



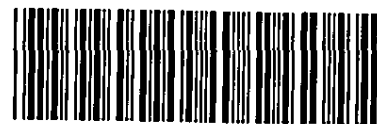
Fulham Football Club Foundation

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

**(Registered Company Number 4573248)
(Registered Charity Number 1111639)**

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**FULHAM FOOTBALL CLUB FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

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**FULHAM FOOTBALL CLUB FOUNDATION
STATUTORY INFORMATION**

Legal Status

| | |
|-------------------|---|
| Charity Name | Fulham Football Club Foundation (formerly Fulham FC Community Sports Trust) |
| Charity Number | 1111639 |
| Company Number | 4573248 |
| Registered Office | Fulham FC, The Training Ground, Motspur Park, New Malden, Surrey KT3 6PT |
| Operating Address | Parkgate House, 356 West Barnes Lane, Motspur Park, Surrey KT3 6NB |

Trustees

| | |
|--------------------|-----------------------------|
| Tom Barry | Chair |
| Robert Fallowfield | Treasurer |
| Stuart Benson | |
| Oliver Dale | |
| Steven Norris | (appointed 3 November 2008) |
| Valerie May | (appointed 3 November 2008) |

Management Team

| | |
|---------------|------------------------------|
| Steven Day | Chief Executive Officer |
| Dan Jacquart | Sports Development Manager |
| Rebecca Dance | Community Programmes Manager |
| Soye Briggs | Social Inclusion Manager |
| Sharon Davis | Management Accountant |

Company Secretary

Darren Preston

Bankers

NatWest, City of London Office, PO Box 12258, 1 Princes Street, London, EC2R 8PA

Solicitors

Watson Burton, 1 St James' Gate, Newcastle upon Tyne, NE99 1YQ

Auditors

PKF (UK) LLP, Farringdon Place, 20 Farringdon Road, London EC1M 3AP

FULHAM FOOTBALL CLUB FOUNDATION CHAIRMAN'S REPORT

Given the overall economic environment and recessionary challenges, it gives me great pleasure to be able to present such a positive set of results. We've met these challenges head on, thanks to the Vision and direction of the senior management team, our colleague's and Trustee's. Our annual report includes our accounts, and a review of our activities. We have invested a lot of time and effort this year in putting together plans for the future.

The resulting three-year Strategic plan will stand us in good stead to continue to develop the organisation and to maintain and further improve the high standards of child welfare and development that we pride ourselves on. This years report will contain one new additional section where we will explain our plans for the Fulham FC Community Sports Trust change into the Fulham FC Foundation.

In the past year we continued to deliver on our objectives. We are very proud of our performance within our multi-sport activities and educational opportunities alongside our financial results, achieved across our 4 London and 5 Surrey Boroughs. I am delighted to report that we have achieved a third consecutive year of financial surplus within our operations.

There is still a lot to do, and a lot of external factors that could affect us, but with sound and robust strategic plans in place and a fantastic team of people to carry them out, the Trustees and I have every confidence for the future.

CHAIRMAN'S OVERVIEW

Our primary objectives for the past year were:

- To use sport to inspire young people to lead healthy and active lives
- To be inclusive and accessible to all groups within the community, especially ethnic minorities and people with disabilities
- To provide activities that improved educational standards

Yet again, our objectives were met through our great people. We are very fortunate that we continue to attract great colleagues who are proud of doing a great job, every day. We are also firmly supported by our Colleagues within Fulham FC, the full squad and club management teams, their input and commitment is without doubt a key component in our success and I would like to take this opportunity of passing on our sincere thanks to all concerned.

**FULHAM FOOTBALL CLUB FOUNDATION
CHAIRMAN'S REPORT (continued)**

During the course of the year we delivered a huge range of excellent programmes and projects that made significant impacts to our community. Some highlights of last year include:

- Becoming the eighth club nationally to achieve the 'Kick it Out' Racial Equality Standard Intermediate Level Award, working in partnership with the club.
- Winning five trophies from the National 'It doesn't have to happen' Knife crime campaign event.
- Successfully securing funding for the new Premier League Health project, funded by the Premier League, New Football Pools and New Deal for Communities in Lambeth, which looks to improve the health of males in Lambeth aged 18 plus.
- Successfully securing £145,000 in match funding to ensure the delivery of our seven Kickz projects continued and being commissioned by Lambeth Council for Kickz delivery until Aug 2010.
- Over 800 young people engaged on the Kickz projects and over 100 girls accessing the first year of the Girls activity programme, Aspire 2 Move. 80 young people have attended Anti-knife/Gang crime workshops and 21 young people have gained certificates in FA level 1 Coaching and 20 young people accreditation at level 1 & 2 in dance.
- Recruitment and retention of over 150 active sports volunteers between the ages of 14-25 through the Community Champions Project.
- Successfully delivering four Double Clubs, working with 60 underachievers in literacy and numeracy. 92.5% of all participating pupils increased their scores in literacy during the programme.
- Successfully securing funding for London's first Football Club-based Business and Enterprise project, which will teach young people the business of football.
- Delivery of a successful first year of the Positive Minds project working with over 600 children, young people and adults with a disability in 3 London boroughs
- Successfully securing funding for a new Premier League 4 Sport project. The project, funded the DCMS, Youth Sports Trust, Sport England and Premier League, is a multi-sport programme which includes Judo, Badminton, Table Tennis and Volleyball.
- Successful delivery of our contract with GLL, which spans across three boroughs and involves over 900 hours of football coaching. This is a model that GLL are using across other London clubs.
- Improved delivery of the Echo project, running two large festivals involving a variety of schools.

This year has also seen two major activities that will support our future successful development. Firstly, the appointment of our first CEO, Steven Day, who joined us on 01 December 2008 and the undertaking of a full strategic review that has resulted in the creation of a new three-year strategy for the Foundation including a new Communications & PR plan and a supporting Commercial Plan. The Charity has implemented a new organisational structure and is now in excellent shape to progress with developments moving forward.

I would now like to take this opportunity to announce our plans for the year ahead. The first and key event is the renaming and re launching of our Community Sports Trust as the "FULHAM FOOTBALL CLUB FOUNDATION". This move is a natural progression of our development and our strategy. This will ensure that we are at the leading edge of Football based and multi-sports work within our Communities and cement our relationship, in all ways, with Fulham Football Club.

Our mission "Building better lives through sport", a continuation of our areas of success in recent years with a clarity that our participants and supporters relate to.

**FULHAM FOOTBALL CLUB FOUNDATION
CHAIRMAN'S REPORT (continued)**

I would now like to personally thank the many colleagues and partners who do so much to help us to deliver our goals.

Firstly, our London Borough partners of Hammersmith and Fulham, Lambeth, Merton and Kingston upon Thames and our Surrey Borough partners of Epsom and Ewell, Reigate and Banstead, Runnymede, Tandridge and Woking.

Our funding partners, the Premier League, the FA, the PFA, Sport England, Football Foundation, 'V', London Active Communities, Lambeth Sports Action Zone, Pro Active South London and Metropolitan Police. Thanks must also go to our key sponsors Monster Cables Inc.

I would also like to thank my fellow Trustees who commit so much of their personal time to supporting our continued success, and my Colleagues at Fulham FC who continue to be totally supportive. During the year Steven Norris and Val May joined the Trustees board bringing with them a wealth of Government, industry and Educational experience which is already adding huge value to our activities.

During 2009/10 we will also launch our Patrons Board to support our next phase of successful development. I am delighted to announce that the Chairman of Fulham FC has agreed to become our founding patron, and we have secured the commitment of the Fulham FC manager, Roy Hodgson, the Club Captain, Danny Murphy and our very own George Cohen as Patrons. I am truly grateful for their support in this area.

Finally, it remains for me to extend my personal gratitude, and the thanks of all Trustees, and to our fantastic Colleagues within the Foundation. Every one of our colleagues goes the extra mile every day. They are a credit to us and we continue to be impressed by their commitment, professionalism and enthusiasm. They are a credit to themselves, and everyone involved with the Fulham Football Club Foundation.

TOM BARRY
Chair of Trustees

Dated: 17th Nov 2009

FULHAM FOOTBALL CLUB FOUNDATION TRUSTEE BIOGRAPHIES

Tom Barry (Chair)

Tom is an experienced and highly motivated retail and business professional with a strong track record of business development, results delivery and transformation. He has a unique breadth of business experience which spans the Consumer Electronics, DIY, Trade merchanting and food sectors, with significant Non-Executive experience within the Public sector and football.

He is founder and Joint Managing Director of H&B Europe Ltd, a company which provides a blend of consultancy and implementation activities focusing on retail, retail financial services and Private Equity

Tom has over 25 years, UK and international, director and board level experience with FTSE 250 businesses including; Dixon's stores group (PC WORLD, The TECHGUY'S, Group Financial Services), Kingfisher (B&Q, Comet), Kesa (Comet), Wickes & Hunter Timber group, RMC (BAY 6 Retail) and Budgen group. He has held Executive board positions within DSGi, as Managing Director for two divisions, Deputy MD at Comet and Board roles at B&Q, Wickes UK & International, Hunter Timber group, Builders Mate, and RMC Retail with BAY6.

Robert Fallowfield (Treasurer)

Robert Fallowfield is a Fellow of the Institute of Chartered Accountants in England and Wales, qualifying in 1975. He has held a number of senior posts in financial management in various companies and in several different sectors. He has been a Trustee of a school for emotionally traumatized children for 11 years, and has played a significant role in the start-up and development of the charity concerned. He brings hands-on expertise in finance and strategic development.

Stuart Benson

From 1971 – 1996 Stuart Benson was a solicitor in private practice in London with two major city law firms. In 1996 he founded his own business providing legal and business consultancy, and risk and crisis management services. He is a co-founder of *Prose*, the business management and advisory service. He has been a non-executive Director of a publicly quoted company, and is currently a Director of several private companies. He has also been a Trustee of, or advisor to, a number of major charities, including Save the Children Fund, the British Red Cross and the RNID

Oliver (Olly) Dale

Olly is the Head of Commercial Operations at Fulham FC, having joined the club in 2004. In addition to responsibilities for growing the club's fan-base, Olly's remit includes ticketing, sponsorship, corporate hospitality, retail and catering. His previous roles include generating sponsorship income for Capital Radio and EMAP.

Steven Norris

Steve was a Conservative MP for 14 years and Minister of Transport in London for 5. He is a former Parliamentary Private Secretary at the Departments of Environment, Trade and Industry and the Home Office and was candidate for Mayor of London in 2000 and 2004.

Steve is Chairman of a number of companies and a non-executive director of a number of others. In 1988 he founded Crime Concern, the leading crime prevention charity and later the drug rehabilitation charity ADAPT. He is also Chairman of the London Action Trust, Eastside Young Leaders Academy, the British Urological Foundation and a Trustee of the Chartered Surveyors Training Trust. He is a member of the boards of Transport for London and the London Development Agency.

Valerie May

Having recently retired as founding Principal of the New School at West Heath a school for emotionally traumatised children, Valerie May now champions the long term aim of founding more similar schools. Val has many years of experience in a wide variety of schools, though the majority of her time has been working with youngsters who have had profound difficulties in life which has hampered their ability to access learning.

FULHAM FOOTBALL CLUB FOUNDATION REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements for the year ended 30 June 2009 which have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Legal status

Fulham Football Club Foundation is a charitable company limited by guarantee, company number 4573248, and charity number 1111639. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up each member is required to contribute an amount not exceeding £1.

Name change

On the 2nd September 2009, the Registrar of Companies for England and Wales certified that the charity (formerly known as Fulham FC Community Sports Trust) had changed its name and is now incorporated under the name of Fulham Football Club Foundation.

Public Benefit

In setting its objectives and planning the activities of the Foundation, the Trustees have given careful consideration to the Charity Commission's general guidance on Public Benefit.

In excess of 54% of the Foundation Incoming Resources from Charitable Activities comes from grant funding, which is provided by the various grantors to enable the Foundation to deliver a range of sporting activities which are designed, in line with the Foundation's Vision (see below) and strategy, to enhance the lives of various disadvantaged groups. The groups are frequently tightly defined but the activities provided are open to all who meet the disadvantaged criteria. Along with the provision of coaching to all young people, the Trustees therefore believe that the overwhelming majority of the Foundation's activities are of real public benefit.

Objectives of the Charity

- To promote community participation in healthy recreation by providing facilities for the playing of association football and other sports.
- To provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have the need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance education of children and young people through such means as the Trustees think fit in accordance with the law of the charity.

Vision

Using sport to deliver inspirational, accessible and inclusive initiatives; promoting educational and social opportunities; improving the quality of life for disadvantaged young people; to make a positive, real and lasting difference to the local community.

Review of Activities

A review of the activities undertaken by the Fulham Football Club Foundation can be found in the Chairman's report on pages 2 to 4 including achievements, future plans and principal funding.

FULHAM FOOTBALL CLUB FOUNDATION REPORT OF THE TRUSTEES

Training & Recruitment of Trustees

The Trustees (who are also directors of the company) who were in office from 1 July 2008 until the date of this report, unless otherwise stated, are set out on page 1.

The Trustees are recruited according to their expertise and experience in the voluntary and charitable sector.

The Charity is required to have at least 3 Trustees serving at any one time under its Articles of Association. No maximum limit is placed upon the number of Trustees. However, the Trustees believe that the optimum number of Trustees for the Charity in its current circumstances is between 6 and 8.

The Trustees may appoint any person willing to act as a Trustee by passing an ordinary resolution. The appointed person will then hold office until the next Annual General Meeting when they will need to be re-appointed or retire.

Each year at the Annual General Meeting one third of the Trustees must retire by rotation as determined by the length of service. However at the Annual General Meeting the retiring Trustee(s) shall, if willing to act, be reappointed unless it is resolved not to fill a vacancy.

The Trustees have established their own analysis of the needs of the charity for specialist knowledge and experience on the Board of Trustees. Suitable candidates are recruited to fill vacancies which arise and which cause the body of knowledge and experience to be deficient in any particular area. The Trustees recognise that the main purpose of the Charity is concerned with provision of sports facilities for young people and that the skills needed are principally to support that purpose.

All Trustees are encouraged to be mindful of recruitment needs and to search out and recommend candidates. Any candidates proposed have to complete a process of interview by the Board (or by an ad-hoc committee of the Board formed for that purpose) and of preliminary familiarisation with the work of the Charity. Part of this process is that the Chief Executive Officer of the Charity advises the Trustees concerning the candidates' mix of knowledge and experience, which must benefit the Charity. Each candidate is then given a file of detailed briefing notes and background material which explains the history and operations of the Charity, the duties of the Trustees, and the legal framework in which the Charity operates. If this process is successful the candidates are formally proposed as Trustees. It is the custom of the Board that new Trustees are only appointed by a unanimous vote on an ordinary resolution.

Once new Trustees are appointed to the Board, their personal training needs (to enable them to carry out their duties as a Trustee) are assessed and appropriate formal training is provided using specialised training establishments. All new Trustees are assigned specific responsibilities where their experience and knowledge can be put to best use to benefit the Charity and its operations.

Although not required by SORP 2005, brief biographies of the Trustees are included within the Report and Financial Statements to show the depth and range of experience and knowledge offered by the current Board of Trustees.

Organisational Structure

Fulham Football Club Foundation is a private company limited by guarantee overseen by a board of Trustees who have been selected for their individual areas of expertise that they can bring to the Foundation and in an advisory role to the Chief Executive Officer. The Foundation is managed on a day to day basis by the Chief Executive Officer.

The Trustees meet quarterly to review the overall performance, including financial results and consider projects in progress and the involvement in future projects. The Trustees have delegated responsibility for the operational management of the charity to the Management Team.

FULHAM FOOTBALL CLUB FOUNDATION REPORT OF THE TRUSTEES

Fundraising

The work of the Charity is largely funded by fees charged for the delivery of specific services. The policy of the Charity is to calculate fee rates such that they recover the full cost of delivery of services. This means that pure fundraising is of lesser significance, but by no means of no importance. The main thrust of the Charity's fundraising activities is to apply for lump-sum grants to appropriate institutions in order to fund one-off and special events or services which complement the work of the Charity but which would not ordinarily attract support by fee-payers. During the year to 30 June 2009, the total value of grants raised was £756,932 (2008: £482,857). The Charity does receive from time to time donations from various individuals and institutions, which are put towards the financing of events and services which the Trustees believe are worthwhile in pursuance of the Charity's objectives but which would otherwise not attract any funding at all, and towards otherwise unfunded administration. During the year these amounted to £31,000 (2008: £22,700).

As well as funds received from all other sources, the Charity receives financial support from Fulham Football Club (1987) Limited ("FFC") by way of underwriting any operating loss that the Charity incurs up to a maximum amount agreed between the Charity and FFC each year. For the year ended 30 June 2009 the amount received from FFC was £70,000 (2008: £70,000). In addition, FFC made a gift in kind of specialist kit for use by full-time and sessional staff in the performance of their duties to the value of £15,000 (2008: £15,000).

New Chief Executive

Following the departure of the former Head of Community (as referred to in the Chairman's Report), the Foundation conducted a thorough search for a new Head with a proven track record of the experience needed to guide and lead the Foundation through its next phase of development. Steven Day took up the post on 1st December 2008, with immediate beneficial results.

Following a strategic review in the spring of 2009, the charity changed its name, re-stated and developed the detail of its objectives and how it intends to achieve them and changed the job title of Head of Community to Chief Executive Officer, which better reflects the role, responsibilities and seniority.

Staff and Volunteers

Employees

The Trustees recognise the huge contribution made by salaried staff, and extend their thanks to these staff for their continued effort in striving to be a self sustaining charity.

Sessional Coaches

The Trustees are grateful to these team members who continue to provide the services of the Foundation to the highest level.

Volunteers

The Trustees are extremely grateful for time donated by volunteers to the Foundation. It would not have been possible to realise our achievements without their help and support.

Equal Opportunities

Fulham Football Club Foundation strives to be an equal opportunities employer.

Financial Review

The figures for the year are detailed on pages 13 to 20. The total income was £1,557,119 (2008: £1,251,170) which resulted in a net surplus of £95,321 (2008: £3,575). The Foundation again saw an increase in income across most areas of activity, a trend that is expected to continue throughout 2009/10. Key areas of activity are explained in the Chairman's foreword.

FULHAM FOOTBALL CLUB FOUNDATION REPORT OF THE TRUSTEES

Reserves Policy

In 2008 the Trustees conducted a review of the Charity's Reserves Policy. The outcome of this was a decision to establish and maintain a General Reserve sufficient to cover the Charity's planned expenditure for a period of 3 months (currently around £400,000). This level of reserve once achieved, would enable the Charity, if ever it became necessary, to conduct an orderly reduction or wind-down of its operations, if the major sources of revenue were reduced to a level below which it was no longer practicable for the Charity to continue its operations. The Trustees recognise that it may take some years to achieve this objective. The level of General Reserves at 30 June 2009 was £114,642 (2008: £21,414).

The charitable company's unrestricted reserves are represented, in the majority, by cash at bank and in hand. The company has been able to maintain minimal reserves to date as a result of the continuing support of its main benefactor, Fulham Football Club.

In 2009, it was further decided to separate from General Reserves, by way of a Designated Fund, an amount equal to the net book value of fixed assets held in the Balance Sheet. This is because such a fund could not easily be realised in cash, and therefore should not form part of the General Reserve described above.

Investment Policy

The Charity generally only has a small surplus of cash and therefore does not require a complex investment policy. To the extent that any surplus funds do arise from time to time, these are invested into secure short-term deposit accounts with recognised banks.

Risk Management

The Trustees identify and review the strategic, business and operational risks that the charity is exposed to, and ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

In order to achieve this, the Trustees and the Senior Management Team have undertaken an assessment of the risks that the organisation is exposed to, producing a Risk Assessment which identifies the impact of any risk and advises of steps to mitigate that risk.

The Key Risks identified are:

1. Child Welfare: As the Charity exists to provide sports experience for children it is at the heart of our activities to ensure full compliance with law and best practice relating to children and their welfare.
2. Loss of a major revenue stream: Certain sources of funding are very significant. However, most of these relate to the delivery of specific activities, which means that a loss of the revenue automatically leads to a cessation of the related activity, and the saving of the costs associated with it, albeit with some possible delay. More critical is the need to protect those revenues which make a contribution towards fixed costs.
3. Cash Flow Management: Due to the uneven phasing of much of the revenue, there could arise circumstances when late payment could lead to cash flow stress. The steps to manage against this risk include a high level of focus by management on revenues which are received in large lump-sums, and using the support cash from FFC as a cushion. The eventual build-up of a general reserve will further mitigate this risk.

Environment

The Foundation has continued to adopt policies and procedures which take account of the need to preserve and protect the environment. The Trustees are committed to compliance with best practice in all aspects of the business.

FULHAM FOOTBALL CLUB FOUNDATION REPORT OF THE TRUSTEES

Payment of Creditors

It is the Foundation's policy to agree payment terms as part of any formal contract with a supplier and to make every endeavour to abide by the agreed terms. Where a purchase is not covered by a formal contract, and no agreement is reached in advance of raising an order, the policy is that any valid invoice will be paid in full. The Foundation is sympathetic to, and pays particular attention to, the cash flow needs of its smaller suppliers. The Foundation takes an average of 29 (2008:46) days to pay its creditors.

Disabled Persons

It is the Foundation's policy to provide full and fair consideration of applications, continuing employment and training while employed for disabled persons in the business and to make our facilities available for disabled users as far as is possible within the constraints of a concern for the health and safety of all our staff and customers.

Employee Involvement

It is the Foundation's policy to keep all staff informed as to the development of the business and then encourage them to contribute their ideas, criticisms and comments through the management process which recognises and rewards genuine involvement in the success of the Foundation.

Related Parties

By virtue of the Letter of Support given by Fulham Football Club (1987) Limited ("FFC") under which FFC undertakes to provide support finance, FFC is treated as a related party.

Board of Trustees

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who were in office at the date of this report are set out on page 1.

In accordance with company law each of the company's directors has certified that:

- so far as he/she is aware, there is no relevant audit information of which the company's auditors are unaware;
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant information and to establish that the company's auditors are aware of that information.

Approved by the Trustees on 17th Nov 2009 and signed on their behalf by:



Darren Preston
Secretary

**FULHAM FOOTBALL CLUB FOUNDATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

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

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FULHAM FOOTBALL CLUB FOUNDATION

We have audited the financial statements of Fulham Football Club Foundation for the year ended 30 June 2009 which comprise the statement of financial activities, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') and for being satisfied that the financial statements give a true and fair view are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the trustees' report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with those accounting records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FULHAM FOOTBALL CLUB FOUNDATION**

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 30 June 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the trustees' report is consistent with the financial statements.

Per UK LLP:

Charles Cox
Senior statutory auditor
For and on behalf of PKF (UK) LLP, Statutory auditors
London, UK

27 November 2009.

**FULHAM FOOTBALL CLUB FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 30 JUNE 2009**

| | Notes | Unrestricted funds £ | Restricted funds £ | Total funds 2009 £ | Total funds 2008 £ |
|--|--------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | 2 | 160,515 | 15,000 | 175,515 | 169,212 |
| Incoming resources from charitable activities | | | | | |
| Sports development | 3 | 706,414 | 92,356 | 798,770 | 706,414 |
| Community | 3 | 63,308 | 194,738 | 258,046 | 158,923 |
| Social inclusion | 3 | - | 324,788 | 324,788 | 216,621 |
| Total incoming resources | | 930,237 | 626,882 | 1,557,119 | 1,251,170 |
| Resources expended | | | | | |
| Cost of generating voluntary income | 4 | 2,715 | 2,829 | 5,544 | 11,719 |
| Charitable activities | | | | | |
| Sports development | 5 | 753,796 | 69,818 | 823,614 | 801,317 |
| Community | 5 | 44,143 | 243,357 | 287,500 | 200,806 |
| Social inclusion | 5 | 25,212 | 305,720 | 330,932 | 213,855 |
| Governance costs | 6 | 6,957 | 7,251 | 14,208 | 19,898 |
| Total resources expended | | 832,823 | 628,975 | 1,461,798 | 1,247,595 |
| Net incoming resources/(outgoings) | | 97,414 | (2,093) | 95,321 | 3,575 |
| Balances brought forward at 01 Jul 08 | | 28,365 | 2,610 | 30,975 | 27,400 |
| Balances carried forward at 30 Jun 09 | | 125,779 | 517 | 126,296 | 30,975 |

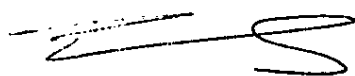
All amounts relate to continuing operations.

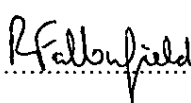
The charity has no recognised gains or losses other than the net incoming resources for the year.

FULHAM FOOTBALL CLUB FOUNDATION
REGISTERED COMPANY NUMBER 4573248
BALANCE SHEET
AS AT 30 JUNE 2009

| | Notes | £ | 2009 £ | £ | 2008 £ |
|-------------------------------------|-------|---------|----------------|---------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 11,137 | | 6,951 |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 331,116 | | 288,783 | |
| Cash at bank and in hand | | 331,022 | | 66,562 | |
| | | | <u>662,138</u> | <u></u> | 355,345 |
| CREDITORS | | | | | |
| Amounts falling due within one year | 10 | | <u>546,979</u> | | <u>331,321</u> |
| NET CURRENT ASSETS | | | <u>115,159</u> | | <u>24,024</u> |
| NET ASSETS | | | <u>126,296</u> | | <u>30,975</u> |
| FUNDS | | | | | |
| Unrestricted funds | 11 | | 125,779 | | 28,365 |
| Restricted funds | 11 | | 517 | | 2,610 |
| | | | <u>126,296</u> | | <u>30,975</u> |

Approved and authorised for issue by the Board of Trustees on 17th November 2009

 Tom Barry, Chair

 Robert Fallowfield, Treasurer

**FULHAM FOOTBALL CLUB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

1 ACCOUNTING POLICIES

a) Basis of Preparation

The Financial Statements are prepared on a going concern basis. The Charity generated a small surplus in the year to 30 June 2009, and held a small cumulative surplus at that date, at a figure substantially less than the minimum reserves which the Trustees seek to establish as a cushion against unforeseen reductions in operating revenues. Forecasts for the twelve months following approval of these financial statements and for the period ending 30 June 2011 have been prepared against an element of uncertainty surrounding some sources of revenue which are reliant, to varying degrees, on the association of the Charity with a Premier League football club. The uncertainty arises because of the possibility that at the end of the 2009/10 season FFC may be relegated to the Championship. However, two alternative forecasts have been prepared, the first assuming that FFC remains in the Premier League and the second that it is relegated. Both of these realistically deal with revenues, costs and potential savings and other actions which are available to the Charity, and under its full discretionary control. Both give the Trustees comfort that the Charity will generate funds sufficient to enable it to meet its liabilities as they fall due. In this regard, the Trustees also take comfort from the Letters of Support given to the Charity by Fulham Football Club (1987) Limited and Mr. Mohamed Al Fayed which both undertake to provide finance to eliminate any annual operating deficit up to a maximum of £70,000 in cash per annum. Whilst these letters are not legally enforceable, the Trustees are content to rely upon them because of the historic record of Mr. Al Fayed ensuring that such support has been provided when required.

b) Accounting convention

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards, the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

c) Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company. Designated Funds represent assets which are not readily convertible to cash.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor.

d) Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. Incoming resources comprise the following:

- Income from sports related activities including holiday courses and schools coaching is accounted for when earned.
- Voluntary income includes donations and funding for specific projects which is accounted for when the charitable company becomes unconditionally entitled to the income.

The Foundation is usually entitled to income from grants in stages over the course of each related project, which approximates to when related expenditure was expected to be incurred. Accordingly, all grant income is credited to the Statement of Financial Activities when it falls due to be received to the extent that it is matched by relevant expenditure. Any income received in advance of expenditure is treated as deferred income.

Grants received as Restricted Funds, defined as those which carry an obligation to repay any sums not actually spent, are brought into the SOFA in the period of receipt and carried forward within Restricted Funds until either spent or refunded. This type of grant is much rarer as very few institutions pay grants before the relevant expenditure is incurred.

Any Capital Grants are recognised over the useful life of the asset by transferring a portion equal to the depreciation charge on the asset from Restricted to Unrestricted funds.

**FULHAM FOOTBALL CLUB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

e) Resources expended

Expenditure is recognised on an accruals basis.

- All costs are allocated between expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly or apportioned on an appropriate basis.
- Governance costs include those associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees and costs linked to the strategic management of the charity.

f) Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalized. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost of the assets, less their residual value, over their expected useful lives, which in all cases are estimated to be 4 years.

g) Pensions

The charitable company operates or pays into defined contribution pension schemes for certain employees. The pension charge represents the amount payable by the charitable company to the fund in respect of the year.

h) Taxation

No liability to corporation tax arises on these accounts as the Foundation has charitable status under Section 505 ICTA 1988.

i) Operating Lease Rentals

Rentals relating to operating leases are charged to expenditure as incurred.

2 VOLUNTARY INCOME

| | Restricted income £ | Unrestricted income £ | Total 2009 £ | Total 2008 £ |
|-------------------------------------|------------------------------------|--------------------------------------|-----------------------------|-----------------------------|
| Fulham Football Club (1987) Limited | 15,000 | 70,000 | 85,000 | 85,000 |
| Other donations | - | 59,515 | 59,515 | 61,512 |
| Sponsorship | - | 31,000 | 31,000 | 22,700 |
| | 15,000 | 160,515 | 175,515 | 169,212 |

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Sports development £ | Community £ | Social inclusion £ | Total 2009 £ | Total 2008 £ |
|------------------|-------------------------------------|------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Weekend football | 51,999 | 157 | - | 52,156 | 61,598 |
| Holiday courses | 187,912 | 1,041 | - | 188,953 | 183,282 |
| Schools coaching | 281,480 | 11,788 | - | 293,268 | 246,167 |
| Special projects | 46,411 | 6,124 | - | 52,535 | 38,005 |
| Matchday | 19,928 | - | - | 19,928 | 38,202 |
| Grant funding | 211,040 | 221,104 | 324,788 | 756,932 | 482,857 |
| Adult education | - | 16,792 | - | 16,792 | 15,970 |
| Other income | - | 1,040 | - | 1,040 | 15,877 |
| | 798,770 | 258,046 | 324,788 | 1,381,604 | 1,081,958 |

**FULHAM FOOTBALL CLUB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

| 4 COST OF GENERATING FUNDS | <u>2009</u> £ | <u>2008</u> £ |
|--|------------------|------------------|
| Direct costs - advertising and promotion | 2,940 | 8,759 |
| Provision for doubtful debts | 2,604 | 2,960 |
| | <u>5,544</u> | <u>11,719</u> |

| 5 CHARITABLE ACTIVITIES | <u>Direct costs</u> £ | <u>Wages and salaries</u> £ | <u>Support costs</u> £ | <u>Total 2009</u> £ | <u>Total 2008</u> £ |
|--------------------------------|--------------------------|--------------------------------|---------------------------|------------------------|------------------------|
| Sports development | 105,757 | 676,714 | 41,143 | 823,614 | 801,317 |
| Community | 68,989 | 203,569 | 14,942 | 287,500 | 200,806 |
| Social inclusion | 70,109 | 240,135 | 20,688 | 330,932 | 213,855 |
| | <u>244,855</u> | <u>1,120,418</u> | <u>76,773</u> | <u>1,442,046</u> | <u>1,215,978</u> |

Support costs includes expenditure on rent and property costs of £50,240 (2008: £49,825), depreciation of £3,522 (2008: £2,510) and other office costs of £23,011 (2008: £16,945).

| 6 GOVERNANCE COSTS | <u>2009</u> £ | <u>2008</u> £ |
|------------------------------------|------------------|------------------|
| Audit | 8,400 | 8,894 |
| Accountancy | 3,700 | 4,775 |
| Other legal and professional costs | 2,108 | 6229 |
| | <u>14,208</u> | <u>19,898</u> |

| 7 STAFF COSTS | <u>Total 2009</u> £ | <u>Total 2008</u> £ |
|---------------------------------------|------------------------|------------------------|
| Salaries | 1,001,712 | 866,380 |
| Social Security Costs | 67,729 | 60,057 |
| Other Pension Costs | 6,579 | 9,585 |
| Other staff costs | 44,398 | 38,608 |
| | <u>1,120,418</u> | <u>974,630</u> |
| Average numbers employed in the year: | | |
| Sports development | 16 | 12 |
| Community | 8 | 8 |
| Social inclusion | 3 | 3 |
| Sessional coaches | 96 | 77 |
| | <u>123</u> | <u>100</u> |

No employees earned in excess of £60,000 per annum (2008 - None).

The Trustees received no emoluments during the year (2008 £nil). Expenses charged by the Trustees amounted to £nil (2008 £nil). The Charity maintains a Director's and Officer's Liability Insurance policy. The premium for this is included in Governance costs and in the year ended was £1,154 (2008: £1,154).

**FULHAM FOOTBALL CLUB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

8 TANGIBLE FIXED ASSETS

**Plant &
Equipment
£**

Cost

As at 1 July 2008
Additions

16,111
7,708

As at 30 June 2009

23,819

Depreciation

At 1 July 2008
Charge for the year

9,160
3,522

As at 30 June 2009

12,682

Net book value

As at 30 June 2009

11,137

As at 30 June 2008

6,951

9 DEBTORS

2009
£

2008
£

Trade debtors
Prepayment and accrued income

208,958 105,984
122,158 182,799

331,116 **288,783**

10 CREDITORS

Total
2009
£

Total
2008
£

Trade creditors
Social Security & Other Taxes
Accruals and deferred income

57,947 65,992
21,344 18,320
467,688 247,009

546,979 **331,321**

**FULHAM FOOTBALL CLUB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

11 FUNDS

| | At 1 July <u>2008</u> £ | Incoming <u>resources</u> £ | Resources <u>expended</u> £ | <u>Transfers</u> £ | At 30 June <u>2009</u> £ |
|----------------------------------|-------------------------------|-----------------------------------|-----------------------------------|-----------------------|--------------------------------|
| <u>Restricted Funds</u> | | | | | |
| Minibus | 2,610 | - | (2,093) | - | 517 |
| Kit | - | 15,000 | (15,000) | - | - |
| Girls' Centre of Excellence | - | 43,788 | (43,788) | - | - |
| Disability funding | - | 78,454 | (78,454) | - | - |
| Kingston Positive Futures | - | 12,794 | (12,794) | - | - |
| P.A.C.T | - | 8,329 | (8,329) | - | - |
| Echo - Lambeth | - | 31,430 | (31,430) | - | - |
| Kickz - All Boroughs | - | 255,644 | (255,644) | - | - |
| Other Lambeth projects | - | 13,454 | (13,454) | - | - |
| Community Sports Coach Scheme | - | 47,472 | (47,472) | - | - |
| Volunteering | - | 37,474 | (37,474) | - | - |
| Education | - | 35,022 | (35,022) | - | - |
| Inclusive Activity | - | 45,021 | (45,021) | - | - |
| Summer University | - | 3,000 | (3,000) | - | - |
| Central Initiatives | - | - | - | - | - |
| Total restricted funds | 2,610 | 626,882 | (628,975) | - | 517 |
| <u>Unrestricted Funds</u> | | | | | |
| General Reserve | 28,365 | 930,237 | (829,301) | (14,659) | 114,642 |
| Designated Fund | - | - | (3,522) | 14,659 | 11,137 |
| Total Unrestricted funds | 28,365 | 930,237 | (832,823) | - | 125,779 |
| Total funds | 30,975 | 1,557,119 | (1,461,798) | - | 126,296 |

The minibus restricted fund represents the balance remaining from a donation from FFC of £7,268 to defray the future costs of maintaining the vehicle.

The kit restricted fund represents a donation made by FFC as a contribution towards sports kit purchased for the furtherance of sports activities. All other restricted funds represent grants and donations for specific projects and programmes as listed above.

The designated fund represents the net book value of Fixed Assets held for charitable uses. Such assets cannot be easily realised for cash and therefore cannot form part of the General Reserve.

The General Reserve is the amount which is being built up and retained from net unrestricted surplus funds to be able to meet the Charity's planned expenditure for a period of three months, such period being, in the opinion of the Trustees, the time needed to conduct an orderly wind-down of the Charity's activities if major sources of revenue reduced to a level at which it was no longer practicable for the Charity to continue its operations.

**FULHAM FOOTBALL CLUB FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009**

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds as follows:

| | <u>Restricted</u> | <u>General</u> | <u>Designated</u> | <u>2009</u> <u>Total</u> |
|-----------------------|-------------------|----------------|-------------------|-----------------------------|
| | £ | £ | £ | £ |
| Tangible fixed assets | - | - | 11,137 | 11,137 |
| Cash at bank | 230,253 | 100,769 | - | 331,022 |
| Other current assets | 60,187 | 270,929 | - | 331,116 |
| Current liabilities | (289,923) | (257,056) | - | (546,979) |
| | <u>517</u> | <u>114,642</u> | <u>11,137</u> | <u>126,296</u> |

13 OTHER COMMITMENTS

At 30 June 2009, annual commitments under operating leases were as set out below:

| | <u>2009</u> | | <u>2008</u> | |
|--------------------------------|-------------------------------------|--------------|-------------------------------------|--------------|
| | <u>Land and</u> <u>buildings</u> | <u>Other</u> | <u>Land and</u> <u>buildings</u> | <u>Other</u> |
| | £ | £ | £ | £ |
| Operating leases which expire: | | | | |
| Within one year | - | - | - | - |
| Within two to five years | <u>29,000</u> | <u>-</u> | <u>29,000</u> | <u>-</u> |

14 RELATED PARTY TRANSACTIONS

By virtue of the Letter of Support given by Fulham Football Club (1987) Limited, ("FFC"), under which FFC undertakes to provide support finance, FFC is treated as a related party.

At the balance sheet date there was an agreement between the Foundation and FFC to provide administrative, security and maintenance services. FFC has also provided unrestricted donations during the period of £70,000 (2008: £70,000) and restricted gift in kind of £15,000 (2008: £15,000).

During the year to 30 June 2009, Harrods (UK) Ltd recharged payroll services and payroll costs of £5,330 (2008: £5,288).

Balances with related parties as at 30th June 2009 are as follows:

| | <u>2009</u> | | <u>2008</u> | |
|----------------------|---------------|-----------------|---------------|-----------------|
| | <u>Due to</u> | <u>Due from</u> | <u>Due to</u> | <u>Due from</u> |
| | £ | £ | £ | £ |
| Fulham FC (1987) Ltd | 13,270 | - | 36,536 | - |
| | <u>13,270</u> | <u>-</u> | <u>36,536</u> | <u>-</u> |