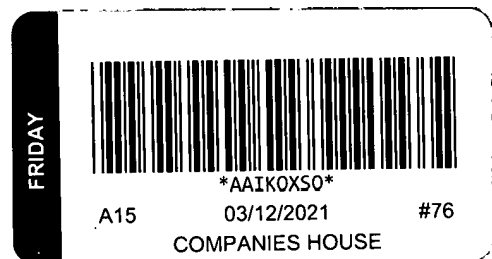


Registered Company Number: 3876305

Registered Charity Number: 1079309

THE FOOTBALL FOUNDATION

Annual Report and Financial Statements
for the year ended 31 May 2021



The Football Foundation

Annual Report and Financial Statements for the year ended 31 May 2021

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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
C A Leslie (Resigned 4 March 2021)
J D Pearce
J C Bird
W M Bush
T Hollingsworth
M W Bullingham
K Taylor (Appointed on 16 September 2020)
E Narozanski (Appointed on 4 March 2021)

Chief Executive

R J Sullivan - appointed 1 January 2021

Company Secretary

J Goodman

Registered office

10 Eastbourne Terrace
Paddington
London
W2 6LG

Independent auditors

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

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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 2021 (FY21).

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 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 2021 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 Digital, Culture, Media and Sport (DCMS).

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

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Structure, governance, and management

The Foundation is governed by its Memorandum and Articles of Association.

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 2021, 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 2021 two new Trustees joined the Foundation, and there was one resignation within the year. The new Trustees undertook a structured induction process including one-to-one meetings with the Chair of the Board and CEO and were 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 FF 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.

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 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:

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- 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 auditors are 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 auditors are 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 also includes unpaid independent members, who bring specific expertise, knowledge and experience.

In addition, two Trustees (P D G McCormick OBE and K Taylor) were members of the Audit, Remuneration & Governance Committee. In June 2020, C A Leslie resigned from the Committee, and was replaced by K Taylor. The Committee is independently chaired by R F Burden, a former Football Foundation Trustee. The Committee has responsibility for remuneration of key management personnel and consideration of remuneration policy and governance. The Committee meets four times a year and has its decisions ratified by the full Board.

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Strategic Report

Chairman's foreword

This has been a challenging year for the Foundation. Funding uncertainty, significant internal change, and the personal and team difficulties of working through a pandemic have all had an impact.

But despite these challenges, the Foundation has made important progress. I was delighted to have the opportunity back in November to announce completion of our two-year quest to create local plans that will help every community across England get the football facilities they deserve over the coming years.

In 2017, whilst I was CEO of The FA, we created a National Football Facilities Strategy to set a framework for long term investment. We recognised this had to be underpinned by practical plans that reflected the diverse needs of every local authority. Now, for the first time ever, we have a roadmap to invest and build what every community needs through the Local Football Facility Plans.

I was also delighted to welcome Robert Sullivan as the new CEO of the Foundation in November. In a competitive field of excellent candidates, Robert's experience within facility investment and potential to grow as a leader really stood out. Through his time as interim CEO in the preceding months, he proved his ability to lead and manage through difficult times. The Board and I are looking forward to working with Robert on transforming how the Foundation operates and strengthening its impact over the next few years.

Around 1.8 million people normally participate in some form of football each week, supported by an estimated 1.5 million volunteers. Our national game has always played an important role in communities, offering a great opportunity for people to get involved in physical activity and enabling a wide range of positive outcomes.

Communities need football now more than ever. COVID-19 is the biggest public health challenge we have faced in generations. Whilst grassroots football was on a necessary pause for long periods over the past year, we are delighted it is back. I am proud of the role the Foundation has played in working with our Funding Partners to provide critical financial support that has enabled clubs to look after their facilities and return to playing safely.

We need grassroots football to help communities get back on their feet and make them more resilient. Resilience is exactly what I believe the Foundation team has shown over the past year. They have ensured vital funding has got out to the game. They have simplified and improved the way they operate. And they have built even more trust in the partnership with our Funding Partners. All of this done in a virtual setting. That certainly makes it a year of which we can be proud.


Martin Glenn (Sep 15, 2021 10:47 GMT+1)
Martin Glenn, Chairman

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CEO's introduction

Anyone who plays football at any level will tell you success only comes from dedicating a lot of energy, teamwork, commitment and finding some inspired moments. In my first year as CEO of the Foundation, I can honestly say that we have drawn on all of these.

There have been three significant factors shaping our strategy, programmes, and performance over the past year.

Firstly, as in all aspects of society, COVID-19 has brought challenges for all of us. A reduction in funding from our Partners meant we had to adapt how we work and urged us to focus on providing practical support to grassroots clubs so they could first cope with the impacts, then get going again.

Through our range of COVID-19 immediate relief funds, we have delivered circa 10,000 grants providing £22.5m of funding quickly and efficiently to clubs in need up and down the football pyramid across England.

Secondly, we continued to face ambiguity around additional Government funding. We welcomed the announcement in the March 2021 Budget that the Government will be investing an additional £21m into community football facilities over the coming year. This is an important step, and we will be working to secure further Government funding, as well as identifying potential additional funding sources.

This will help to transform the quality of sports facilities in England and Wales. We need more floodlit artificial pitches so people can play in all-weather, any time of day. We need better quality grass pitches, so fewer games are cancelled. We need the changing rooms, pavilions and community hubs that improve our experience of playing football. They need to be accessible and welcoming to all, and a place where people come together.

This new Government funding, alongside the investment of the Premier League and The FA, will help accelerate the delivery of the Local Football Facility Plans and ensure we build on the 17,600 grassroots football facility projects worth over £1.6 billion we have delivered over the past 20 years.

The third factor shaping our work has been the change in leadership, with a mandate from the Trustees to review and improve the Executive operations. Over the past few months, we have undertaken a review and organisational restructure, transitioning to new ways of working. We are improving our effectiveness as a charity and strengthening our culture as we strive to deliver, improve, and build for the future.

It is a real privilege to have been given the responsibility to lead the Foundation. Transforming grassroots football facilities in England is the most important challenge our game faces – and one I care passionately about. I am looking forward to working with the Chair, Trustees, Funding Partners, and everyone across the Foundation in unlocking the power of pitches to continue to transform lives and communities.

RSullivan
RSullivan (Sep 16, 2021 11:46 GMT+1)
Robert Sullivan, CEO

The Football Foundation

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Purpose, objectives & focus

This Strategic Report covers highlights of the Foundation priorities and performance during the past financial year (1 June 2020 to 31 May 2021). It also provides an overview of the priorities we have set to deliver in FY22.

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The Premier League, The FA and Government's Football Foundation is the largest sports charity in the UK. We champion and support fair access to quality football facilities for everyone, regardless of postcode, gender, race, disability, or place.

The Foundation receives money from the Premier League, The FA and DCMS, 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, we have awarded more than 17,600 grants to improve facilities worth more than £710m – including 942 artificial grass pitches, 6,426 natural grass pitches and 1,200 changing facilities. This has attracted an additional £940m of partnership funding – totalling over £1.6 billion investment since the Foundation's inception in 2000.

Objectives and aims

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 for refurbishing or developing new facilities. It also provides the expert guidance and support organisations might require in developing facilities or applying for funding.

The following types of grant funding are available:

- **Football Foundation funding - large and small grants**, covering everything from artificial grass pitches and changing facilities, to goal posts and machinery.

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- **Football Foundation Hubs programme** – A portfolio approach investment model providing an area-wide solution. Each Hub has a network of artificial grass pitches, natural turf pitches, catering, changing facilities and social spaces. The aim is to ensure that each site is financially sustainable and, where possible, supports additional facilities, including maintenance of natural grass pitches, in their city's 'catchment area'.

Local Football Facility Plans

The Foundation's ambition is to transform England's grassroots game over the next ten years. The Premier League, The FA and Government aim 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 318 regions with a bespoke Local Football Facility Plan created for each local authority in England, highlighting the facilities and work required in each area.

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 key 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 should be - on grass. We aim to have improved 5,000 grass pitches to a 'good' quality standard by 2024.

FY21 performance

The key focus in FY21 was for the Foundation to provide the required support to enable the safe return of grassroots football, following the COVID-19 pandemic and multiple national and local lockdowns. As a result of this increased support, the Foundation provided over 9,000 additional grants with a value of c.£22.5m.

During FY21, the Foundation Board agreed a new Performance Framework, which included several new strategic, operational and financial Key Performance Indicator's to commence from FY22. The Foundation will report on these from FY22.

Within the context of the three significant factors which set the context for FY21 - COVID-19 restrictions, ambiguity around additional government funding and changes to leadership - we set out our strategic mission in two parts:

- Continue to deliver what the game needed in difficult times; and
- Simplify and improve the fundamentals of the Foundation.

15 strategic projects were identified and approved for execution in the year, alongside the core business of delivering the grant pipeline of large-scale capital projects and smaller improvements.

Despite the difficult and limiting operating environment, significant progress has been made in delivering the projects to fulfil both parts of our mission.

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Core Grant Pipeline

During FY21, the Foundation awarded more than 2,400 grants valued at over £69.9m (2020: £55.8 million). A breakdown of these and the items they delivered are shown in the table below.

Applications to the Foundation are made through the website – www.footballfoundation.org.uk. For lower value grants (>£25k), a reactive approach is taken, with applicants able to follow a guided application process to submit their application. For all other grants, a proactive approach is taken with support provided by Foundation Grant Management Team so that applicants can efficiently submit applications which will achieve the greatest outcomes and have the best chance of being successful.

Applications are critically assessed by the Grant Management Team and an assessment report, proportional to the size of the grant, is produced which summarises the project and confirm compliance with funding criteria. The reports are then presented for a decision, the process for which varies in accordance with the Delegated Authority agreed by the Board of Trustees.

CORE GRANT PIPELINE DELIVERY					
GRANT CATEGORY	>	£250k+	£25-£250k	Small Grants	Grass Pitches
GRANTS ISSUED	>	53	21	2,032	358
GRANT VALUE	>	£34,373,088	£2,386,045	9,194,739	£6,500,000
DELIVERY	>	<ul style="list-style-type: none">• 41 new ACPs• 15 changing rooms• 2 MUGAs• 34 grass pitch capital works	<ul style="list-style-type: none">• 5 new ACPs• 10 changing rooms• 3 MUGAs• 20 grass pitch capital works	<ul style="list-style-type: none">• 98 Changing pavilion & clubhouse refurbishment• 94 Fencing• 195 Floodlights• 1430 Goalposts• 11 Grass pitch drainage• 5 Playing surface improvement• 240 Maintenance machinery & equipment (3G and grass)• 111 Storage containers	<ul style="list-style-type: none">• 1,210 pitches that will be improved to or sustained at a 'good' standard• This now takes the total of 'good' quality pitches across England to 4,114

In addition to awarding core grants in FY21, a multi-year investment plan was agreed by the Board of Trustees.

Delivering Brilliant Programmes

Given the challenges of COVID-19 for grassroots football, it was clear the Foundation needed to take a lead in providing practical support to clubs so they could first cope with the impacts of the pandemic, then get going again in FY21.

Through our range of COVID-19 immediate relief funds, we have delivered 10,000 grants providing £22.5m of funding quickly and efficiently to clubs. These have come in six phases across the year, each with a focus aligned to specific needs relating to the introduction or lifting of government guidelines:

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- **Pitch Preparation Fund** – Launched in May 2020, this fund saw £7 million awarded to 2,902 organisations. This enabled over 9,000 football pitches to be made match-fit and benefited more than 33,000 football teams.
- **Club Preparation Fund** - Launched in June 2020, this fund awarded 3,383 grants worth £1.7 million to help clubs prepare their buildings to safely reopen in line with Government guidelines around hygiene and social distancing, and The FA's plans for a 'phased return'. A total of 40,131 football teams benefited from the fund, including 32,921 grassroots teams.
- **Matchday Support Fund** – A total of 1,090 clubs from the National League System, Women's Football Pyramid and Welsh Premier League benefited from grants worth more than £5.5 million to make their ground safer in line with COVID-19 guidelines through this fund launched in October 2020.
- **Return to Football Fund** – £2.1 million of funding was targeted to support clubs most affected by the lockdown, including in the highest areas of deprivation in England, disability football and groups underrepresented in football, including women and girls.
- **Grass Pitch Maintenance Fund** – A £14m fund launched in March 2021 to provide six-year tapered grants to improve the quality of grass pitches. These grants form a key part of the Foundation's overall Grass Pitch Programme which hopes to improve at least 5,000 pitches by June 2024.
- **Small Grants** – This fund to help clubs pay for essential equipment and machinery they need to start playing again. Clubs can apply for up to £25k to refurbish their changing rooms, pay for grass pitch drainage, new goalposts, pitch maintenance equipment and portable floodlights.

Case Study 1: Marine AFC – PITCH PREPARATION FUND , CLUB PREPARATION FUND , MATCHDAY SUPPORT FUND, FOOTBALL WINTER SURVIVAL PACKAGE, FOOTBALL SUMMER SURVIVAL PACKAGE and RETURN TO FOOTBALL

From having a steady income stream to their doors being shut overnight, the effect of the pandemic left Marine AFC, like many clubs, in need of urgent financial support. Thanks to Pitch Preparation Fund, Club Preparation Fund and Matchday Support Fund grants, Marine AFC were able to maintain their pitches and implement safety measures, such as distancing screens and one-way systems, ready for resumption of football. Club Chairman, Paul Leary, said: *"A football club just can't leave their pitch so the Pitch Preparation, Club Preparation and Matchday Support funds were absolutely vital."* Richard Cross, Club Secretary, added: *"We're club officials, fans and supporters through and through so it's all about seeing people back on the terraces supporting the team they love and feeling that community atmosphere again."*

Case Study 2: Old Boltonians FC - Pitch Preparation Fund

One club to benefit from a Pitch Preparation Fund grant was Old Boltonians AFC in Lancashire, who were awarded a grant of £2,500. The funding provided meant Old Boltonians AFC were able to carry out the essential maintenance work they may have otherwise been unable to do, when clubs had little or no means to generate any income. Without a Pitch Preparation Fund grant, the club confirmed that their *"annual renovation works were in serious doubt and would have been simply unaffordable"*. However, thanks to the investment, the club's renovation went ahead and they were able to purchase fertiliser and grass seed, as well as arrange for their pitches to be verti-drained by a

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contractor. Thus, when the time came for football to resume, Old Boltonians' pitches were in top condition.

Case Study 3: Nottingham Forest in the Community Trust - PITCH PREPARATION FUND and CLUB PREPARATION FUND

Based at the Forest Sports Zone in the heart of Nottingham, Nottingham Forest in the Community Trust work to engage their local community in positive activity and support them wherever they can. When the lockdown restrictions came into force, getting their facility ready for the safe resumption of football was always going to be a challenge given the costs attached. However, thanks to Pitch Preparation Fund and Club Preparation Fund grants, the Trust were able to ensure people could get back playing again safely. Graham Moran, CEO of Nottingham Forest in the Community Trust, said: *"These funds have given people confidence and it's been part of our role to help and encourage other local organisations and groups have access to the funding as well so it's been really welcome."*

In addition to supporting grassroots clubs, in the last year, the Foundation has also worked to maintain the long-term viability of its £200 million investment in **The Hubs Programme**, our **multi-pitch sites**, in partnership with councils and local football organisations in cities such as Liverpool, London, Sheffield and Sunderland.

These Hubs were closed for most of the year, creating financial challenges for the company contracted to operate them. The Foundation stepped in to negotiate the release of this contractor with minimal disruption and cost, whilst also supporting the operator **Leisure United** to maintain its role so that the Hubs could reopen in line with the lifting of lockdown restrictions. To reduce risk and ensure the effective future operation, an agreement was reached to establish a **New National Football Trust** to oversee Leisure United and their operations on current and future Hubs.

The **PitchPower App** was launched in FY21. This digital tool help clubs carry out grass pitch inspections as part of the grant application process. Since launch, over 5,000 pitches have been inspected and assessed by our partners at the Grounds Management Association. The launch of PitchPower and the emergency Covid-19 relief Pitch Preparation Fund has helped to accelerate growth in Grass Pitch Improvement. Currently, 4,114 pitches are rated as 'good' quality across England, with 1,802 of these added in the past year.

Case Study 4: Birstall United Juniors – Grass Pitch Improvement Programme

Birstall United Juniors have been part of the Grass Pitch Improvement Programme for just under two years starting off as a group of volunteers who in their own words had little experience in pitch preparation. Initially their Meadow Lane pitches were assessed on site in July 2019. With widespread weed coverage, issues with poor surface levels in goal mouths and a high percentage of undesirable grasses the pitches tested at the POOR pitch standard. After working with the County FA and the Grounds Management Associations Regional Pitch Advisor the club began their pitch improvement journey. The club signed up to The Football Foundation's 6-year enhanced grass pitch maintenance fund in spring 2020 which will see the club receive around £26,000 of grant funding over that period to be exclusively spent on enhanced pitch maintenance tasks such as over-seeding, weed control, deep spiking, and fertilisation amongst other operations.

A key part of the improvement programme is regular monitoring of the clubs' pitches using the PitchPower app. This is the Football Foundation's simple to use mobile tool to help clubs and organisations inspect and improve their grass pitches. After each inspection, the club receive an updated benchmark grade for the pitches and a new report from their Regional Pitch Advisor providing advice on how to further improve the pitches. The report also includes

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recommendations around machinery and training. Simon Oates (volunteer groundskeeper) from the club describes PitchPower as “a very useful app that allows the club and volunteer groundsman to keep track of the condition of playing surfaces. It also allows us to share with more qualified pitch advisors who can then offer recommendations”

The club have so far provided two PitchPower submissions which has seen the pitches improve to the GOOD standard. This is testament to the hard work of club volunteers in completing the routine maintenance tasks and the club's partnership with Leicester City FC's Sports Turf Academy Technical Services arm delivering works that have included over-seeding, fertilisation, top dressing, scarification, weed control and deep spiking.

As well as having the pitch maintenance funding and wider support to implement the recommendations made in their PitchPower report the club have also benefited in other areas. The club's November PitchPower report placed an emphasis on regular routine maintenance as well as the specialist contracted tasks and on the back of this the club enquired about the possibility of further grant support to replace their aging equipment. As recommended the club applied for funding towards a 34HP Compact Tractor as well as a 1.8m Rear Roller Mower. This was in addition to the Combination Turf Grooming Tool that was part funded in 2020 and the club have now had equipment funding totalling over £25,000 across 2020/21.

The club's volunteer ground-staff have now completed the GMA's online level 1 training in Football Grounds Maintenance as recommended in their PitchPower report and an immediate success has been an improvement in the marking of pitches. Simon says that “knowing the methodology instantly improved presentation”. They have also benefited from gaining an understanding of appropriate cutting heights, and how to set up and maintain their equipment correctly.

In closing Simon says that “feedback from players and parents is very positive and our groundsman are involved in ensuring pitch rotation and correct preparation for games is carried out. For a small grassroots club, our pitches are certainly improving.”

Simplifying and improving processes

During FY21, the Foundation successfully divested **Upshot**, an impact measurement business, to become a new and unconnected Community Interest Company with a new social purpose and a commitment to reinvesting its profits back into improving the software tool and serving the third sector.

The Foundation launched Upshot in 2012 as a specialist software tool that allows organisations to measure the impact of their initiatives and demonstrate progress towards their outcomes. The decision to become independent is designed to give Upshot greater freedom to grow its team, invest in the technology and make impact measurement more accessible to a wider range of organisations.

To improve our internal efficiency and effectiveness, we completed the first two of four phases of the **Grant Management System** replacement process in FY21. A new simplified **performance measurement framework** was also developed, to provide a more rational validation of our investments and internal business operations.

A marketing and communications campaign enabled a successful launch and strong public engagement around the first wave of **Local Football Facility Plans** in November 2020. In March 2021, communications to promote the **COVID-19 Relief Funds** achieved significant reach and engagement with almost 100% positive sentiment, driving attribution for the investment and work back to the Foundation and its Funding Partners.

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Strengthening people and planning culture

We are improving our effectiveness and strengthening the Foundation's culture as we pursue our mission to deliver, improve and build, ready for a greater scale of investment in the future.

Some of the key internal tasks we completed in FY21 include:

- A full organisational review and restructure, followed by effective transition to new ways of working;
- A Comprehensive equality, diversity and inclusion review of internal and external processes;
- Development of a new business planning and budgeting process for FY22;
- Development of a new Personal Development Review process, ready for launch in FY22.

Through the progress we have made in delivering our mission across FY21, we believe the Foundation has changed for the better.

First and foremost, the Foundation has been there for the game when it needed quick, easy, and critical support. We have also re-built trust in the partnership and directly between the Foundation's Executive team and the Funding Partners.

Internally, we have simplified and improved operational structures and processes to be a more flexible, agile, and efficient organisation. We have also played a key role in securing the additional Government funding and built a consensus across the partnership for the direction of future strategic investment.

Challenges

Whilst we have made positive progress in many areas, there are some challenges that we have not managed to successfully address in the last 12 months that we will carry over into FY22.

Core funding certainty

We still await confirmation from all three Funding Partners as to the long-term (in this case next three years) funding outlook. FY22 Funding has been confirmed by all three Funding Partners and hopeful that by the end of FY22 we will be able to return to receiving confirmation for three-year funding cycles.

Energising Local Football Facility Plans

The first generation of local plans has provided a strong starting point, but we need to ensure we can execute these into a thriving pipeline of projects that deliver against our investment priorities. This will need a step-change in local engagement and the ability to be flexible when required. We have already started working on our approach to ensuring they better reflect the shift to a greater multi-sport provision.

Extending grass pitch improvement

We have made a good start to this programme but taking it beyond our asset-owning club base, into Local Authorities and across multi-sports is the big challenge that would transform not just this programme, but our ability to reach and improve the largest number of pitches. It

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will need further technology development and a behavioural change campaign to engage a volunteer workforce.

Building for scale

We hope and expect core funding to take a positive step change from FY23. We will use the next 12 months to ensure we hit the ground running next year, not only with enough projects in our pipeline to bring forward, but also improvements to our structure and internal processes to withstand the scale up.

FY22 priorities & plans

Whilst the uncertainty around future funding remains, the Football Foundation Executive Leadership team has committed to setting a 12-month plan of action. This gives us focus through to June 2022, at which point we aim to have a new three-year Strategic Plan aligned to committed funding from all three partners to work against.

An overview of our FY22 plan is shown in the table below.

Our vision Strategic purpose of our investment over multiple years	Deliver facilities that unlock the power of pitches to transform lives and communities	
Our FY22 mission Our strategic focus for the next 12 months to help us deliver our long term vision	Deliver. Improve. Build. Deliver brilliant projects for our applicants and programmes for our partners; continue to improve our processes, systems and working culture; and build to be ready for a greater scale of investment in FY23	
Our FY22 commitment in the next 12 months this is what we'll do & how we'll do it	In FY22 we'll: <ul style="list-style-type: none">• Deliver Covid-relief funds as required• Invest in 6 new Hubs• Invest in 40 3Gs• Deliver 2,515 good quality grass pitches (FY21 + FY22 target combined)• Activate 'Active Through Football' in a minimum of 15 places• Invest £7m in small grants• Invest £6.7m in Football Stadia Improvement Funding• Activate the multi-sport agenda• Activate LFFPs to develop a full delivery pipeline for FY23	In FY22 our applicants, partners & colleagues will say: <ul style="list-style-type: none">• We are open and inclusive in our approach• We can be trusted to deliver• We like to collaborate and are easy to work with• We are flexible and will go the extra mile

We have identified key projects across four key areas to form the focus for our work in FY22:

Partnerships and funding

- Secure additional Government funding for FY23;
- Identify potential additional funding sources.

Products and programmes

- Establish National Football Trust/Leisure United structure for Hub sites;
- Identify Local Authority-wide grass pitch improvement solutions;
- Complete and embed the small-sided facilities review;
- Develop a Groundskeeper Volunteer Plan;
- Research sustainable pitch and investment technology solutions.

Processes and systems

- Develop and implement a new post-grant award support and assurance process;
- Commence refresh of Local Football Facility Plans;

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- Build PitchPower 2.0 (incorporating multi-sport);
- Implement and roll out Grant Management System.

People and culture

- Establish and implement Equality, Diversity and Inclusion action plan;
- Embed a refreshed Culture & Values programme;
- Develop a plan for the future of our Head Office and working practices;
- Plan and implement resourcing for scale in FY23.

How the Board complied with its Section 172 duty

The Board welcomes this reporting requirement as an opportunity to explain how dialogue with its stakeholders has informed and helped shape its decisions. Following the appointment of Robert Sullivan as Chief Executive in November 2020, the Board has engaged with Robert and the senior management team to develop the Foundation's core objectives and aims. Importantly, this was supported by dialogue with the Funding Partners, employees and other stakeholders.

Through working collaboratively with management and listening to feedback from the Foundation's many stakeholders, the Board believes that the Foundation is better positioned to respond to the needs of grassroots football clubs in developing their facilities to meet the requirements of COVID-19 guidelines, getting back to playing and working with partners to deliver the LFFPs.

The Board is also focused on ensuring its activities do not have a negative impact on the environment. This includes the review of the current microplastics used in the Foundation's artificial grass pitches, and monitoring the Foundation's environmental impact (carbon footprint), please see our carbon reporting section below for more detail.

We will continue a period of change during FY22 to deliver on our core objectives while simplifying and improving the Foundation so that we can succeed over the long term.

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:

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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:** Including implementation of, and performance against, the strategy and the plan; and 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.
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. New 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 2020/2021 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.

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.

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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.

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 FY21.

The Foundation's consumption and associated greenhouse gas emissions for the financial year 1 June 2020 to 31 May 2021 are shown in Tables 1 and 2 below.

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

Energy Type	Energy Use (kWh)	% Split kWh	Emissions (tCO ₂ e/yr.)	% Split CO ₂ e
Electricity (Scope 2)	34,296	52.69%	8.00	53.11%
Transport (Scope 1)	30,797	47.31%	7.06	46.89%
TOTAL	65,093	100%	15.05	100%

Table 2: Energy and Carbon Conversion Factors

Activity	Fuel	Unit	Year	Kg CO ₂ e
Electricity Generated	Electricity: UK	kWh	2020	0.23314

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Transport (average car)	Petrol	kWh	2020	0.22920
Transport (average car)	Petrol	Mile	2020	0.28052

*UK Government GHG Conversion Factors for Company Reporting, 2020, BEIS & 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. Therefore, 0.22920 kg CO₂e per kWh value has been applied. The fuel conversion factor applied (kWh/mile) is 0.28052 kg CO₂e per mile / 0.22920 kg CO₂e per kWh = 1.2240 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 organisation. We have chosen to compare our overall emissions with our annual income for the 2020/21 year.

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

Energy Consumption	Total greenhouse gases emissions	The annual group income (£'m)	Intensity Ratio	Intensity Ratio
(kWh)	(tCO ₂ e)	FY21	(kWh / £100,000 income)	(tCO ₂ e / £100,000 income)
65,093	15.05	£42.3	153.88492	0.03559

Energy Efficiency Key Points

The Foundation is aware that the above figures do not present a comparable year as for the majority of FY21 there was Government advice to work from home where possible. This vastly reduced the use of our London office and reduced the Foundation funded site visits our remote staff undertook.

However, the Foundation is still committed to reducing its carbon and greenhouse gas emissions and one of the major areas of focus around this in 2021/22 is completing a review of our current premises and developing a future plan for the Foundation's office, along with a review of hybrid working methods going forward. Both could result in positively reducing the Foundation's carbon and greenhouse gas emissions.

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Financial review

The consolidated statement of financial activities for the year is set out on page 29. 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 £41.2m (2020: £71.5m). In addition, the Foundation received income of £1.1m (2020: £0.6m) from The Football Stadia Improvement Fund Limited to cover salaries and other administrative costs incurred on the company's behalf. There are no other income generating activities carried out by the Charity, although the subsidiary company, FFTL, generated total income of £0.3m in the year (2020: £0.6m).

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.

Income generated in the year and prior year by FFTL wholly related to selling of an online monitoring system (Upshot) under license to external organisations. Upshot is primarily used to support Foundation-funded projects, providing an online tool to monitor the delivery and impact of Facility and Community-based projects.

During FY21, the Foundation successfully divested the Upshot commercial operation into a new and unconnected Community Interest Company (CIC), with a social purpose and commitment to reinvesting all profits back into improving the software tool and serving the third sector. As part of the sale agreement £0.2m was paid upon sale in March 2021, and £0.3m will be paid, in instalments, over the next four years.

Grant expenditure

In the last 12 months the Foundation awarded grants with a total value of £69.9m (2020: £55.8m). Grants outstanding at the 31 May 2021 totalled £78.0m (2020: £66.9m).

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

Reserves

It is the Foundation's policy that the aggregate of grants awarded will not exceed known current and future funding. The present Reserves Policy is to hold reserves at a level to fund activities and operations in the event of a major fall in income or unforeseen expenditure while plans to replace income or change activities are put in place. 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. The Foundation's unrestricted free reserves as at 31 May 2021 are £25.6m. This Foundation Reserves Policy statement is reviewed on an annual basis.

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Balance sheet

The Foundation's net assets at 31 May 2021 were £28.2m (2020: £59.1m); principally comprising cash and other investments of £80.7m, amounts due from the Funding Partners of £24.1m, less grants payable of £78.0m.

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 £29.9m (2020: £49.4m) and short-term investments of £50.9m (2020: £50.5m) at the end of the financial 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 £78.0m (2020: £66.9m). 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. Whilst COVID-19 had a significant impact on the funding partners, funding for 12 months from the date of signing of the financial statements has been confirmed in writing from The FA, Premier League, and the Government (via Sport England). The Trustees' policy is not to commit funds beyond known funding.

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. Since the COVID-19 pandemic investments and cash continue to be held within UK-based only banking institutions and building societies.

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The Football Foundation Trading Limited (Reg no: 4202574)

FFTL was established to trade and generate funds for the Foundation with no restriction on the activities. The principal activity during 2021 was to continue growth in revenue and profitability from selling Upshot under licence to external organisations.

During FY21, the Foundation successfully divested Upshot and it became a Community Interest Company (CIC) with a new social purpose and commitment to reinvesting all profits back into improving the tool and serving the third sector. Therefore, there was no additional revenue from FFTL post 5 March 2021.

FFTL's policy is to make an annual gift aid payment to the Foundation, thereby transferring all its current realised profits to the Charity. No such profit was available for gift aid in the year under review (2020: £nil).

As per policy, FFTL makes an annual payment under a royalty agreement of 2% of its annual revenue to the Foundation as consideration for the use of the Charity's name and logos. In addition, FFTL makes a further annual royalty payment of 20% of Upshot-related revenue, as consideration for the use of Upshot – the Charity owned asset. The aggregate royalty payment due to the Charity for 2021 is £66,475 (2020: £126,011).

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.

Principal risks & 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 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 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.

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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'.

The review process for each type of risk is summarised as follows:

- **Strategic risks.** The Executive review and update the Strategic Risk Register monthly and carry out a full refresh annually. This, together with a fully refreshed operational risk framework, is forwarded in full to the Board for approval each year. The Strategic Risk Register is then presented to the Trustees at every Board meeting.
- **Operational risks.** Operational risks are owned by the relevant Director and Head of Department. They are fully refreshed annually as part of the business planning process and are then regularly reviewed. Any risks that need to be escalated are highlighted to the Executive Team and/or Board as required. The Foundation-wide operational risk framework undergoes formal review and updating each quarter and is subsequently reviewed by the Executive. It is also presented quarterly to a Board sub-committee.
- **Grant Project risks.** Risks are highlighted at the point of grant assessment in terms of financial, construction, and development outcomes. These are then monitored and mitigated throughout the project's duration and through the comprehensive project monitoring and evaluation processes.

All risks are ultimately the responsibility of the Board to manage, and any (strategic, operational, grant project risks) that require a Board-level action will be escalated to the next available meeting, or by correspondence, as necessary. This is over and above the Board's responsibility to review and approve the overall Register annually and receiving visibility of the Strategic Risk Register at each meeting.

The Strategic Report and Trustees Report was approved by the Board and signed on its behalf by

Jennie Goodman
Jennie Goodman (Sep 16, 2021 12:33 GMT+1)

J Goodman
Company Secretary
15 September 2021
Reg no: 387630

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Report on the audit of the financial statements

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 2021 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 2021 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.

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Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 require 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

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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, 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 operates 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, tax

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legislation and Charities (Protection and Social Investment) Act 2016. 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 and accounting for the sale of Upshot as the areas 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, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

16 September 2021

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Consolidated statement of financial activities (including the income and expenditure account) for the year ended 31 May 2021

		Restricted funds	Unrestricted funds	Total funds	Restricted funds	Unrestricted funds	Total funds
		2021	2021	2021	2020	2020	2020
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Donations	2	1,564	39,606	41,170	41	71,418	71,459
Interest income	4	-	7	7	-	127	127
Other income	4	-	1,122	1,122	-	630	630
Income		1,564	40,735	42,299	41	72,175	72,216
Income from trading activities	3	-	302	302	-	573	573
Trading costs	3	-	(265)	(265)	-	(406)	(406)
Net income from trading activities		-	37	37	-	167	167
Total income		1,564	40,772	42,336	41	72,342	72,383
Expenditure on:							
Charitable activities	5	(423)	(73,171)	(73,594)	(41)	(60,519)	(60,560)
Total expenditure		(423)	(73,171)	(73,594)	(41)	(60,519)	(60,560)
Investment income	14	-	354	354	-	1,028	1,028
Net income / (expenditure)	7	1,141	(32,045)	(30,904)	-	12,851	12,851
Net movement in funds		1,141	(32,045)	(30,904)	-	12,851	12,851
Reconciliation of funds:							
Funds brought forward at 1 June		-	59,139	59,139	-	46,288	46,288
Funds carried forward at 31 May	17	1,141	27,904	28,235	-	59,139	59,139

The notes on pages 32 to 47 form part of these financial statements.

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Balance sheets as at 31 May 2021

	Note(s)	Group		Charity	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fixed assets					
Intangible assets	11	672	1,217	672	1,217
Tangible assets	12	436	523	436	523
		1,108	1,740	1,108	1,740
Current assets					
Stock		172	197	172	197
Debtors: amounts falling due within one year	13	25,539	28,251	25,591	28,222
Investments	14	50,885	50,532	50,885	50,532
Cash and cash equivalents		29,861	49,366	29,485	48,864
		106,457	128,346	106,133	127,815
Creditors: amounts falling due within one year	15	(79,569)	(71,001)	(79,562)	(70,881)
Net current assets		26,888	57,345	26,571	56,934
Debtors: amounts falling due after one year	13	239	54	239	54
Total assets less current liabilities		28,235	59,139	27,918	58,728
Net assets	17	28,235	59,139	27,918	58,728
Funds					
Unrestricted funds:					
Funds retained within the Charity	16	26,710	58,665	26,777	58,728
Funds retained within a non-charitable subsidiary	16	384	474	-	-
Restricted Funds:					
Funds retained within the Charity	16	1,141	-	1,141	-
Total funds	16,17	28,235	59,139	27,918	58,728

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 expenditure for the Charity for the year was £30.9m (2020: net income of £12.7m).

The financial statements on pages 29 to 47, 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 15 September 2021 and signed on its behalf by:

Martin Glenn
Martin Glenn (Sep 16, 2021 10:47 GMT+1)

M R Glenn
Chairman

The Football Foundation

Registered company number 3876305

Consolidated cash flow statement for the year ended 31 May 2021

	Note	2021 £'000	2020 £'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)		(30,904)	12,851
Adjustments for:			
Amortisation of intangible assets	12	189	89
Depreciation of tangible assets	11	97	116
Profit on disposal of tangible assets	12	(0)	-
Profit on disposal of intangible assets	11	(22)	-
Income from interest on cash deposits	4	(7)	(127)
Interest received on investments	14	(292)	(954)
Interest accrued on investments	14	(61)	(74)
Increase in debtors	13	2,527	(383)
Increase in creditors	15	8,568	3,374
Increase in stock		25	(137)
Net cash provided by operating activities		(19,880)	14,755
(b) Statement of cash flows			
Net cash provided by operating activities		(19,880)	14,755
Cash flows from investing activities:			
Income from interest on cash deposits	4	7	127
Purchase of investments	13	-	(50,000)
Proceeds from the sale of investments	13	-	65,872
Proceeds from the sale of intangible assets	11	466	-
Proceeds from the sale of tangible assets	12	3	-
Purchase of tangible assets	11	(13)	(56)
Purchase of intangible assets	12	(88)	(1225)
Net cash used in investing activities		374	14,718
Net cash outflow		(19,505)	29,473
 Change in cash and cash equivalents in the year		 (19,505)	 29,473
Cash and cash equivalents at 1 June		49,366	19,893
Cash and cash equivalents at 31 May		29,861	46,366

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 2021 relate to the total activities of the two legal entities.

The address of the Foundation's registered office is 10 Eastbourne Terrace, Paddington, London W2 6LG.

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. Whilst COVID-19 had a significant impact on the Funding Partners, funding for the next 12 months has 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 2021. 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.

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.

Additional income is received by FFTL from tenant income and sales of Upshot software licenses. Tenant income is recognised on an accruals basis. Income in relation to Upshot licenses is recognised when the conditions attached to the income have been met. Upshot licenses require annual delivery of the service associated with the license. So, in practice, this means that one year of license income is recognised in the year to which the license is sold. Where license contracts span more than one year, a proportionate amount of license income is recognised in the financial year when the contract commences with the remainder being deferred to future periods in line with the terms of the license. The Upshot business was sold to a new and unconnected Community Interest Company on 5 March 2021, and all income received after the date of sale belonged to the Community Interest Company.

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).

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 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 at bank and in hand 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. Significant areas of estimation and judgement include:

- (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 off 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. Donations

	2021 £'000	2020 £'000
Unrestricted		
The FA	13,306	37,990
Premier League	8,132	15,428
The Government funds managed by Sport England	18,168	18,000
	39,606	71,418
Restricted		
Sport England – Active Through Football	564	41
Greater London Authority	1,000	-
	1,564	41
Total	41,170	71,459

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.

The only activity in FFTL during 2021 was to continue to grow revenue from offering organisations use of the online monitoring system called “Upshot” in return for a licence fee. Launched in 2012, Upshot is a bespoke project management and monitoring system that is also used to support the monitoring and evaluation requirements of Foundation-funded projects.

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. In addition, the subsidiary incurs a further annual royalty fee of 20% of Upshot-related turnover, following the transfer of the intangible asset (comprising software development costs for the Upshot online monitoring system) to the Foundation at the end of 2016. The royalty fee has been eliminated on consolidation. FFTL's trading results for the year, as extracted from the audited financial statements, are summarised below:

	2021 £'000	2020 £'000
Upshot income	302	573
Administrative expenses	(265)	(394)
Royalty fee to the Foundation	(66)	(126)
Corporation tax	-	(12)
(Loss)/Profit of subsidiary	(29)	41

	2021 £'000	2020 £'000
Current assets	376	593
Current liabilities	(58)	(246)
Net assets	318	347

The Football Foundation

Notes to the financial statements

4. Interest and Other income

	2021 £'000	2020 £'000
Interest receivable on cash deposits	7	127
Other income	36	33
Furlough income	26	-
Management fee (FSIF)	1,060	598
	1,129	758

5. Analysis of expenditure

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2021 Total £'000	2020 Total £'000
Activity:					
Awarding of grants					
Unrestricted:	1,986	65,643	5,121	72,751	59,968
Grants payable					
Governance costs (see note 6b)	-	-	420	420	551
Restricted:	61	362	-	423	41
Grants payable					
	2,047	66,005	5,541	73,594	60,560
Trading costs	221	38	7	265	406
Total	2,268	66,043	5,548	73,859	60,966

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

6. Allocation of support costs and analysis of governance costs

6a. Allocation of support costs

	Grant payable £'000	Governance costs £'000	Trading costs £'000	2021 Total £'000	2020 Total £'000
Support costs:					
Indirect staff costs	1,853	-	-	1,853	1,966
Apportionment of staff costs	-	293	-	293	-
Travel and meetings	19	1	-	20	173
Office and premises	957	37	-	994	994
Public relations and marketing	942	37	-	979	923
Recruitment and training	26	1	-	27	57
Consultancy	1,316	51	-	1,367	854
Accountancy and professional	8	-	7	15	21
	5,121	420	7	5,548	4,988

The Football Foundation

Notes to the financial statements

The support costs have been allocated by taking the trading costs directly incurred by the group.

6b. Analysis of governance costs

	2021	2020
Costs/category:	£'000	£'000
External audit	28	34
Apportionment of staff costs	264	405
Apportionment of support costs	128	105
Trustee Board costs	-	7
	<u>420</u>	<u>551</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.

7. Net income / (expenditure)

	2021	2020
	£'000	£'000
Net income is stated after charging:		
Depreciation on tangible assets	97	116
Amortisation on intangible assets	189	89
Profit on disposal of tangible fixed assets	0	-
Profit on disposal of intangible fixed assets	22	-
Amounts payable under operating leases	468	468
Auditor's remuneration for:		
Audit services	28	36
Taxation and other services	<u>3</u>	<u>12</u>

The Charity incurred audit costs of £23,500 excluding VAT (2020: £28,300) and taxation and other services costs of £800 excluding VAT (2020: £2,500). Audit costs of £4,000 excluding VAT (2020: £7,485) and taxation and other service costs of £2,400 excluding VAT (2020: £9,500) incurred by the trading subsidiary are included within the trading costs.

The Football Foundation

Notes to the financial statements

8. Employee information

	2021 Number	2020 Number
Average monthly number of persons employed by the Group and Charity during the year was:		
Foundation	68	71
FFTL	5	7
	73	78
Staff costs		
Group	2021 £'000	2020 £'000
Wages and salaries	3,597	3,638
Social security costs	372	368
Other pension costs	278	234
Compensation for loss of office	-	218
	4,247	4,458
Charity	2021 £'000	2020 £'000
Wages and salaries	3,416	3,319
Social security costs	352	368
Other pension costs	263	234
Compensation for loss of office	-	218
	4,031	4,139

The Group operates a defined contribution pension scheme contributing 8.0% (2020: 8.0%) of gross salaries on behalf of employees.

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

Group	2021 Number	2020 Number
£60,001 - £70,000	2	3
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	3	2
£100,001 - £110,000	3	-
£120,001 - £130,000	1	1
£130,001 - £140,000	1	-
£350,001 - £360,000	-	1

The Football Foundation

Notes to the financial statements

8. Employee information (cont.)

For those staff whose emoluments exceeded £60,000, pension contributions amounting to £75,486 (2020: £75,942) 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 (2020: One Trustee for £72).

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 2021 in respect of these seven (2020: Six) individuals was £677,362 (including Employer's NIC) (2020: £864,854).

The reorganisation during the year resulted in redundancy costs of £237,368 (2020: nil).

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.

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

A deferred tax asset of £3,887 (2020: £83,944) has not been recognised on the losses arising in FCTL on the basis that sufficient profits cannot be guaranteed at this stage of FCTL's development and historical deficits brought forward exceed profits generated to date. As a result of the divestment of the Upshot business, there has been a substantial reduction in the deferred tax asset as it can no longer be attributed against profits generated by the Upshot business.

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

The income attributable to the Charity was £42.7m (2020: £73.3m). The expenditure for the year attributable to charitable activities was £73.6m (2020: £60.6m).

The Football Foundation

Notes to the financial statements

11. Intangible assets

Group and Charity	Total £'000
Cost	
At 1 June 2020	2,561
Additions	88
Disposals	(556)
At 31 May 2021	2,093
Accumulated amortisation	
At 1 June 2020	1,344
Charge in year	189
Disposals	(112)
At 31 May 2021	1,421
Net book value	
At 31 May 2021	672
At 31 May 2020	1,217

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 2020	830	3,176	4,006
Additions	-	13	13
Disposals	-	(7)	(7)
At 31 May 2021	830	3,182	4,012
Accumulated depreciation			
At 1 June 2020	387	3,096	3,483
Charge in year	55	43	98
Disposals	-	(5)	(5)
At 31 May 2021	442	3,134	3,576
Net book value			
At 31 May 2021	388	48	436
At 31 May 2020	443	80	523

The Football Foundation

Notes to the financial statements

13. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Amounts owed by FSIF	1,060	598	1,060	598
Amount owed by FFTL	-	-	66	62
Trade debtors	127	-	127	-
Other debtors	26	83	11	12
Prepayments and accrued income	24,326	27,570	24,326	27,550
	25,539	28,251	25,590	28,222

The FA donated £13.3m (2020: £38.0m) to the Foundation during the year of which £2.1m remained outstanding as at 31 May 2021 (2020: £19.3m). This was included as part of accrued income, and is expected to be received in full, in instalments throughout the next financial year.

DCMS (via Sport England) donated £18.2m (2020: £18.0m) to the Foundation during the year of which £9.0m remained outstanding as at 31 May 2021 (2020: £8.0m). This was included as part of accrued income and is expected to be received in full by 31 May 2022.

The Premier League donated £8.1m (2020: £15.4m) to the Foundation during the year, £5.0m (2020: £nil) of which remained outstanding as at 31 May 2021. This was received in full by 31 July 2021.

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts falling due after one year:				
Arnold Town FC	27	54	27	54
Upshot Systems CIC	212	-	212	-
	239	54	239	54

14. Investments

Group and Charity	£'000	£'000
At 1 June 2021 / 2020	50,532	65,376
Purchases	-	50,000
Disposal proceeds	-	(65,873)
Interest received on investments	292	954
Interest accrued on investments	61	74
At 31 May 2021 / 2020	50,885	50,532

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	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors	293	221	293	220
Taxation and social security costs	113	90	113	90
Grants payable	78,043	69,852	78,043	69,852
Other creditors	-	25	-	1
Accruals	1,120	724	1,113	718
Deferred income	-	89	-	-
	79,569	71,001	79,562	70,881

The amount of deferred income released from the prior year in 2021 was £88,656 (2020: £76,928). No income was deferred in 2021 (2020: £85,466).

16. Funds

Group	2020 Balance £'000	Income £'000	Expenditure £'000	Investment income £'000	2021 Balance £'000
Unrestricted funds					
Funds retained within the Charity	58,791	40,736	(73,171)	354	26,710
Funds retained within FFTL	347	302	(265)	-	384
Restricted funds					
Funds retained within the Charity	-	1,564	(423)	-	1,141
Total funds	59,138	42,601	(73,859)	354	28,235

Charity	2020 Balance £'000	Income £'000	Expenditure £'000	Investment income £'000	2021 Balance £'000
Unrestricted funds					
Funds retained within the Charity	58,791	40,803	(73,171)	354	26,777
Restricted funds					
Funds Retained within the Charity	-	1,564	(423)	-	1,141
Total funds	58,791	42,367	(73,594)	354	27,918

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, the Greater London Authority (GLA) provided funds towards the London Hubs Programme.

The Football Foundation

Notes to the financial statements

17. Analysis of the net assets between funds

Group	Unrestricted funds	Restricted funds	Balance 2021
	£'000	£'000	£'000
Intangible assets	672	-	672
Tangible assets	436	-	436
Net current assets	25,747	1,141	26,888
Debtors: amounts falling due after one year	239	-	239
Net assets	27,094	1,141	28,235

Charity	Unrestricted funds	Restricted funds	Balance 2021
	£'000	£'000	£'000
Intangible assets	672	-	672
Tangible assets	436	-	436
Net current assets	25,430	1,141	26,571
Debtors: amounts falling due after one year	239	-	239
Net assets	26,777	1,141	27,918

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

Group	2021 £'000	2020 £'000
Change in net funds:		
Increase / (Decrease) in cash	(19,505)	29,473
Net funds at 1 June	49,366	19,893
Net funds at 31 May	29,861	49,366

Charity		
Change in net funds:		
Increase / (Decrease) in cash	(19,379)	29,367
Net funds at 1 June	48,864	19,497
Net Funds at 31 May	29,485	48,864

The Football Foundation

Notes to the financial statements

19. Operating leases

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

	2021	2020
Group and Charity	£'000	£'000
Operating leases which expire:		
Within one year	17	-
Two to five years	451	468
	<u>468</u>	<u>468</u>

20. Commitments

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

21. 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 2021 is £2 (2020: £2).

The Football Foundation

Notes to the financial statements

22. Related party transactions

The only transactions between the Foundation and The Football Foundation Trading Limited, is the Royalty Fee which has been covered in further detail in note 3.

Employees of the Foundation have joint employment contracts with The Football Stadia Improvement Fund Limited to deliver grants from both entities. The Football Stadia Improvement 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, £1.1m in 2021 (2020: £0.6m).

Mr W M Bush is the Executive Director of the Premier League and Director of The Football Stadia Improvement Fund Limited. The Premier League donated £8.1m (2020: £15.4m) to the Foundation during the year, £5.0m (2020: £nil) of which remained outstanding as at 31 May 2021. This was included as part of accrued income within note 13.

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 Football Stadia Improvement Fund Limited.

Mr M W Bullingham is the Chief Executive Officer of The FA and Director of The Football Stadia Improvement Fund Limited. The FA donated £13.3m (2020: £38.0m) to the Foundation during the year, of which receipt of £2.1m (2020: £19.3m) remained outstanding as at 31 May 2021. This was included as part of accrued income within note 13.

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 Football Stadia Improvement Fund Limited Investment Panel, the General Manager and Vice-Chairman of Bognor Regis Town F.C. and a council member of Sussex County FA.

Mr T Hollingsworth is the Chief Executive Officer of Sport England. The Government (via Sport England) donated £18.0m (2020: £18.0m) to the Foundation during the year, of which receipt of £9.0m (2020: £8.0m) remained outstanding as at 31 May 2021. The Government (via Sport England) donated £564k (2020: £41k) to the Foundation for "Active Through Football" programme during the year, of which receipt of £Nil (2020: £Nil) remained outstanding as at 31 May 2021. This was included as part of accrued income within note 13.

The Foundation's and FFTL's staff are employed under joint contracts with FSIF. A proportion of staff costs are recharged to FSIF together with an element of the running costs of the Foundation totalling £1.1m (2020: £0.6m).

The Football Foundation

Notes to the financial statements

23. Grants awarded during the financial year

Grants awarded during the financial year amounted to £69.9m (2020: £55.8m). 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 £7.6m (2020: £6.7m). No grant has been made to any individual (2020: same).

<i>Single Fund</i>	<i>£</i>	<i>Single Fund (cont.)</i>	<i>£</i>
Newcastle United Foundation	£2,000,000	Keyworth Sports Association	£583,539
Pompey in the Community	£1,843,191	Worthing Borough Council	£569,043
Grounds Management Association	£1,661,357	Longwell Green Community Centre	£559,215
Liverpool CFA Sefton CIC	£1,273,711	Tudor Grange Academies Trust	£557,086
The Futures Trust	£1,235,132	The Education Alliance	£555,646
Derbyshire County Council	£1,106,821	Life Multi-Academy Trust	£533,948
Cheshire West And Chester Council	£1,068,589	Barwell Cricket and Sports Club Com. Ltd	£532,277
Lincoln City Fc	£986,411	The Latymer School	£531,287
Bexley Park Sports & Social Club And Par	£871,254	Magna Learning Partnership	£524,845
Gorleston Fc	£870,860	Horndean Technology College	£505,698
Saffron Educational Trust	£817,275	Waingels College	£500,934
South Ribble Borough Council	£816,027	Trowbridge Town Council	£488,908
Sefton Borough Council	£778,047	Shrewsbury Town FC Limited	£479,720
London Borough Of Lewisham	£742,906	Stamford Bridge Playing Fields Associati	£474,561
Warwick District Council	£691,457	Lutterworth Athletic Fc	£470,876
St Helens Council	£677,126	Aspire Schools Trust	£469,033
Hutton Football Club	£655,407	Education Training Collective	£467,065
Derbyshire County Council	£621,520	Rushcliffe Borough Council	£458,275
Cambridge Meridian Academies Trust	£619,699	South Staffordshire District Council	£455,647
East Riding Of Yorkshire Council	£617,462	The Cherwell School	£454,874
Wokingham Borough Council	£616,619	Wychavon District Council	£454,177
Haven High Academy	£610,462	Yateley United FC	£451,000
Cam Academy Trust	£604,011	Cannock Chase District Council	£445,007
BEAP Community Partnership	£602,993	Cheltenham Borough Council	£428,200
John Colet School	£599,587	Leek Town FC Ltd	£418,941

Grants	Total value (£m)
50 largest facility grants	35.4
Other	34.5
Total	69.9

24. Ultimate controlling party

There is no ultimate controlling party of The Football Foundation.