far as the Trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and

(b) he/she has taken all the steps that he ought to have taken as a Trustee to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Chief Executive

The Chief Executive is responsible to the Trustees for the operational efficiency and effectiveness of the Foundation within defined policy. The Chief Executive reports to the Chairman.

Organisation

The Board of Trustees administers the Foundation and meets on a quarterly basis. The Trustees have an established panel to review and award grants in accordance with delegated financial authority granted by the Trustees, or to make recommendations to the Trustees in respect of applications to the various grant streams managed by the Foundation. The panel is made up from representatives of the Funding Partners (The FA, the Premier League, and the Government) and includes unpaid independent members, who bring specific expertise, knowledge and experience.

The Audit, Remuneration and Governance Committee is independently chaired by M Kirkby. The Committee has responsibility for remuneration of key management personnel and consideration of remuneration policy and governance. The Committee reviews the benchmarks

The Football Foundation - Trustees Report Structure Governance and Management

and parameters used by the Foundation Executive team to identify any employees who may be receive an exceptional pay rise based on their performance and benchmarking. The Committee meets four times a year and has its decisions ratified by the full Board.

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of likely future developments, risks in relation to financial instruments, engagement with employees, suppliers, customers and others and carbon reporting disclosures.

The Football Foundation – Strategic Report

Strategic Report

Chairman's foreword

Following a year of scaling up for growth, the Football Foundation (the Foundation) kicked off its biggest ever year of support for grassroots sport since it was founded by the Premier League, The FA and Government in 2000.

Our expected Grant Giving Budget for FY23-25 is £326m and for FY23 specifically this was £94.5m, of which £54.8m was committed towards Football Turf Pitches (FTPs), Changing Room and Clubhouse works and our Hubs programme, with an additional £12.5m going towards improving grass pitches, £8.1m towards small grants (such as goalposts, machinery & fencing), £4.2m to our new Football Foundation PlayZones programme, £0.2m to Grass Pitch Maintenance to support multi-sport activities, £2.1m towards the Active Through Football Scheme and this left £12.6m uncommitted which is being brought into our FY24 commitment targets.

Whilst it has been another successful year, delivering these brilliant facilities was not without its challenges; most significantly, the continued rise in project costs faced by the whole industry due to the cost inflation for raw materials. As we have done in FY23 we will continue to monitor this closely throughout FY24, all the while ensuring our funding is maximised to deliver great outcomes for communities up and down the country.

Last August the Foundation announced its commitment to invest 40% of its funding into multi-sports projects that support both football and at least one additional sport, such as rugby, cricket, netball and basketball by 2025. We were joined by international team coaches and players from Rugby League, Rugby Union, cricket and football along with players from Brentford FC Community Trust to launch our multi-sport commitment at the impressive sports hub at Gunnersbury Park in West London.

This commitment, coupled with our pledge to invest 50% of our funding into the 40% most deprived and inactive communities, has meant a renewed focus for a refresh of our Local Football Facility Plans - a programme of work that will continue into FY24.

These Plans are a 'shopping list' that drives our investment, and as such it is vital the Foundation keeps these up to date to ensure we are truly providing the grassroots facilities that each community needs. Whether that is more floodlit 3G football turf pitches (FTPs) so people can play in all-weather and at any time of day, better quality grass pitches to ensure fewer games are cancelled or postponed, or more quality changing rooms and community hubs that improve the experience of playing football. We must also ensure these are accessible and welcoming to all, and a place where people come together.

As ever, I continue to take great pleasure in visiting communities who have felt the positive and long-lasting impact of Foundation grant awards. I've seen many facilities across the country, including a visit to Swindon Town Football Club's Foundation new 3G FTP and pavilion, swiftly followed by a trip to the Forest Sports Zone in Nottingham. Most recently, I enjoyed being at the Racecourse Playing Fields in Derby to mark the start of works there on a new community hub. I look forward to seeing how this site, among many others progress over the coming year.

This year the Foundation sadly fell victim to fraud – the team at the Foundation identified some suspicious activity and acted quickly to involve the relevant authorities. This was an unpleasant experience for the Foundation team and the Board, and I credit their quick actions in recouping the majority of the money and securing a rapid conclusion to the case.

Thank you to the team at the Foundation who have worked hard this year to successfully deliver outstanding projects whilst inducting new team members, reacting quickly and efficiently to cost increases and continuing to deliver facilities and introduce new grants and programmes to

The Football Foundation – Strategic Report

ensure the Foundation continues to deliver great places to play for communities up and down the country.



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Martin Glenn, Chairman of the Football Foundation

The Football Foundation – Strategic Report

CEO's introduction

It continues to be a privilege leading the Foundation in this its biggest year to date of supporting the grassroots game. Last year was about scaling up to deliver the grassroots facilities that every community up and down the country needs and deserves. This year has seen us kick start our work in earnest, delivering on the Foundation's ambitious targets, including our multi-sport and levelling up commitments.

We started the development of our Football Foundation PlayZones programme and funded more Active Through Football projects, extending our place-based approaches to getting people playing football. We have extended our grass pitch maintenance support to ensure more community grass pitches are being improved, updated our guidance documentation to provide the best support we can to clubs and facilities as they look for the funding they need, and reviewed our 3G football turf pitch (FTP) framework to ensure we are providing the very best pitches to communities. In a challenging operating environment where costs have continued to rise there have been hurdles to overcome, but we are confident in our position as we head in to FY24.

To ensure our investment is transformative in its outcomes and its impact has longevity, the Foundation has begun research into how it can support clubs and facilities to be more financially sustainable. We have been looking at innovative approaches to support clubs and facilities with loan schemes, club cost saving and income generating programmes, and a workforce volunteer programme.

An ongoing watch-out for the Foundation is the continued debate around the use of microplastics in 3G FTPs. Whilst we await the outcome of European Commission's recommendations on the placement of microplastics on the market, we are working with partners at other sport's national governing bodies, Sport England and members of Sports and Play Association (SAPCA) to research environmentally friendly alternative infill for 3G FTPs. The Foundation continued to lead the way in developing methods to mitigate infill leaving pitches.

In order to continue to attract increased levels of funding from the Premier League The FA and Government, it's crucial we're able to demonstrate value for money and meaningful impact of our work. Our research into demonstrating social return on investment has begun and we will be implementing a longitudinal research plan in early FY24. Alongside this, we continue to share the great stories from a wide range of people who have benefited from our grant awards to demonstrate our impact and inspire more people to apply for funding.

This year has seen a relaunch of our Equality, Diversity and Inclusion (EDI) plan, "Together For Football", which will support our team in its commitment to inclusion, to see diversity as a strength and further understand and reflect the communities we support.

This year a case of fraud hit the Foundation. It was an unpleasant experience and bitterly disappointing to see a few individuals trying to take valuable funds away from communities that need it the most. The cases were identified, reported quickly and the team has seen a positive resolution. I am pleased that our process and systems have done their job, in aiding our investigation into the fraudulent parties. We will not tolerate fraud and we will take action wherever we see it.

It has been a busy year all round – I have been out and about to facilities across the country to meet local MPs, Metro Mayors and local councillors so they can see for themselves the impact Foundation-funded facilities have on their local communities. We also held a drop-in session in Parliament alongside our funding partners which was attended by over 60 MPs – a great

The Football Foundation – Strategic Report

opportunity to talk them through the plans we have for their constituency and the value of continued investment into these incredible facilities.

We launched our multi-sport commitment, which included extending our PitchPower app to other grass sports and celebrated our biggest year yet of support for grassroots clubs and organisations. As we head into a summer of FIFA Women's World Cup football, we kicked off HERe to Play, our biggest ever commitment to delivering facilities that provide equal access to women and girls playing football across the country by opening our first Lioness legacy facility, *The Jill Scott Pitch* in Jarrow, shortly followed by *The Ella Toone Pitch* in Wigan.

All of these are a testament to our commitment to ensure we are delivering a sustainable transformation in the quality and inclusivity of grassroots facilities – helping to transform lives and communities the length and breadth of the country and making sure everyone has a great place to play.

RSullivan

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Robert Sullivan, CEO of the Football Foundation

The Football Foundation – Strategic Report

Purpose, objectives and focus

This Strategic Report covers highlights of the Football Foundation's priorities and performance during the past financial year (1 June 2022 to 31 May 2023). It also provides an overview of the priorities we have set to deliver in FY24 and beyond.

The Football Foundation

The Premier League, The FA and Government's Football Foundation is the largest sports charity in the UK. We unlock the power of pitches to transform lives and strengthen communities ensuring everyone has a great place to play regardless of gender, race, disability or place.

The Foundation receives money from the Premier League, The FA and the Department for Culture, Media and Sport, through Sport England. This is matched with partnership funding and awarded as grants to create high quality grassroots facilities that enable better games and attract more players, helping to transform communities.

Since 2000, the Foundation has awarded more than 24,809 grants to improve facilities worth more than £931m - including 1,075 artificial grass pitches, 11,621 natural grass pitches and 1,370 changing rooms. This has attracted an additional £1bn of partnership funding – totalling over £1.8bn investment in grassroots football so far.

Objectives and activities

The Foundation's charitable objectives, as stated in the governing document, are to promote all purposes recognised as charitable under the law of England and Wales from time to time through an association with sport. The Charity's current and ongoing objectives are:

- Put into place a new generation of outstanding facilities in parks, schools, colleges and universities;
- Provide capital and revenue support to increase participation in community football;
- Strengthen the links between football and the community, and harness its potential as a force for good in society; and
- Work with other charities to help achieve the Foundation's objectives.

Investment focus

The Foundation achieves its charitable objectives through directing investment into areas of greatest need and highest impact by awarding grants to organisations to refurbish or develop new facilities. It also provides the expert guidance and support that organisations might need to develop facilities or apply for funding.

The following types of grant funding are available:

- **Football Foundation funding – Large and small grants**, covering everything from 3G football turf pitches and changing facilities to goalposts and machinery.
- **Football Foundation Hubs programme** – A portfolio approach investment model providing an area-wide solution. Each Hub has a network of 3G football turf pitches, grass pitches, catering, changing facilities and social spaces.

The Football Foundation – Strategic Report

- **Active Through Football** – A Sport England Programme, funded by The National Lottery and delivered by the Foundation. Working with communities to overcome barriers and help local people get active. Active Through Football funding from Sport England is restricted to the operational costs to run the programme and the revenue grants to the applicants.

Local Football Facility Plans

The Premier League, The FA and Government's Football Foundation aims to deliver thousands of new pitches, while also investing in the improvement of existing grass pitches and off-pitch facilities across the country. To guide this investment, we have divided the country into 317 regions with a bespoke Local Football Facility Plan created for each local authority in England, highlighting the facilities and work required in each area.

The first generation of local plans provided a strong starting point in providing the grassroots facilities that every community needs and deserves. The Football Foundation recognises community need changes, and along with our new multi-sport commitment, and our pledge to target those who will benefit from our facilities the most through investing 50% of our funding into the 40% most deprived and inactive communities, we are now working our way through the local plans to ensure they reflect the most up to date situation for each community.

Grass Pitch Improvement Programme

Even with the wider availability of 3G pitches, the majority of grassroots football is still played on traditional grass pitches. Improving these remains a priority for the Foundation. Working alongside The FA, we have developed the Grass Pitch Improvement Programme to ensure every affiliated football fixture is played on a quality football pitch and keep grassroots football where it started and still gets played - on grass. We aim to have improved 5,000 grass pitches to a 'good' quality standard by 2024 and 20,000 by 2030.

FY23 Objectives

FY23-FY25 priorities and plans

With the announcement in October 2021 that the Government was committing to a further £168m of funding for the Football Foundation over three years between 2023 and 2025, the Football Foundation Executive Leadership team committed to setting a 3-year plan. This gives the team focus through to end of May 2025.

For FY23-25 three main objectives across three key areas were identified to form the focus for the Football Foundation's work. Key priorities and projects identified for FY23 were:

Consolidate delivery

- To meet the new scale of investment in a challenging operating environment
 - Refresh of the Local Facility Football Plans
 - Develop and support the delivery of the Multi-sport Pitch Advisory Service
 - Football Foundation PlayZones programme roll-out
 - Grass Pitch Improvement Programme

Develop sustainability

- To ensure our investment is transformative in its outcomes and longevity
 - Office moves out of Eastbourne Terrace to Wembley Stadium
 - Governance and risk assurance review
 - Digital and Technology review and product development:
 - Update and enhance Football Foundation EDI plan

The Football Foundation – Strategic Report

Demonstrate impact

- Our investment demonstrates the outcomes we're looking to achieve, also with a view to attract the future funding we need
 - Case study content creation and sharing
 - Longitudinal impact research
 - Social Return on Investment

Key Performance Indicators

The Football Foundation KPI performance:

1. Investment KPIs

CATEGORY	TITLE	KPI	FY23 TARGET	ACTUAL
TACKLING INEQUALITIES	UNDER-REPRESENTED GROUPS	% OF PROJECTS ENGAGING WITH UNDER-REPRESENTED GROUPS	75%	92%
	REGIONAL LEVELLING UP	% OF FUNDING INTO 40% MOST DEPRIVED LOCAL AUTHORITIES	50%	49%
	WOMEN & GIRLS	% OF PROJECTS PROVIDING EQUAL OPPORTUNITIES FOR WOMEN & GIRLS	100%	100%
PITCHES	QUALITY PITCHES	NUMBER OF NEW QUALITY PITCHES	3385	4068
	ON/OFF PITCH	% OF FUNDING TOWARDS 'ON PITCH' ITEMS	75%	72%
MULTI-SPORT	VOLUME	% OF PROJECTS ADDING VALUE THROUGH MULTI-SPORT OUTCOMES	33%	69%
	VALUE	% OF PROJECTS ADDING VALUE THROUGH MULTI-SPORT OUTCOMES	33%	67%
CLUBS & COMMUNITY ORGANISATIONS	INVESTMENT	% OF PROJECTS INVESTED IN, OR BENEFITTING, CLUB & COMMUNITY ORGANISATIONS	36%	54%

All targets were achieved or surpassed in FY23 except for 'On/Off Pitch' and 'Regional Levelling Up' which finished 3% and 1% below target. This is primarily due to the cost of non-pitch elements on large 'mixed' projects and a handful of PlayZones projects being deferred into FY24 that would have improved both KPIs.

The Football Foundation – Strategic Report

2. Business Operations KPIs:

CATEGORY	TITLE	KPI	FY23 TARGET	ACTUAL
EFFICIENCY	GRANT COMMITMENT	% OF COMMITTED GRANT BUDGET (AGPs, Hubs, Changing Rooms, PlayZones, Small Grants and AGP Framework Grant Commitments)	95%	97%
	OPERATIONAL EFFICIENCY	% OF OPERATIONAL COST (excl cost of grant giving) VS TOTAL FUNDING	<9%	7%
PEOPLE & CULTURE	TEAM SATISFACTION	% OF TEAM WHO ARE SATISFIED AND ENGAGED	73%	81%
	EDI	A COMBINED SCORE OF INTERNAL ACTIONS & ATTITUDE TOWARDS EDI	80%	N/A
APPLICANTS & STAKEHOLDERS	THE FOUNDATION EXPERIENCE	% OF SATISFACTION WITH THE FOUNDATION EXPERIENCE	80%	N/A
	AWARENESS & ATTRIBUTION †	% OF AWARENESS AND ATTRIBUTION OF FUNDING PARTNER INVESTMENT WORK AMONGST TARGET AUDIENCE	80%	75%

The EDI and The Foundation Experience were under review at the Foundation and new proposed targets and measurements were being assessed and are being taken to the Board of Trustees' meeting in September 2023.

Core Grant Pipeline

During FY23, the Football Foundation awarded more than 2,100 core grants valued at over £81 million. A breakdown of the core items they delivered are shown in the table below (which does not include our framework costs).

GRANT CATEGORY	£25K+	Small Grants	Grass Pitches	PlayZones
GRANTS ISSUED	80	1,742	311	30
GRANT VALUE	£53.4m	£8.5m	£12.4m	£5m
DELIVERY	60 AGP's 41 Changing Pavilions 3 MUGA's	1,242 Goalposts 176 Floodlights 74 storage containers 57 Fencing 38 Grass pitch Equipment 28 Changing pavilion refurbishments	Increased number of new quality pitches to 3852 to 30th April;	30 new PlayZone facilities

The Football Foundation – Strategic Report

Achievements and performance

Delivering Brilliant Programmes

Active Through Football – Launched in summer of 2020, the Active Through Football programme from Sport England, funded by the National Lottery and delivered by the Football Foundation, sees the delivery of targeted revenue investment through a 'place-based' approach. Its aim is to increase activity levels and create sustained behaviour change amongst those facing the greatest inequalities to getting active. Following the successful launch of the programme, further investment has been secured to support an additional 12 places in England. The 25 projects are fostering creative and innovative partnerships with community organisations.

As of mid-April 2023, the programme has delivered 6,770+ sessions over 114,440+ hours, engaged with 5,900+ participants, who have attended a total of 75,000+ times. Over 2,280 participants had never played football before (39%), 1,140+ hadn't played since school (19%) and 1120+ had previously played as an adult but stopped (19%). This total 4,820+ people starting to play or re-engaging with football at just over 77% of the total programme participants. Over 70% of people engaged in the programme would be classed as 'inactive' when they joined (2 days a week of physical activity or less).

*Despite being the nation's favourite game, some communities face cultural, physical and financial barriers to playing football and getting active. **Active Women in Leicester** is an Active Through Football project helping to tear down these barriers by supporting local women to experience all the benefits of sport.*

Active Women is specifically aimed at women aged 18 to 62, predominately from Somali and South Asian communities in the St Matthews and St Peters wards of Leicester. Many of these women have been on a journey with the programme, starting out with a fear of football and facing cultural barriers to getting active for most of their lives. Now, these women feel a sense of ownership over the project, with some going on to complete their coaching badges and finding employment with Leicester City in the Community - the Lead Organisation on the project.

Rukhsana Hussain, Co-ordinator, Active Women in Leicester: "The Active Women in Leicester project started with a passion to get women active through sport. It's so important because we haven't had anything like this in the community already."

Mumtaz Patel, an Active Women in Leicester participant: "Sport has been really energising for me. I never used to like sports and I never imagined playing football and now I can't stop playing it."

Football Foundation PlayZones – work to build the 3-year pipeline is progressing well. The design and branding of PlayZones has been signed off and project Development Grant awards have now been made to over 20 areas that submitted an Expression of Interest as part of phase one of the programme. Tender for a construction partner has resulted in a framework being developed for PlayZones as well as a smart access provider. The Football Foundation will celebrate the opening of the first Football Foundation PlayZone in FY24.

Energy Support Programme – The rising cost of energy has been very challenging for grassroots football. This, coupled with an ongoing responsibility to protect the environment, means there is a very clear case to reduce energy use. The Football Foundation launched the Energy Support Programme to support grassroots clubs and organisations to maximise their energy efficiency and therefore improve their financial and environmental sustainability. A total of £6 million was made available across two funds – The Energy Fund and The Floodlight Fund. In addition to this, the Foundation has designed guidance specifically for football clubs that will provide some useful tips and guidance to help reduce energy costs.

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Grass Pitch Programme – The Quality Pitches Key Performance Indicator target for FY23 was exceeded and hit 6,019 against a target of 5,697.

PitchPower continues to be a success with over 4,000 football sites' details submitted, over 6,000 unique reports created and over 20,000 cumulative pitch inspections carried out.

In December Trustees agreed to the expansion of **Grass Pitch Programme** to include Town and Parish Councils as well as educational establishments – this has since been launched with a series of webinars with applications from each of those sectors already starting to come in.

Thanks to investment from the Premier League, The FA and Government's Football Foundation and hard work from volunteers at the Broughton Community and Sports Association (BCSA), community access to quality grassroots sports facilities in the area has been transformed.

The Phil Grundy Sports and Community Centre – which is owned by the Council and maintained by local charity, BCSA – is a hub for sport in Broughton, providing opportunities for the local community, particularly the younger generation, to get active and have fun.

However, when BCSA took over the maintenance of the grass pitches at the site, they were in a serious state of disrepair. The ground suffered from a serious chafer grub issue which resulted in severe grass damage, leaving most of the surface was unplayable.

With the help of a £19,000 grant, BCSA were able to purchase much needed grass pitch maintenance machinery to help the volunteer grounds team, headed up Chair of Trustees, Sean Clixby, maintain their grass pitches.

Then in 2020, BCSA secured a Grass Pitch Maintenance Fund grant worth £46,000 to support the improvement and upkeep of their grass pitches.

The Home Advantage Programme – Local authority pilots for The Home Advantage Programme (an asset transfer scheme) have taken place before expressions of interest are launched in FY24.

Consolidate Delivery

Local Football Facility Plan Refresh - The Foundation is continuing its phased refresh of the Plans in line with the agreed investment priorities, taking multi-sport and Levelling Up agenda into consideration. Internal Delivery Teams are reviewing this alongside County FAs to agree a final list of Local Authorities that will begin this refresh and the priority order.

Multi-sport Pitch Advisory Programme – Following the PitchPower multi-sport launch in August, PitchPower is now in use across football, Rugby Football Union, Rugby Football League and cricket with over 300 multi-sport sites submitted for inspections. The Multi-sport Grass Pitch Maintenance Fund launched in April 2023 meaning for the first time the Foundation is supporting rugby union and rugby league clubs to improve and sustain their grass pitches by processing their applications.

StadiumPower, the Ground Grading App – Following an 18-month period of consultation across 2022 and 2023 and extensive research with key stakeholders across the game, it has been agreed that from this summer, the Premier League Stadium Fund will begin collecting ground-grading data for The FA at all of the stadiums used within the National League System. The process will be digitised for the first time since the ground-grading process was introduced over 15 years ago through the creation of a new digital tool – StadiumPower. StadiumPower will

The Football Foundation – Strategic Report

provide far greater insight about stadiums which will help ensure the League's investment is directed where it is needed the most and will launch in September FY24.

With additional Government funding and the requirement to meet public procurement regulations, a comprehensive review of our procurement strategy was undertaken, and updated procurement policies have been introduced.

Develop sustainability

EBT and future of office working – FY23 saw the Football Foundation move from offices at Eastbourne Terrace into space at Wembley Stadium.

Equality, Diversity and Inclusion (EDI) Action Plan – The appointment of a new EDI Lead at the Football Foundation this Spring saw the launch of the refreshed Football Foundation's EDI Action Plan – *Together For Football*. Procurement for organisation-wide EDI training has begun ahead of a roll out in FY24.

Governance and Risk Review – As part of the FY23 Plan, we agreed to undertake a review of our governance and risk procedures to ensure we are meeting best practice from both a Charities Commission and Sport England Code for Sports Governance perspective. The review concluded that we are compliant with the codes however it has been agreed to adopt certain optional areas to enhance governance. This work continues into FY24.

Alternative Infill Solution – Whilst waiting for the European Commission's decision on the future sale of micro plastics, the Football Foundation continues to lead the way in identifying potential alternative infill solution. Construction of a test hub in Sheffield is underway to trial organic infills for football turf pitches. Concurrently, the Football Foundation is working alongside industry partners and UK and European stakeholders to help find alternatives and engaging with UK REACH to aid their understanding of future legislation and current risks of alternative solutions and to try to obtain agreement that existing pitches can continue to use rubber crumb until the end of the usable life of current surface – 'Controlled Transition'. The Foundation continues to work with partners across the UK and Europe to research and mitigate against the spread of infill into the environment and is also exploring further research projects in a bid to understand the potential for installation of a non-infill solution, such as introducing design changes to 3G pitches.

Demonstrate Impact

Data and Insight Review – Following the scaling up of the organisation in FY22, the Football Foundation undertook a review of its IT infrastructure to ensure its fit for an organisation of its size. A full technology road map has been drawn up alongside a full assessment of its governance approach, data governance, preferred products, cyber and GDPR and resource plan.

Post-Award Assurance Support and Research – A full year end evaluation of the post-award support and assurance process for FY22 took place throughout the early months of FY23. This was then followed by a full review of the requirements, criteria, processes and policies related to these processes to identify opportunities to improve their efficiency and to propose recommendations for FY23. A full set of organisational objectives for the Post-Award Assurance Support and Research for FY23 has been drawn up and in conjunction with County FAs, we have identified a list of priority projects for Support Days and Support Day Lites.

Social Return on Investment – FY23 saw the findings of a study by 4Global on the Social Return On Investment (SROI) of Football Foundation partner funding. These findings have been used alongside the Foundation's own annual site survey data and information from The FA to calculate usage numbers at Foundation-funded sites. By combining this detail with 4Global's

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SROI model (developed by Sheffield Hallam University), we are now able to better measure the impact we are delivering. This insight will be a vital part of delivering our strategic mission to demonstrate our impact and secure additional future funding.

Financial Review

The consolidated statement of financial activities for the year is set out on page 33. A summary of the financial results and the work of the Charity are set out below

Income generation

The income of the Foundation is comprised primarily of donations from football and sport related organisations, with an additional amount of interest earned on cash and investment balances. Donations received during the year were £101.9m (2022: £77.9m). In addition, the Foundation received income of £1.3m (2022: £0.7m) from The Football Stadia Improvement Fund Limited to cover salaries and other administrative costs incurred on the company's behalf. There were no other income generating activities carried out by the Charity during the year.

Donations from the Premier League, The FA and the Government (through Sport England) are accounted for on a receivable basis in the year in which the income falls due.

Operating Expenditure

The operating expenditure of the Foundation is comprised primarily of grants payable (including specific grant legal costs and AGP framework costs) of £81.0m, with additional expenditure items such as direct staff costs £3.3m, and other support costs £6.1m (such as consultancy support and recruitment and training).

Grants committed

In the last 12 months the Foundation awarded grants with a total value of £81.0m (2022: £94.5m). Grants outstanding at the 31 May 2023 totalled £150.1m (2022: £122.8m).

The movement in funds in the year reflects the balance between income recognised and the grants awarded.

The Foundation awards the grant to the applicant once the assessment of the application is complete, and this award is the trigger for the project to start. Grants are then paid when the applicant is able to claim their costs, which must include a paid or partially paid invoice as evidence of the costs incurred. A single grant can be covered by a single or multiple claims and is dependant on how the applicant incurs the invoices and how often they wish to claim.

FUNDS

Funds increased by £15.7m to £20.5m. These funds comprise of two elements: unrestricted funds and restricted funds.

Each of these categories are described as follows:

Unrestricted funds

Unrestricted funds are those funds that we can use for any activity that meets our charitable objectives. At the end of 2023 unrestricted funds amounted to £18.2m (2022: £2.0m)

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Unrestricted funds comprise of two types of reserves: general and designated funds. There were no designated funds in 2022 or 2023.

The increase in unrestricted funds from £2.0m in 2022 to £18.2m in 2023 was due to the Foundation receiving more funding from our Funding Partners in comparison to the new grants offered by the Foundation.

Restricted funds

These are unexpended funds that have been donated to Football Foundation with specific conditions attached to their use. As at 31 May 2023 restricted funds were £2.3m (2022 £2.9m). These cover areas such as Active Through Football, Sport England Core Funding, Sport England multi-sport funding, Lawn Tennis Association support funding, Rugby Football Union funding towards multi-sport work and The Football Association Post Event Assurance funding.

Reserves Policy

It is the Foundation's policy that the aggregate of grants awarded will not exceed known current and future funding therefore the present Reserves Policy is to hold reserves at a level to cover the Foundation's operations for three months in the event of a major fall in income or unforeseen expenditure while plans to replace income or change activities are put in place. Given these requirements the Trustees consider the target for unrestricted funds should be no lower than £0.6m. The level of free reserves as at 31 May 2023 is £17.4m. The level of free reserves is significantly higher than our target of £0.6m, this is due to the Foundation not meeting their grant commitment targets in FY23, therefore, this under commitment has been carried forward into FY24's commitment targets, which if reached will bring us closer in line with our reserves target. Should there be any indication of a cessation of funding to any major extent the Foundation would have to implement an exit strategy that would allow all grant awards to be honoured, including the provision for sufficient staff to remain in place to meet such a requirement. Given the cyclical nature of the Foundation's funding, the Trustees will investigate with the funders an approach that will give a greater certainty to future funding and, where necessary, may include an exit strategy that will ensure operating costs are met. This Foundation Reserves Policy statement is reviewed on an annual basis.

Balance sheet

The Foundation's net assets at 31 May 2023 were £20.5m (2022: £4.8m); principally comprising cash and other investments of £107.2m, amounts due from the Funding Partners of £62.5m, other debtors of £0.8m, the management charge owed from Premier League Stadium Fund to the Foundation £1.3m, fixed assets of £0.8m less grants outstanding of £150.1m, less other creditors of £2.0m.

Investment powers, policy and performance

Investment powers are governed by the company's Articles of Association, which permit any surplus funds to be invested by the Board of Trustees. The Trustees intend that the real value of the Charity's investments be maintained and enhanced over the long-term by investment in a lower risk portfolio comprising solely of capital protected cash funds. Decisions on investment purchases and sales are made by the Audit, Remuneration & Governance Committee, which the Executive then actions. No environmental, social or governance (ESG) or ethical considerations are specified. The performance of investments has been in line with Trustees' expectations.

The Group had cash on deposit of £54.5m (2022: £59.1m), short-term investments of £52.6m (2022: £51.3m), and debtors due within the next 12 months of £64.6m at the end of the financial

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year. These will be used in future periods to pay grants that the Trustees have authorised and communicated to recipients. At the end of the financial year there were outstanding grants payable totalling £150.1m (2022: £122.8m). The Trustees' policy is not to commit funds beyond known funding.

As part of the terms and conditions attached to every grant awarded, an applicant agrees and accepts that payments of a grant can only be assured to the extent that the Foundation has available funds.

Going concern

The financial statements have been prepared on a going concern basis. Future funding has been confirmed in writing from the Premier League, The FA and the Government (via Sport England).

Financial risk management

The Foundation's operations expose it to a variety of risks that include liquidity risk, interest rate risk and credit risk. The Trustees delegate day-to-day responsibility for managing these risks to the Chief Executive, supported by the Chief Financial Officer.

Liquidity risk. Investments and cash are managed to ensure that there are sufficient funds available to meet the liabilities of the Foundation in a timely manner. Consequently, significant levels of funds are held on short-term deposit and are therefore, available at short notice.

Interest rate risk. Interest rate risk is managed by exploring the investment options available to the Foundation and investing where the best returns possible can be achieved at the lowest possible risk.

Credit risk. Credit risk is managed by reducing the cash collection period for trade debtors. The investments and cash are all held within UK-based banking institutions and building societies.

FY24-FY25 priorities and plans

We have identified three main objectives across three key areas to form the focus for our work across FY2023-25. These will be enhanced through several key projects in FY24:

Consolidate delivery

- To meet the new scale of investment in a challenging operating environment
 - Refresh Local Facility Football Plans (LFFPs)
 - Develop and support the delivery of the Multi-sport Pitch Advisory Service
 - PlayZones programme roll-out
 - Grass Pitch Improvement Programme
 - AGP Framework Re-Procurement

Develop sustainability

- To ensure our investment is transformative in its outcomes and the longevity
 - Governance and risk implementation
 - Data & Tech Strategy implementation
 - EDI - Together for Football
 - Single Site Services
 - Environmental Infill Solution
 - Legacy System Rationalisation
 - PitchPower Enhancements

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- GMS Portal Review
- New Finance System Implementation
- Cybersecurity

Demonstrate impact

- Our investment demonstrates the outcomes we want, and we attract the future funding we need
 - Social Return on Investment research
 - Longitudinal impact research
 - Post award Assurance
 - Data Inputs & Outputs

How the Board complied with its Section 172 duty

The Board have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

1. The likely consequences of decisions in the long term.
2. The interests of employees.
3. The need to foster the Charity's relationships with third-party stakeholders which, in the case of the Foundation, include people affected by our facilities, the people managing our facilities, supporters of grassroots football, the local councils and local authorities, key opinion leaders and other influencers.
4. The impact of the Charity's operations on the community and the environment.
5. The desirability of the Charity maintaining a reputation for high standards of business conduct.
6. The need to act fairly as between members of the Charity.

The Board delegates day-to-day management and decision making to the Chief Executive Officer and the Executive team at the Foundation, who are required to execute the Charity's strategy and to ensure that the Charity's activities are carried out in compliance with the policies approved by the Board.

The Board holds four Board meetings a year, as well as an annual one-day strategy meeting with the executive team at the Foundation, to assess progress and identify areas of focus for the following years. Several policies have been identified by the Board, as well as the Foundation's Audit Remuneration and Governance Committee ("ARG"), as being of fundamental importance and are reviewed on a cyclical basis by the Board and the ARG.

The Board receives updates on the Charity's performance and plans at each Board meeting, at which it reviews these in detail. By monitoring performance and ensuring that management is acting in accordance with the agreed strategy and plans, and in compliance with specific policies, the Board obtain assurance that in promoting the success of the Charity, due regard is given to the factors set out in section 172.

Engagement with the Charity's main stakeholder groups, including our staff, facility participants, facility operators, local councils, local authorities and relevant MPs, and other key opinion

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leaders and influences is undertaken by both the Trustees and the Executive team at the Foundation. As detailed in our Trustees and Directors section of the accounts, we have trustees from the Premier League, the FA and Government (via DCMS and Sport England) who promote the Foundation's aims and objectives themselves as well as across their organisational platforms.

The Trustees regularly reviews staff engagements through pulse surveys and assesses outcomes and actions as reported by the executive team at the Foundation. The Foundation have a group representing the culture and values the Foundation want to present and embody. This group and staff are widely consulted on matters on equality, diversity and inclusion matters. In addition, the Foundation regularly consult with employees so that their views can be considered in making decisions that are likely to affect their interests, via all staff meetings, all staff calls and the regular staff surveys.

The Foundation regularly consult with our applicants, including grassroots football clubs, schools and local councils. This is often through our pre-application engagement via our grant management team which is based across England to provide quick and effective support and guidance to applicants. We also conduct post-award support days and surveys to various grantees; this helps us identify grantee that require additional support post-grant award as well as gaining valuable data for the Foundation.

Delegation of authority

The Board believes governance of the Foundation is best achieved by delegation of its authority for the executive management of the Foundation to the Chief Executive, subject to defined limits and monitoring by the Board.

The Board routinely monitors the delegation of authority, ensuring that it is regularly updated, while retaining ultimate responsibility. The Board has adopted a long-standing governance framework, which includes principles outlining:

- The Board's relationship with Funding Partners and Executive management.
- The conduct of Board affairs and the tasks and requirements for all sub-committees.
- The Board's focus on activities that enable it to develop strategy, monitor Executive action and ongoing planning of Board and Executive management succession.

The governance framework covers the following principal areas:

1. **Direction:** Focusing primarily on strategic issues, while having regard to economic, political and social issues and other relevant external matters which may influence or affect the development of the Foundation and exemplify through the board principles (including the executive limitations), its expectations for the conduct of the Foundation and its employees.
2. **Strategy:** Responsibility for establishing and reviewing the long-term strategy and the annual business plan for the Foundation, based on proposals made by the CEO for achieving the Foundation's core objectives.
3. **Monitoring decisions and actions of the CEO and the performance of the Foundation:** This includes the implementation of, and performance against, the strategy and the plan as well as the exercise of authority delegated to the CEO. The Board satisfies itself that emerging and principal risks to the Foundation are identified and understood, systems of risk management, compliance and controls are in place to mitigate such risks and expected conduct of the Foundation and its employees is reflected in a set of values established by the CEO.

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4. Succession: Ensuring systems and processes are in place for succession, evaluation and compensation of the CEO and senior management. Those delegated to by the directors to take decisions have access to functional assurance support to identify matters which may have an impact on a proposed decision.

The Companies Act 2006 sets out a number of general duties which Directors owe to the company. legislation has been introduced to help stakeholders better understand how Directors have discharged their duty to promote the success of the company, while having regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 (section 172 factors). In 2022/2023, the Directors continued to exercise all their duties, while having regard to these and other factors as they reviewed and considered proposals from senior management and governed the company.

Sustainability

A two-phase research project looking into Sustainable Infill solutions for 3G football turf pitches. The first stage which included looking at the current market has laid groundwork for phase two to begin in FY23. This will include investing into a multi-pitch site for the purpose of “real-life” research of different pitch systems would provide a unique opportunity to gather objective “live” performance data.

Energy and Carbon Reporting

As part of the obligations set out under the Energy and Carbon Report Regulations 2018, the Foundation is required to disclose the energy and carbon created as an organisation over the last year starting on or after April 2019. To fulfil this, we have measured our UK Energy and greenhouse gas emissions as classified within scope 1 and 2 (Streamlined Energy and Carbon Reporting (SECR)) which are presented in tables 1, 2 and 3. This statement excludes our gas emissions as these are not material to the Foundation’s activities.

Organisational and Operational Boundaries of the Foundation

The Foundation does not have a complex structure and therefore it accounts for 100 percent of the greenhouse gas (GHG) emissions from operations over which it has control. The Foundation’s structural and operational boundaries are the same with the company operating from its sole operating base in London, and nearly half of the Foundation staff being remote workers who work from home and travel to Foundation funded sites to progress their work.

The office is located on a hosted site and therefore receives its energy from third parties. As such, consumption data is based on sub-meter readings taken by these parties.

Energy Consumption and Greenhouse Gas Emissions

The methodology used for determining energy and carbon emissions within this section of the report come from several sources of our greenhouse emissions:

- Fuel consumption in vehicles that are used for business including staff-owned vehicles (Scope 1).
- Electricity used for lighting, cooling, heating and air conditioning in office.

Electricity consumption has been taken from invoices and sub-meter readings as appropriate. Where the readings/invoices do not cover a full year, we have estimated the consumption for the full year based on the average consumption per day in the previous period. Also the Foundation moved out of the Paddington based office in December 2022 and moved into our

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Wembley Stadium office in March 2023, and the Foundation's office electricity usage is now covered by our service charge. Therefore, our electricity usage for 2023 is based off the usage whilst at the Paddington office only.

Fuel consumption is measured from the direct use of employee's personal vehicles and journeys by employees travelling to Foundation funded sites. As per Scope 1, where employees have used their own vehicles for business purposes a mileage allowance is paid, and this is identified by mileage claims put through our expense's software for FY23.

The Foundation's consumption and associated greenhouse gas emissions for the financial year 1 June 2022 to 31 May 2023 are shown in Tables 1 and 2 below, along with the same information for FY21 for comparative purposes.

Table 1: Total energy consumption associated greenhouse gas emissions from Scope 1 and Scope 2 for SECR Year 1 Reporting period.

Energy Type FY23	Energy Use (kWh)	% Split kWh	Emissions (tCO ₂ e/yr.)	% Split CO ₂ e
Electricity (Scope 2)	23,959	9.49%	4.96	8.51%
Transport (Scope 1)	228,6642	90.51%	53.36	91.49%
TOTAL	252,601	100%	41.14	100%

Energy Type FY22	Energy Use (kWh)	% Split kWh	Emissions (tCO ₂ e/yr.)	% Split CO ₂ e
Electricity (Scope 2)	40,885	21.85%	7.91	19.22%
Transport (Scope 1)	140,260	78.15%	33.23	80.78%
TOTAL	187,145	100%	41.14	100%

Table 2: Energy and Carbon Conversion Factors

Activity FY23	Fuel	Unit	Year	Kg CO ₂ e
Electricity Generated	Electricity: UK	kWh	2023	0.207074
Transport (average car)	Petrol	kWh	2023	0.23338

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Transport (average car)	Petrol	Mile	2023	0.26379
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**UK Government GHG Conversion Factors for Company Reporting, 2023, BEIS and DEFRA*

Activity	Fuel	Unit	Year	Kg CO2e
FY22				
Electricity Generated	Electricity: UK	kWh	2022	0.19338
Transport (average car)	Petrol	kWh	2022	0.22719
Transport (average car)	Petrol	Mile	2022	0.27436

**UK Government GHG Conversion Factors for Company Reporting, 2022, BEIS and DEFRA*

Vehicle use is based on employee travel using their own vehicles for business use. An assumption has been made that all vehicles use standard petrol and have and fall into the average petrol car for conversion figures. The fuel conversion factor applied (kWh/mile) is 0.26379 kg CO2e per mile / 0.23338 kg CO2e per kWh = 1.1303 kWh/mile.

Intensity Ratio

Intensity ratios compare emissions data with an appropriate business metric or financial indicator. This allows comparison of energy efficiency performance over time and with other similar types of organisations. We have chosen to compare our overall emissions with our annual income for the 2022/23 year.

Table 3: Intensity Ratio – Energy consumption and associated greenhouse gas emissions per £100,000 of annual income

Energy Consumption	Total green- house gases emissions	The annual group income (£'m)	Intensity Ratio	Intensity Ratio
FY23				
(kWh)	(tCO2e)	FY22	(kWh / £100,000 income)	(tCO2e / £100,000 income)
252,601	58.32	42.3	597.16646	0.13788

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Energy Consumption FY22	Total green-house gases emissions	The annual group income (£'m)	Intensity Ratio	Intensity Ratio
(kWh)	(tCO2e)	FY22	(kWh / £100,000 income)	(tCO2e / £100,000 income)
187,145	41.14	79.1	236.59294	0.05200

Energy Efficiency Key Points

The Foundation is committed to reducing its carbon and greenhouse gas emissions and one of the major areas of focus around this in 2022/23. As mentioned previously the Foundation downsized their office, by moving out of Eastbourne Terrace in Paddington in December 2022, and moving into Wembley Stadium. The Foundation continue with a review of hybrid working methods going forward. In addition, the Foundation is researching and reviewing potential electrification of the vehicles the remote staff are using for the mileage (site visits), one such option is an electric vehicle salary sacrifice scheme.

The Football Foundation Trading Limited (Reg no: 4202574)

The Football Foundation Trading Limited (FFTL) was established to trade and generate funds for the Foundation with no restriction on the activities. Further to the successful divestment of Upshot in FY21, there was no activity in FFTL, with there being no principal activity in FFTL in FY23. FFTL's only activity in FY23 was audit fees, tax fees, storage & archiving, and a dividend payment up to the Foundation. The next step in FY24 is to clear the remaining cash from FFTL into the Foundation and then making FFTL a dormant organisation.

FFTL's policy is to make an annual gift aid payment to the Foundation, thereby transferring all its current realised profits to the Charity. Due to no trading activity in FY23, there is no such profit was available for gift aid in the year under review (2022: £nil).

One of the Directors of the FFTL, P D G McCormick OBE, is also a Trustee of the Foundation. The other Director, R J Sullivan, is the Chief Executive of both FFTL and the Foundation.

Related Parties

In the pursuit of its charitable objectives, the Foundation has historically utilised its trading subsidiary, FFTL, which in 2023 had no trading activity. In addition to this, employees of the Foundation have joint employment contracts with the Premier League Stadium Fund Limited to deliver grants from both entities. The Premier League Stadium Fund Limited does not incur any direct salary costs, the salary costs incurred by The Foundation on the company's behalf form part of the annual administrative expenses recharged to the company, £1.3m in 2023 (2022: £0.7m).

Principal risks and uncertainties

The business, its management and execution of the Charity's strategy are exposed to several risks; these risks are identified and mitigated where possible. Within the work of the Foundation, there are broadly three types of risk:

- **Strategic risks:** These are major concerns, such as reputational risk or the risk that the Foundation will fail to deliver on a major strategic target, objective or project. They are more often external issues with high impact which require a response plan to mitigate the effects

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of the risk event happening, as controlling the occurrence may be outside the Foundation's sphere of influence. The Foundation's risk assessment process analyses these risks to establish their root cause and then considers appropriate management responses. These are collated into the Strategic Risk Register, which is reviewed monthly by the Executive Team. The Strategic Risk Register is presented at every Board meeting.

- **Operational risks:** Operational risks are part of day-to-day management and Heads of Department are expected to articulate an understanding of the key risks in their area of operation, together with an explanation as to how these are being managed and mitigated. With the support of Heads of Department, each Director inputs into a risk and control framework annually, which is monitored regularly throughout the year. Whilst each risk is "owned" by the relevant Head of Department, any risks which increase significantly in terms of either Likelihood or Impact are escalated to the Executive Team and are then managed as a part of the Strategic Risk Management process. Operational risks are presented quarterly to a Board sub-committee.
- **Grant project risks:** These are risks arising from a particular programme or project (such as the project cost and inflation risk mentioned earlier in this report) and are managed as part of the grant-giving governance for that activity. These are regularly reviewed and monitored. This is part of effective project governance and management.

The Foundation's Risk Register contains two sections: strategic risk and operational risk. Strategic risk is managed by the Executive and Board; whereas operational risk is managed within functional teams, except for escalated operational risks that need to be referred "up the chain".

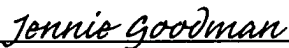
Throughout 2022 and 2023 we continued to monitor the following strategic risks:

Risk	Mitigation
People Leadership and Culture: the ability to recruit and retain	The employee proposition is regularly reviewed and adjusted if necessary to ensure the Foundation is an attractive place to work. This is supported by succession planning and investment into salary and training to support progression of key personnel and those with specialist skills.
Income and financial sustainability	The external environment and political landscape are monitored, and the organisation has strategies that it can deploy to emerging issues e.g. Cost volatility. The financial resources are reviewed over an annual and a three-year period, including cashflows and budget and plans.
Cyber security, malware, ransom ware and phishing scams	The Foundation has robust IS security processes in place, software and password requirements. Awareness training modules are mandatory for all staff.
Failure to deliver inclusive outcomes	Tracking and reviewing delivery against our KPIs via the performance framework ensures that we remain on track or take corrective action if necessary. Additionally, we are now reporting our Social Return on Investment. The framework is reviewed by the Executive Team, the ARG and the Board.

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The Report of the Trustees prepared under the Charities Act 2011, which also contains all the information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 13 September 2023 and signed on behalf of the Trustees by Jennie Goodman, Company Secretary.

Approved by order of the Board


Jennie Goodman (Sep 23, 2023 14:18 GMT+1)

J Goodman

Company Secretary

DATE 23 September 2023

Reg no: 387630

The Football Foundation – Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FOOTBALL FOUNDATION

Opinion

We have audited the financial statements of The Football Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 May 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 May 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained

The Football Foundation – Independent Auditor's Report

in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance

The Football Foundation – Independent Auditor's Report

but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and evaluating advice received from internal advisors.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

The Football Foundation – Independent Auditor's Report

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

United Kingdom

Date 26 September 2023

The Football Foundation - Financial Statements

**Consolidated statement of financial activities
(including the income and expenditure account) for the
year ended 31 May 2023**

		Restricted funds	Unrestricted funds	Total funds	Total funds
		2023	2023	2023	2022 restated
	Note	£'000	£'000	£'000	£'000
Charitable Activities	2	64,726	37,198	101,924	77,914
Investment Income	14	-	1,306	1,306	445
Interest income	4	-	1,556	1,556	21
Other income	4	-	1,537	1,537	760
Income		64,726	41,597	106,323	79,140
Trading costs	3	-	(2)	(2)	(6)
Net (expenditure) income from trading activities		-	(2)	(2)	(6)
Total income		64,726	41,595	106,321	79,134
Expenditure on:					
Charitable activities	5	(65,338)	(25,049)	(90,387)	(102,524)
Loss on Disposal of Assets		-	(291)	(291)	-
Total expenditure		(65,338)	(25,340)	(90,678)	(102,524)
Net income / (expenditure)	7	(612)	16,255	15,643	(23,390)
Net movement in funds		(612)	16,255	15,643	(23,390)
Reconciliation of funds:					
Funds brought forward at 1 June		2,889	1,956	4,845	28,235
Funds carried forward at 31 May	17	2,277	18,211	20,488	4,845

Investment Income has been reclassified under the income section in line with the requirements of the SORP.

The notes on pages 37 to 55 form part of these financial statements.

The Football Foundation - Financial Statements

Group and Charity Balance sheets as at 31 May 2023

	Note(s)	Group		Charity	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	11	720	908	720	908
Tangible assets	12	55	384	55	384
		775	1,292	775	1,292
Current assets					
Stock		27	130	27	130
Debtors: amounts falling due within one year	13	57,804	7,817	57,804	7,814
Debtors: amounts falling due after one year	13	6,873	9,046	6,873	9,046
Investments	14	52,636	51,330	52,636	51,330
Cash at bank and in hand		54,517	59,116	54,517	58,800
		171,857	127,439	171,857	127,120
Creditors: amounts falling due within one year	15	(152,144)	(123,886)	(152,144)	(123,879)
Net current assets		19,713	3,553	19,713	3,241
Total assets less current liabilities		20,488	4,845	20,488	4,533
Net assets	17	20,488	4,845	20,488	4,533
Funds					
Unrestricted funds:					
Funds retained within the Charity	16	18,211	1,644	18,211	1,644
Funds retained within a non-charitable subsidiary	16	-	312	-	-
Restricted Funds:					
Funds retained within the Charity	16	2,277	2,889	2,277	2,889
Total funds	16,17	20,488	4,845	20,488	4,533

A separate statement of financial activities and income and expenditure account are not presented for the Charity itself as permitted by Section 408 of the Companies Act 2006. The net income for the Charity for the year was £15.9m (2022: net expenditure of £23.4m).

The financial statements on pages 34 to 53, which comprise the Consolidated statement of financial activities, the Group and Charity balance sheets, the Consolidated cash flow statement and the related notes were approved by the Board of Trustees on 13 September 2023 and signed on its behalf by:


M R Glenn (Sep 23, 2023 21:52 GMT+1)
M R Glenn
Chairman

The Football Foundation - Financial Statements
Consolidated cash flow statement
for the year ended 31 May 2023

	Note	2023 £'000	2022 £'000
(a) Reconciliation of net income to net cash flow from operating activities			
Net movement in funds (as per the consolidated statement of financial activities)		15,643	(23,390)
Adjustments for:			
Amortisation of intangible assets	11	192	146
Depreciation of tangible assets	12	57	86
(Profit)/Loss on disposal of tangible assets	12	291	-
Income from interest on cash deposits	4	(1,556)	(21)
Interest received on investments	14	(930)	(295)
Interest accrued on investments	14	(376)	(150)
(Increase)/Decrease in debtors	13	(47,814)	8,915
Increase in creditors	15	28,258	44,317
Increase in stock		103	42
Net cash provided by operating activities		(6,132)	29,650
(b) Statement of cash flows			
Net cash provided by operating activities		(6,132)	29,650
Cash flows from investing activities:			
Income from interest on cash deposits	4	1,556	21
Proceeds from the sale of intangible assets	11	-	-
Proceeds from the sale of tangible assets	12	-	-
Purchase of tangible assets	12	(19)	(34)
Purchase of intangible assets	11	(4)	(382)
Net cash used in investing activities		1,533	(395)
Net cash (outflow) / inflow		(4,599)	29,255
Change in cash and cash equivalents in the year		(4,599)	29,255
Cash and cash equivalents at 1 June		59,116	29,861
Cash and cash equivalents at 31 May		54,517	59,116

The Football Foundation - Notes to the financial statements

1. Principal accounting policies

General information

The Football Foundation (the 'Foundation' or the 'Charity') is a charitable company limited by guarantee, incorporated in the United Kingdom in November 1999 as The Football Trust Charitable Trust, changing its name to The Football Foundation in April 2000 and registered with the Charity Commission. The other company included within the group is the non-charitable wholly owned trading subsidiary The Football Foundation Trading Limited (FFTL), which was incorporated in April 2001. The consolidated financial statements for the year ended 31 May 2023 relate to the total activities of the two legal entities.

The address of the Foundation's registered office is Wembley Stadium, Wembley Park, London HA9 0WS.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the Charity, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A summary of the principal accounting policies, which have been applied consistently unless stated, is set out below.

Going concern

The financial statements have been prepared on a going concern basis. The Funding Partners have confirmed their funding through to September 2024 has now been confirmed in writing by The FA, Premier League and the Government (via Sport England). The Trustees' policy is not to commit funds beyond known funding.

Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheets and the consolidated cash flow statement include the financial statements of the Charity and its subsidiary undertaking (together the 'Group') made up to 31 May 2023. The subsidiary has been consolidated on a line-by-line basis. Intra group transactions and profits and balances have been eliminated on consolidation, where material.

The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities. A separate SOFA has not been presented for the standalone Charity, as permitted by Section 408 of the Companies Act 2006 and 2019 SORP.

Currency

The Charity's functional and presentational currency is pounds sterling. Monetary amounts in these financial statements are rounded to the nearest £'000.

Income

Donations that provide core funding or are of a general nature are included in the statement of financial activities on the following bases:

The Football Foundation - Notes to the financial statements

1. Principal accounting policies (continued)

All donations received are recognised when the Foundation is entitled to funds, where there is probability of receipt, and the amount can be reliably quantified. The Foundation has three-year funding cycles with its funders The FA, the Premier League, and the Government (via Sport England). The FA and the Premier League's funding is accounted in the financial year to which the funders have indicated that income is for in their funding agreements and these funds can be used for operational and grant expenditure. Donations from the Government (via Sport England) is received in arrears following evidence of grant expenditure. Donations to the restricted fund are recognised on a receivable basis, where there is a signed funding agreement and there is commitment by the Foundation of such funds to the agreed programme.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Income from cash deposits and other investments is recognised on an accruals basis.

In addition, as part of the sale of the Upshot business, the Foundation Board agreed to the deferred consideration of the asset purchase over a four-year period. The Foundation Executive believes that this will be paid in full as the Upshot business was already a successful profit-making operation prior to the divestment.

Expenditure

Expenditure is recognised when a liability is incurred.

Grants payable are recognised in the statement of financial activities when the grant has been authorised and communicated to the recipient. This is deemed to have created a constructive obligation and liability as there are no significant conditions attached to payment of the grants.

Charitable activities include expenditure associated with sport related grants and include both the direct and support costs relating to these activities.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include the central functions of finance, human resources, information technology, external relations and general administration, and have been allocated to activity cost categories on a basis consistent with the use of resources (see note 6) including travel & meetings, office & premises, public relations & marketing, recruitment and training, consultancy and accountancy & professional costs.

Operating leases

Rental costs are recognised in the statement of financial activities on a straight-line basis.

The Football Foundation - Notes to the financial statements

1. Principal accounting policies (continued)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Fund accounting

The funds of the Charity have been segregated as follows:

Restricted funds consist of donations received, for which the donor has specified the purposes for which the resources can be utilised. Expenditure on restricted funds reflects the appropriate expenditure that has been charged to those funds.

All other funds are unrestricted and available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Pension costs

The Group makes contributions to defined contribution pension schemes on behalf of certain staff members, the assets of which are held separately from those of the Group in an independently administered fund. The cost of these contributions is charged to the statement of financial activities as incurred.

Tangible assets and depreciation

Capitalisation and replacement

The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition. Assets of over £250 are capitalised.

Depreciation

Depreciation is calculated on a straight-line basis so as to write off the cost or valuation of tangible assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. Assets in the course of construction are not depreciated until they are brought into use. The principal annual rates used for this purpose are:

	Years
Fixtures and fittings	10
Computer software and equipment	4

Intangible assets

Intangible assets represent software development costs and are capitalised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and there is a readily ascertainable market value for the asset being developed, and the cost of these assets can be measured reliably, consistent with the requirements of FRS 102 Section 18. Those costs are amortised on a straight-line basis over seven years, in line with the depreciation period for computer software.

The Football Foundation - Notes to the financial statements

1. Principal accounting policies (continued)

Deferred taxation

A provision is made for deferred taxation using the incremental liability method where the Group consider deferred taxation has a material impact on the financial statements. Material deferred tax assets are only recognised to the extent they are recoverable.

Irrecoverable Value Added Tax

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

Stock

Equipment, for The FA's Respect scheme, is valued at the lower of cost and net realisable value using a first-in, first-out (FIFO) method of calculation.

Investment income

Income from cash deposits, held with a maturity of greater than three months, is accounted for on an accruals basis.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, short-term deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Critical accounting judgements and key estimates

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues, and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

Critical areas of judgement

- (a) The Charity allocates support costs between different charitable activities using Executive Management's judgement of the proportion of effort expended on each category during the year.
- (b) The Charity has capitalised several intangible asset builds in the current financial year, such as the new Foundation website and other facilities' software; this was based on the judgement that these intangible assets will provide future economic benefit to the Foundation and their costs can be reliably measured. These assets are amortised on a straight-line basis over 7 years, in line with the depreciation period for computer software.

The Football Foundation - Notes to the financial statements

2. Charitable Activities

	2023 £'000	2022 £'000
Unrestricted		
The Football Association (FA)	17,858	11,312
Premier League	19,340	12,000
	37,198	23,312
Restricted		
The Government funds managed by Sport England	64,200	39,000
Sport England – Active Through Football	-	13,870
Sport England – Multi-Sport	344	1,676
Rugby Football Union – Multi-Sport	56	56
The Football Association - PEA	97	-
Lawn Tennis Association (LTA)	29	-
	64,726	54,602
Total	101,924	77,914

3. Subsidiary undertaking

The subsidiary undertaking of the Charity, FFTL, is a company registered in England and Wales (no. 4202574) in which the Charity holds 1 £1 ordinary share representing 100% of the issued share capital.

There was no business activity in FFTL during 2023. The subsidiary donates any available realisable profits to the Charity each year by gift aid and incurs an annual royalty fee of 2% of its turnover to the Charity under an agreement as consideration for the use of the Charity's name and logos. The Board of Directors passed a resolution for a final dividend to be paid from FFTL to The Football Foundation at the May 2023 Board meeting, and the £310k dividend payment was subsequently made. The next step in 2023/24 will be to make FFTL dormant necessitating the adoption of a non-going concern basis of accounting. FFTL's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2023 £'000	2022 £'000
Administrative expenses	(2)	(9)
Dividend to the Foundation	(310)	-
Corporation tax	-	3
(Loss) of subsidiary	(312)	(6)

	2023 £'000	2022 £'000
Current assets	-	319
Current liabilities	-	(7)
Net assets	-	312

The Football Foundation - Notes to the financial statements

4. Interest and Other income

	2023 £'000	2022 £'000
Interest receivable on cash deposits	1,556	21
Other income	277	33
Furlough income	-	6
Management fee (Premier League Stadium Fund)	1,260	721
	3,093	781

5. Analysis of expenditure

	Direct staff costs	Other direct costs	Support costs	2023 Total	2022 Total
Activity:	£'000	£'000	£'000	£'000	£'000
Awarding of grants					
Unrestricted:	3,250	15,989	5,218	24,457	49,110
Grants payable					
Governance costs (see note 6b)	-	-	592	592	560
Restricted:	127	64,966	245	65,338	52,854
Grants payable					
	3,377	80,955	6,055	90,387	102,524
Trading costs	-	1	1	2	9
Total	3,377	80,956	6,056	90,389	102,533

Grants awarded during the financial year are summarised in note 23. Support costs are further analysed in note 6a.

The Football Foundation - Notes to the financial statements

6. Allocation of support costs and analysis of governance costs

6a. Allocation of support costs

	Unrestricted Grant payable	Governance costs	Restricted Grant payable	Trading costs	2023 Total	2022 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Support costs:						
Indirect staff costs	1,417	-	-	-	1,417	1,037
Apportionment of staff costs	-	396	-	-	396	378
Travel and meetings	236	9	3	-	248	151
Office and premises	1,054	42	-	-	1,096	1,050
Public relations and marketing	701	29	-	-	730	266
Recruitment and training	87	4	-	-	91	82
Consultancy	1,717	69	242	-	2,028	1,320
Accountancy and professional	6	43	-	1	50	40
	<u>5,218</u>	<u>592</u>	<u>245</u>	<u>1</u>	<u>6,056</u>	<u>4,324</u>

6b. Analysis of governance costs

	2023	2022
	£'000	£'000
Costs/category:		
External audit	42	25
Apportionment of staff costs	389	375
Apportionment of support costs	154	157
Trustee Board costs	7	3
	<u>592</u>	<u>560</u>

The apportionment of staff costs has been assumed by using an estimated percentage of total employee time spent on governance related work. This varies depending on employee roles.

The Football Foundation - Notes to the financial statements

7. Net income / (expenditure)

	2023 £'000	2022 £'000
Net (expenditure) / income is stated after charging:		
Depreciation on tangible assets	57	86
Amortisation on intangible assets	192	146
Loss on disposal of tangible fixed assets	(291)	-
Amounts payable under operating leases	2	278
Auditor's remuneration for:		
Audit services	36	25
Tax and other services	6	9

The Charity incurred audit costs of £32,200 excluding VAT (2022: £23,000) and taxation and other services costs of £2,400 excluding VAT (2022: £815). Audit costs of £4,730 excluding VAT (2022: £4,300) and taxation and other service costs of £1,950 excluding VAT (2022: £2,448) incurred by the trading subsidiary are included within the trading costs.

8. Employee information

	2023 Number	2022 Number
Average monthly number of persons employed by the Group and Charity during the year was:		
Foundation	84	63
FFTL	-	-
	<u>84</u>	<u>63</u>
Staff costs		
Group and Charity	2023 £'000	2022 £'000
Wages and salaries	4,221	2,939
Social security costs	482	340
Other pension costs	333	247
	<u>5,036</u>	<u>3,526</u>

The Group operates a defined contribution pension scheme contributing 8.0% (2022 8.0%) of gross salaries on behalf of employees.

8. Employee information (cont.)

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

The Football Foundation - Notes to the financial statements

Group	2023 Number	2022 Number
£60,001 - £70,000	6	2
£70,001 - £80,000	6	2
£80,001 - £90,000	2	-
£90,001 - £100,000	1	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£130,001 - £140,000	1	1
£140,001 - £150,000	1	-
£220,001 - £230,000	-	1
£230,001 - £240,000	1	-

For those staff whose emoluments exceeded £60,000, pension contributions amounting to £67,265 (2022: £67,265) were for the provision of money purchase benefits. No Trustee received any remuneration from the Group during the year. No Trustees were reimbursed for expenditure on travel and subsistence, incurred for attendance at Board meetings on behalf of the Foundation (2022: Nil).

Senior employees who have the authority and responsibility for planning, directing, and controlling the activities of the Group are considered to be key management personnel. Total remuneration in 2023 in respect of these six (2022: Seven) individuals was £833,897 (including Employer's NIC) (2022: £755,209).

9. Taxation

The Foundation is a registered charity and, as such, is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity is not registered for VAT and, accordingly, all its expenditure is recorded inclusive of any VAT incurred.

FFTL is registered for VAT and, consequently, all its income and expenditure is recorded net of VAT. As per policy, FFTL gift aids all of its available realised profits to the Charity.

A deferred tax asset of £113,117 (2022: £112,770) has not been recognised on the losses arising in FFTL on the basis that sufficient profits cannot be guaranteed at this stage of FFTL's development and historical deficits brought forward exceed profits generated to date.

10. Net income dealt with in the Charity's financial statements

The income attributable to the Charity was £106.3m (2022: £79.1m). The expenditure for the year attributable to charitable activities was £90.7m (2022: £102.5m).

11. Intangible assets

The Football Foundation - Notes to the financial statements

Group and Charity	Total £'000
Cost	
At 1 June 2022	2,475
Additions	4
At 31 May 2023	2,479
Accumulated amortisation	
At 1 June 2022	1,567
Charge in year	192
At 31 May 2023	1,759
Net book value	
At 31 May 2023	720
At 31 May 2022	908

Intangible assets comprise software development, Pitchfinder, PitchPower, Facilities Central and the Foundation website.

12. Tangible assets

Group and Charity	Fixtures and fittings	Computer software and equipment	Total
	£'000	£'000	£'000
Cost			
At 1 June 2022	830	3,216	4,046
Additions	-	19	19
Disposal	(540)	(41)	(581)
At 31 May 2023	290	3,194	3,484
Accumulated depreciation			
At 1 June 2022	497	3,165	3,662
Charge in year	32	25	57
Disposal	(249)	(41)	(290)
At 31 May 2023	280	3,149	3,429
Net book value			
At 31 May 2023	10	45	55
At 31 May 2022	333	51	384

The Football Foundation - Notes to the financial statements

13. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Amounts owed by FSIF	1,271	740	1,271	740
Trade debtors	73	67	73	67
Other debtors	2	3	2	-
Prepayments and accrued income	56,458	7,007	56,458	7,007
	57,804	7,817	57,804	7,814

DCMS (via Sport England) committed to funding up to £14.5m for Active Through Football to the Foundation of which £9.8m remained outstanding as at 31 May 2023 (2022: £11.9m). This was included as part of accrued income and is expected to be received in full by 31 May 2026, with £3m expected to be received in 2023/2024. In addition, there is £46.9m (2022: Nil) remaining outstanding from DCMS's core funding for FY23, due to live projects claims which will fall into FY24 and beyond, it is expected this will be received in full by 31 May 2024.

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts falling due after one year:				
Upshot Systems CIC	73	146	73	146
Prepayments and accrued income	6,800	8,900	6,800	8,900
	6,873	9,046	6,873	9,046

14. Investments

	2023	2022
Group and Charity	£'000	£'000
At 1 June	51,330	50,885
Interest received on investments	930	295
Interest accrued on investments	376	150
At 31 May	52,636	51,330

The Foundation invests available funds into notice accounts and fixed-term cash deposits. The maximum duration was twelve months.

The Football Foundation - Notes to the financial statements

15. Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	1,319	368	1,319	368
Taxation and social security costs	155	133	155	133
Grants payable	150,091	122,764	150,091	122,764
Accruals	579	621	579	614
	152,144	123,886	152,144	123,879

16. Funds

Group	2022 Balance £'000	Income £'000	Expenditure £'000	Investment income £'000	2023 Balance £'000
Unrestricted funds					
General funds retained within the Charity	1,644	40,601	(25,340)	1,306	18,211
General funds retained within FFTL	312	-	(312)	-	-
Restricted funds					
Active Through Football Income	2,148	-	(160)	-	1,988
Sport England – Core Funding Income	-	64,200	(64,200)	-	-
Sport England – multi-sport Income	741	344	(796)	-	289
RFU – multi-sport Income	-	56	(56)	-	-
The FA – Post Event Assurance	-	97	(97)	-	-
LTA – Procurement Support	-	29	(29)	-	-
Total funds	4,845	105,327	(90,990)	1,306	20,488

The Football Foundation - Notes to the financial statements

16. Funds (continued)

Charity	2022 Balance £'000	Income £'000	Expenditure £'000	Investment income £'000	2023 Balance £'000
Unrestricted funds					
General funds retained within the Charity	1,644	40,601	(25,340)	1,306	18,211
Restricted funds					
Active Through Football Income	2,148	-	(160)	-	1,988
Sport England – Core Funding Income	-	64,200	(64,200)	-	-
Sport England – multi-sport Income	741	344	(796)	-	289
RFU – multi-sport Income	-	56	(56)	-	-
The FA – Post Event Assurance	-	97	(97)	-	-
LTA – Procurement Support	-	29	(29)	-	-
Total funds	4,533	105,327	(90,678)	1,306	20,488

The restricted funds detailed above have been provided by two funders. Firstly, Sport England are funding the "Active Through Football" programme in full, which is being undertaken at the Foundation, this includes all operating and grant costs. Secondly, Sport England's core funding from DCMS is restricted for 2023 and this covers the grants on capital projects in 2023 of which all funding was utilised. Thirdly, Sport England's multi-sport funding and RFU's multi-sport funding which is for operational and grant costs relating to multi-sport activities. Fourthly, The FA post event assurance funding is for use of review and improvements to the Foundation's assurance processes. Finally, the Foundation supported the Lawn Tennis Association (LTA) with setting up their new procurement service for tennis courts, a fixed rate plus legal fees was agreed as the cost.

17. Analysis of the net assets between funds

Group	Unrestricted funds £'000	Restricted funds £'000	Balance 2023 £'000
Intangible assets	720	-	720
Tangible assets	55	-	55
Net current assets	17,436	2,277	19,713
Net assets	18,211	2,277	20,488

The Football Foundation - Notes to the financial statements

Group	Unrestricted funds £'000	Restricted funds £'000	Balance 2022 £'000
Intangible assets	908	-	908
Tangible assets	384	-	384
Net current assets	664	2,889	3,553
Net assets	1,956	2,889	4,845

Charity	Unrestricted funds £'000	Restricted funds £'000	Balance 2023 £'000
Intangible assets	720	-	720
Tangible assets	55	-	55
Net current assets	17,436	2,277	19,713
Net assets	18,211	2,277	20,488

Charity	Unrestricted funds £'000	Restricted funds £'000	Balance 2022 £'000
Intangible assets	908	-	908
Tangible assets	384	-	384
Net current assets	352	2,889	3,241
Net assets	1,644	2,889	4,533

17. Reconciliation of net cash flow to movement in net funds

Group	2023 £'000	2022 £'000
Change in net funds:		
(Decrease) / Increase in cash	(4,599)	29,255
Net funds at 1 June	59,116	29,861
Net funds at 31 May	54,517	59,116

Charity		
Change in net funds:		
(Decrease) / Increase in cash	(4,283)	29,315
Net funds at 1 June	58,800	29,485
Net Funds at 31 May	54,517	58,800

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18. Operating leases

Annual commitments in respect of land and buildings under operating leases:

	2023	2022
	£'000	£'000
Operating leases which expire:		
Within one year	-	278
Two to five years	2	-
	<u>2</u>	<u>278</u>

19. Commitments

All grant commitments have been recognised once a grant offer letter has been issued.

20. Capital

The Charity is a company limited by guarantee. Each member has undertaken to contribute £1 to the assets of the company to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 May 2023 is £2 (2022: £2).

21. Related party transactions

The only transactions between the Foundation and The Football Foundation Trading Limited, is the Dividend payment from FFTL to the Foundation which has been covered in further detail in note 3, which in 2023 was £310k (2022: Nil).

Employees of the Foundation have joint employment contracts with the Premier League Stadium Fund Limited to deliver grants from both entities. The Premier League Stadium Fund Limited is funded by the Premier League and is also a grant giving entity, and the employees of The Football Foundation help to identify and deliver these grants under their joint employment contracts. The Premier League Stadium Fund Limited does not incur any direct salary costs, the salary costs incurred by The Football Foundation on the company's behalf form part of the annual administrative expenses recharged to the company, £1.3m in 2023 (2022: £0.7m). Mr W M Bush is the Executive Director of the Premier League and Director of the Premier League Stadium Fund Limited. The Premier League donated £19.3m (2022: £12.0m) to the Foundation during the year. At the year end, £1.3m (2022: Nil) of the donated amount was outstanding and was received in July 2023 (this was included as part of the accrued income within note 13). Also at the year end, the annual administrative expenses recharge from the Premier League Stadium Fund Limited to The Football Foundation of £1.3m in 2023 (2022: £0.7m) was outstanding.

Mr P D G McCormick OBE is an employee of the Premier League (Chairman of the Football Board and nominated Director of The FA (including currently serving as interim Chairman), Senior Partner at McCormick Solicitors (including Executive Chairman of the Legal Advisory Group to the Premier League) and Chairman of the Premier League Stadium Fund Limited.

Mr M W Bullingham is the Chief Executive Officer of The FA and Director of the Premier League Stadium Fund Limited. The FA donated £17.9m (2022: £11.3m) to the Foundation during the year.

Mr J Pearce is member of The FA's Board (National Game representative), Remuneration Committee, Judicial Panel, National Game Finance Committee and Alliance Committee. He is also a member of the Premier League Stadium Fund Limited Investment Panel, the General Manager and Vice-Chairman of Bognor Regis Town F.C. and a council member of Sussex County FA.

The Football Foundation - Notes to the financial statements

Mr T Hollingsworth is the Chief Executive Officer of Sport England. The Government (via Sport England) donated £64.2m (2022: £39.0m) to the Foundation during the year. DCMS (via Sport England) committed to funding up to £14.5m for Active Through Football to the Foundation of which £9.8m remained outstanding as at 31 May 2023 (2022: £11.9m). This was included as part of accrued income and is expected to be received in full by 31 May 2026, with £3m expected to be received in 2023/2024. In addition, there is £46.9m (2022: Nil) remaining outstanding from DCMS's core funding for FY23, due to live projects claims which will fall into FY24 and beyond, it is expected this will be received in full by 31 May 2024.

The Foundation's and FFTL's staff are employed under joint contracts with the Premier League Stadium Fund Limited. A proportion of staff costs are recharged to the Premier League Stadium Fund Limited together with an element of the running costs of the Foundation totalling £1.3m (2022: £0.7m).

22. Grants awarded during the financial year

Grants awarded during the financial year amounted to £81.0m (2022: £94.5m). A list of the 50 largest facility grants awarded during the year is provided below. Each of these organisations received at least one grant in the financial year. The grants payable disclosed exclude grant delivery costs amounting to £9.0m (2022 £6.4m). No grant has been made to any individual (2022: same).

<i>Single Fund</i>	<i>£</i>	<i>Single Fund</i>	<i>£</i>
Derby City Council	6,000,000	VanDyke Upper School	736,061
Portsmouth City Council	4,400,000	Chichester District Council	729,489
North Tyneside Council (St Peters Playing Fi	1,880,806	Bournemouth Christchurch & Poole Council	726,086
Bury Metropolitan Borough Council	1,809,709	Central Bedfordshire Council	676,062
Bournemouth University	1,723,253	Tankerton Football Club	666,934
North East Lincolnshire Council	1,526,738	University Of Worcester	661,528
Spirit Holdings Limited	1,171,320	Ousedale School	649,619
Simon Langton Girls' Grammar School	994,870	Newcastle Town Football Club Youth	639,588
Bottesford Town FC	952,919	Cams Hill School	639,088
Darlington Borough Council	941,842	Ryedale Learning Trust	615,211
The Nest (Norfolk's Community Hub) Limited	908,166	Westmorland and Furness Council	605,174
Sigma Trust	895,746	Salford City Council	603,495
Advance Learning Partnership (Whitworth Ac)	874,417	Chasetown FC (2021) Limited	579,774
David Ross Education Trust	873,662	Kempston Rovers F.C.	560,390
Weydon Multi Academy Trust	850,000	Reading FC Community Trust	550,000
Everett Rovers Fc	834,928	Cobham F.c.	544,207
Haverhill Community Sports Association	825,662	Glf Schools	535,420
The Dean Trust	801,191	Norfolk County Football Association Ltd	509,823
John Leggott College	790,831	Excalibur Academies Trust	481,077
Harpenden Town Council	784,268	Allscott Sports Club Ltd	475,000
Islington Council	750,000	Mersham Sports Club	467,708
Meridian Trust	750,000	Wolverley CE Secondary School & Sixth Form	402,986
Prince Henry's Grammar School (Otley)	749,782	St Day Afc	250,000
Great Yarmouth Borough Council	747,078	Wallsend Boys Club	250,000
Harpenden Secondary Education Trust	744,864	Accrington Stanley Community Trust	250,000

Grants	Total value (£m)
50 largest facility grants	47.4
Other	33.6
Total	81.0

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23. Ultimate controlling party

There is no ultimate controlling party of The Football Foundation.