

Company Registration Number

05843571

Charity Registration Number

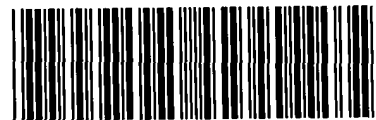
1119133

## **SALFORD RED DEVILS FOUNDATION**

Trustees' Report and Financial Statements  
For the year ended 30 November 2017



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# **SALFORD RED DEVILS FOUNDATION**

## **Trustees' Report and Financial Statements For the year ended 30 November 2017**

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Directors' Report for the purposes of section 417 of the Companies Act 2006 and Trustees' Report for the purposes of part 8 of the Charities Act 2011

The Trustees (who are also the Directors for the purpose of Company Law) have pleasure in presenting their annual report and the financial statements for the year ended 30 November 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

### **1 REFERENCE AND ADMINISTRATIVE DETAILS**

Charity Name:	Salford Red Devils Foundation
Charity Registration:	1119133
Company Registration:	5843571
Registered Office:	A J Bell Stadium Barton Eccles Manchester M30 7EY
Web-site:	<a href="http://www.salfordreddevilsfoundation.co.uk">www.salfordreddevilsfoundation.co.uk</a>
Company Secretary:	Taylor Business Secretaries Limited
Bankers:	Co-Operative Bank PO Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors:	JMW 1 Byron Place Spinningfields Manchester M3 3HG
Independent Examiner:	M G Garrett Kay Johnson Gee LLP 1 City Road East Manchester M15 4PN

Directors and Trustees of the charity who served during the year and to the date of this report were:

A P A Snape  
M Pearson  
J Lowndes  
A Latief  
C J Longbottom

# **SALFORD RED DEVILS FOUNDATION**

## **Trustees' Report and Financial Statements For the year ended 30 November 2017**

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### **2 STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

Salford Red Devils Foundation ("SRDF") is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 31 May 2006 (revised 20 May 2015). It is a charity registered with the Charity Commission on 9 May 2007.

#### **Recruitment and appointment of trustees**

The subscribers to the Memorandum are the first trustees of the charity. Membership of the charity is open to trustees of the charity and each trustee will automatically become a member on his or her appointment. Further trustees are elected by the members. The number of trustees shall not be less than three but shall not be subject to a maximum.

At each Annual General Meeting 1/3 of the trustees are subject to retirement by rotation and can be reappointed by the other trustees if he so wishes.

#### **Related Parties**

The charity is supported by Salford City Reds (2013) Limited ("the Club"), in that it has the facility to utilise the Salford Red Devils brand.

### **3 OBJECTIVES AND ACTIVITIES**

The objectives of the charity are for the benefit of the public generally and, in particular, the inhabitants of Salford, Greater Manchester and Cheshire and their surrounding areas;

- To promote community participation in healthy recreation by providing facilities for the playing of rugby and other sports capable of improving health ('facilities' in this clause means land, buildings, equipment and organising sporting activities);
- To provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have 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; and
- To advance the education of children and young people through such means as the trustees think fit and in accordance with the law of charity.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide public benefit. The trustees are more than satisfied that they do.

Further details on the Foundation's activities can be found on the web-site at :

[www.salfordreddevilsfoundation.co.uk](http://www.salfordreddevilsfoundation.co.uk)

### **4 ACHIEVEMENTS AND PERFORMANCE**

#### **Review of the year**

2017 was a solid year of activity for Salford Red Devils Foundation (SRDF), with the organisation consolidating its position. The management team continues to maintain a goal of achieving income levels around the £500,000 mark and once again the Foundation got close to this, whilst delivering 10s of 1000s of activity hours to more than 40,000 people. Once again, the Foundation continues to work in over 100 primary and high schools across the Greater Manchester region delivering high quality sport, health and education-based provision. All this information is published in our 2017/2018 latest Impact Report.

Although there was a change in personnel later in the year, the organisation's structure remains the same with each department having its own (full/ part time and sessional) staff, goals and resources to help it grow. All activities are supported by Salford Red Devils players, coaches and staff to help maximise exposure and beneficiary experience. This is backed up by additional support from the PR and marketing functions at the club.

## SALFORD RED DEVILS FOUNDATION

### Trustees' Report and Financial Statements For the year ended 30 November 2017

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#### 4 ACHIEVEMENTS AND PERFORMANCE (continued)

##### Review of the year (continued)

The highly successful Big Lottery Funded 'Big Hits' ended at the turn of 2018 having seen us complete 6 years of funded activity from the Big Lottery Fund. Although the loss of funding is noticeable, the learning from this scheme has led us to develop a range of new initiatives including our work with Pupil Referral Units in Salford.

Sky TV supported 'Sky Try' project continues to provide part of the base on which the organisation is built. This is even more crucial with 2017 being the last year for our Big Hits scheme and the organisation must plan to fill that funding void. Unfortunately, the Sporting Foundations 4 Life (SF4L) project also came to a close in May 2017. This RLWC legacy programme with Lancashire Cricket Club Foundation, was a regular source of funding via Sport England. The ending of SF4L and Big Hits has seen the Foundation focus more in new areas around schools' provision and our health offer.

This school programme has gone from strength to strength and will grow to be a six figure source of income for SRDF. The Sky Try programme allows us to provide blocks of activity for free and schools often look to pay for additional provision. Buoyed by the Pupil Premium and funds derived from the Sugar Tax, schools have more funds at primary level. SRDF have developed excellent relationships with local schools and have been able to roll out a programme of sport, karate, wheelchair rugby and 'animalates' to those interested.

Underpinned by knowledge developed through our Offload programme, SRDF has developed and diversified its health offer throughout 2017. In 2016, developments included the expansion of a Wheelchair RL offer and the introduction to schools of Red Devils Karate and movement orientated 'animalates'. 2017 has seen us work up projects about mental resilience in young people. Two pilot schemes are to take place in East Manchester and Salford in 2017, with local CCGs that is hoped will lead to longer term programmes. Having such a broad offer ensures we stay relevant to local schools and their needs.

SRDF staff have continued to work on Offload with colleagues at Rugby League Cares, Warrington Wolves, Widnes Vikings clubs and State of Mind on a large men's mental health scheme. Support from the Big Lottery Fund was granted at the end of 2016, which will allow for 2 years' worth of work in this area.

All core projects continue to meet their targets with the delivery of Sky Try providing a continued boost to the official local rugby league player registrations. It is this desire to increase player, coach and volunteer numbers and quality, which is a central aim of the organisation. With a monthly CPD programme, subsidised coach education and a targeted schools offer in place, we have seen player registrations at NWC junior levels increase to nearly 800.

Our Salford Red Devils Rising Stars Programme continued on very successfully across 2017. Having taken over the running of the club's remaining Academy in 2016 this programme underpins our efforts to develop local rugby talent. Once again, the programme received an 'Outstanding' grade from the RFL. The club's two representative sides are those at u16s' and u19s College Academy level. These two sides continue to be successful at the level they play at, but the club still faces the daunting prospect of losing its best playing talent to other clubs who operate full academies.

Our College Education offer continues via the partnership with Onside Education, which runs until July 2019 and sees the delivery of a number of initiatives including the u19s College Academy. The closing of the club's official Academy did have an adverse effect on the numbers participating on the College team, which in turn resulted in a reduction in funding. That said, SRDF have made great strides in improving the situation and numbers grew for the new intake in September 2017.

With the start of 2018 seeing the Big Hits project come to a close, the Education department has had to focus on new ways to develop its offer. Work has begun with Salford Council to provide a scheme that meets the needs of local high school pupils who have fallen out of main stream provision. Working initially with Clifton PRU, the Foundation are running term time blocks of delivery to test local need.

SRDF have had a very successful year on the heritage front with the completion of the Willows' Memories community project. This began very well at the end of 2016 with a focus on the creation of a suitable memorial on the site of the club's former home. Local school children and older fans have been engaged and the memorial was opened to the public in November 2017. A series of celebratory events were also held at the Lowry Theatre in July and November 2017 to further showcase the work to the wider community. SRDF has been working on ensuring a long term base for the club's history and have begun work on a potential new opportunity at the Buile Hill Mansion to not only safeguard this, but to find new income streams for other areas of the Foundation.

# **SALFORD RED DEVILS FOUNDATION**

## **Trustees' Report and Financial Statements For the year ended 30 November 2017**

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### **4 ACHIEVEMENTS AND PERFORMANCE (continued)**

#### **Review of the year (continued)**

To conclude, SRDF had another solid year, but now faces some new challenges. The club is currently undergoing a transitional period from ownership by Marwan Koukash to the arrival of a new board with a more community focused approach to the organisation's structure. There are both positives and negatives to these changes and the Foundation hopes to embrace these changes and help where possible.

The Foundation has reacted accordingly by making changes to help. These have included having trustee Asif Latief join the new club board to deepen ties. The board have also promoted Neil Blackburn to become Foundation Manager and provided Mark Brocklehurst to be available to help the new board on a consultancy basis.

Unfortunately, these changes bring up further challenges as the wider sport of rugby league is going through a period of flux. The Foundation is standing by to see what the state of the game looks like regarding items such as Sky Try funding and the proposed structure of the top tier and academy tier of the sport. We aim to be ready to move once these areas become more certain.

As ever a strong partnership with NGB charity Rugby League Cares, a strong board of trustees with a broad range of skills, long term lease on quality facilities and well entrenched working relationships with the Club exists to make life easier. Day to day, New Foundation Manager Neil Blackburn and consultant Mark Brocklehurst, works closely with Red Devils' senior management team, including CEO Ian Blease. Ian has been in post for a sustained period, which has ensured much needed day to day stability and the chance to plan on items such as the Academy.

All at the Foundation are looking forward to maximising the new opportunities coming up and having an exciting 2018 and beyond.

### **5 PUBLIC BENEFIT**

The Trustees of SRDF believe they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

SRDF exists to meet local needs by providing a range of sport, health and educated based activities for the benefit of all across Salford, Greater Manchester and beyond, regardless of background and ability. SRDF strongly believes it operates to provide more than just a positive experience when engaging with the Foundation. The benefits it regularly achieves are more significant and it instead strives to achieve a real difference to peoples' lives by helping them back to work, stop smoking, lose weight, become more aware of the dangers of cancer, engage in volunteer opportunities, learn new skills such as driving and much more.

### **6 FINANCIAL REVIEW**

#### **Financial review**

As we stated last year, with increasing income levels confirmed and a stable cost base, the Foundation is in a good position to continue improve its financial position with a special emphasis on growing unrestricted funds.

#### **Reserves Policy**

The Foundation's policy is to accumulate free reserves in proportion to the risk associated with one or more income streams failing to deliver to profile. The free reserves target equates to three months operational costs. The board of trustees has judged this amount to be sufficient to enable the Foundation to effectively manage its affairs in the event of such a situation arising.

The trustees are confident that the level of free reserves will continue to be increased over the next financial year.

Surpluses generated in excess of the reserves target will be reinvested in activities which accord with the Foundation's objectives.

## SALFORD RED DEVILS FOUNDATION

### Trustees' Report and Financial Statements For the year ended 30 November 2017

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#### 7 FUTURE PLANS

SRDF's main focus for 2018 will be overcoming the challenges thrown up by a change in ownership of Salford Red Devils, continued uncertainty over the direction of rugby league in general and a change in internal leadership. The latter has seen Neil Blackburn being appointed Foundation Manager in January 2018. Neil will be continued to be supported by Mark Brocklehurst in a consultancy role, who will also look to aid the new club board on items such as our player development strategy. Neil is also supported by the board of trustees strategically and his own management team on a day to day basis.

SRDF welcomes the arrival of the new board overseeing the new 'community' focused approach to the club. SRDF will endeavour to be of assistance to Chairman Andrew Rosler and his wider team, as much as possible.

By the end of 2017 the Big Hits and Sporting Foundations For Life projects will have come to a close, which represents a sizeable loss in core funding. The challenge is to grow the new income streams that have been created to replace these successful schemes without adversely affecting staff and delivery. SRDF's management team have been aware of this for sometime and have been working to develop new programmes including increasing school's work and our health programme.

Whilst core long standing income streams are coming to a close, the management team has established options to counter the impact of the loss in funding. A growing schools offer and increased numbers on our local authority 'approved providers' offer will generate significant income.

Specific attention is being made on the health and education department's long term activities. The respective heads of department have begun the process to replace this income stream and are currently pursuing a number of opportunities with local partners that will help us grow new school literacy/ numeracy and men's health offers.

Development of education department will see SRDF becoming an approved provider of alternative education on Salford Councils database of providers. This is an opportunity to engage with students that have been removed from mainstream education for a variety of reasons and deliver a bespoke programme that will be delivered on site at the AJ Bell Stadium. As a professional sports club there are many more opportunities to engage student in an environment away from a formal school setting allowing disenfranchised students to thrive.

The Category 3 Education Academy is also looking to grow as it embarks into the second year of competition in the AOC leagues. Promotion into North West 1 is achievable and the target so that the students are competing at the highest level, with numbers hopefully rising substantially.

Conversations have been ongoing with the local authority and a number of other stakeholders, around the development of Buile Hill Mansion. Although progress is slow, the willingness is there by all partners to make this happen. SRDF will continue to work through this project with partners Capital and Centric, as well as the local authority. SRDF have had early stage conversations with funding partners e.g. Heritage Lottery Fund, to help bring this to fruition.

Considering our player development goals, 2018 will see us further develop our Rising Stars Programme and our College Academy. Once again this programme was accredited 'outstanding' by the Rugby Football League and headed up by Player Development Manager, Danny Barton, SRDF works closely with colleagues in the first team environment to deliver a quality offer for players, coaches and volunteers across Salford, Manchester, Trafford and Bury. SRDF has high hopes to continue on in the delivery of the official u16s team, but this will have to be assessed by the board once funding levels for 2018/19 become more apparent.

We will continue to maintain links with our local community rugby league clubs through a well-established, regularly meeting Community Panel. This meets to discuss their needs and how we can support them. SRDF will continue to provide small scale financial support and resources to community clubs who feel they need our help. Examples of this include kit donations, playing kit sponsorship, the subsidisation of coaching courses and the delivery of summer camps, from which the proceeds are donated back to the host club.

## **SALFORD RED DEVILS FOUNDATION**

### **Trustees' Report and Financial Statements For the year ended 30 November 2017**

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#### **7 FUTURE PLANS (continued)**

SRDF will continue to support all other elements of the Salford Red Devils to the best of its abilities. Beyond the player development role, this will include support of the Red Devils 'Lucky Devils' Lottery, adding value to commercial partnerships, meeting the corporate social responsibility of a local professional sports club and playing an integral role in delivering key messages to the local community.

SRDF will continue to deliver our 'Red Devils in the Community' events around first team matches. Designed to engage as many people under the Red Devils umbrella as possible, the spectacle revolves around a suitable high profile fixture during the season. The festival aims to bring over 1500 players, parents, coaches and volunteers together prior to a big Salford Red Devils home match.

Finally, the board of trustees are always on the lookout for new members and ambassadors to add value to the existing group. SRDF will actively look to expand the group in 2018.

#### **8 TRUSTEE INDEMNITY INSURANCE**

Indemnity insurance in respect of the trustees has been provided during the year at a cost of £406 (2016 - £399).

#### **9 TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Salford Red Devils Foundation for the purpose of company law) are responsible for preparing the Trustees' Annual Report and 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 which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; 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 disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements comply with current statutory requirements, the company's Memorandum and Articles of Association and the Charities SORP.

The Trustees report was approved and signed on behalf of the Trustees by:



**Taylorred Business Secretaries Limited**  
Secretary

30 April 2018

# **SALFORD RED DEVILS FOUNDATION**

## **Independent Examiner's Report to the Trustees of Salford City Reds Foundation**

I report on the financial statements of the company for the year ended 30 November 2017 as set out on pages 9 to 17.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

### **Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of financial statements. The trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the '2011 Act') and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under Section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state where particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn. I understand that this has been done in order for the charity to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no matter has come to my attention:

- a) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



M G Garrett FCA  
Kay Johnson Gee LLP  
1 City Road East  
Manchester  
M15 4PN  
30 April 2018



## SALFORD RED DEVILS FOUNDATION

### Statement of Financial Activities (including Income and Expenditure Account) For the year ended 30 November 2017

	Note	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
<b>Income</b>					
<i>Donations and legacies</i>	3	-	6,009	6,009	16,631
<i>Income from charitable activities</i>					
Provision of community development					
- Grants and contracts	6	393,497	18,875	412,372	460,241
<i>Income from other trading activities</i>					
Fundraising	4	-	23,348	23,348	24,435
<i>Investment Income</i>	5	-	-	-	43
<b>Total income</b>		<b>393,497</b>	<b>48,232</b>	<b>441,729</b>	<b>501,350</b>
<b>Expenditure</b>					
<i>Costs of raising funds</i>					
Fundraising		-	21,820	21,820	42,115
<i>Expenditure on charitable activities</i>					
- Provision of community development	7	393,497	15,409	408,906	440,913
- Governance costs	8	-	11,769	11,769	9,094
<b>Total expenditure</b>		<b>393,497</b>	<b>48,998</b>	<b>442,495</b>	<b>492,122</b>
<b>Net income (expenditure) and net movement in funds for the year</b>	9	-	(766)	(766)	9,228
Funds at 1 December 2016		-	49,562	49,562	40,334
<b>Total funds at 30 November 2017</b>	15	-	<b>48,796</b>	<b>48,796</b>	<b>49,562</b>

The statement of financial activities includes all gains and losses in the year.

All income and expenditure derive from continuing activities.

**SALFORD RED DEVILS FOUNDATION**

Company registered no: 05843571

Charity registered no: 1119133

Balance Sheet **2017**  
 As at 30 November ~~2016~~

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	12	34,272	33,963
<b>Current assets</b>			
Debtors	13	30,167	23,913
Cash at bank and in hand		30,886	78,325
		61,053	102,238
<b>Creditors : amounts falling due within one year</b>	14	(46,529)	(86,639)
<b>Net current assets</b>		14,524	15,599
<b>Net assets</b>		48,796	49,562
<b>Funds</b>			
Restricted funds	15	-	-
Unrestricted funds	15	48,796	49,562
<b>Total funds</b>		48,796	49,562

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 November 2017 and of its surplus or deficit for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 9 to 17 were approved by the Board of Trustees :

A P A Snape  
 Trustee

30 April 2018



# SALFORD RED DEVILS FOUNDATION

## Statement of Cash Flows

For the year ended 30 November 2017

	2017 £	2016 £
<b>Cash flow from operating activities</b>	<b>(41,630)</b>	<b>5,126</b>
<b>Cash flow from investing activities</b>		
Interest received	-	43
Payments to acquire tangible fixed assets	(5,809)	-
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>(47,439)</b>	<b>5,169</b>
<b>Cash and cash equivalents</b>		
At 1 December 2016	78,325	73,156
<b>At 30 November 2017</b>	<b>30,886</b>	<b>78,325</b>

### Cash and cash equivalents consists of:

Cash at bank and in hand	30,886	78,325
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<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>	<b>2017 £</b>	<b>2016 £</b>
Net income/(expenditure) for year	(766)	9,228
Depreciation	5,500	5,500
Investment income	-	(43)
(Increase) decrease in debtors	(6,254)	9,373
Decrease in creditors	(40,110)	(18,932)
<b>Net cash flow from operating activities</b>	<b>(41,630)</b>	<b>5,126</b>

# **SALFORD RED DEVILS FOUNDATION**

## **Notes to the Financial Statements For the year ended 30 November 2017**

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### **1 General information**

Salford Red Devils Foundation Limited is a registered charity and a company limited by guarantee in the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The Charity's operations and principal activities are the provision of education and sports activities.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

### **2 Accounting policies**

#### **Basis of accounting**

These financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Income**

Income from donations is included in the financial statements for the period in which payment was received.

Investment income comprises of interest, and is accounted for on a receivable basis.

Grants and contract income receivable is credited to the SOFA in the period in which the charity becomes entitled to receive the grant. Grants which are for a specific future period are deferred to that period.

#### **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure is recognised when it is incurred and is reported gross of related income on the following basis:

- Costs of generating funds comprise costs associated with attracting voluntary income and the costs of other income generated.
- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities. Where costs cannot be directly attributable, they have been allocated to activities on a basis consistent with the use of those resources.
- Governance costs, including those incurred in the governance of its assets and are directly associated with constitutional and statutory requirements.

#### **Tax**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

# SALFORD RED DEVILS FOUNDATION

## Notes to the Financial Statements For the year ended 30 November 2017

### 2 Accounting policies (continued)

#### Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included on the Balance Sheet initially at cost, any related grants being shown as restricted fixed asset funds if appropriate, which fund future depreciation of the assets.

Donated assets are included at an estimated value at the date of acquisition.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Leasehold improvements	10 years
Office furniture & equipment	3 - 10 years

#### Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### Fund balances

Unrestricted funds are incoming resources receivable or generated for the objects of the charity, without restriction, and are available as general funds to be applied as the charity sees fit.

Restricted funds are to be used for a specific purpose as stipulated by the donor. Expenditure within this criterion is charged to the fund, together with a fair allocation of management and administration overheads.

#### Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities in the year in which they accrue.

#### Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### 3 Donations and legacies

	Restricted 2017 £	Unrestricted 2017 £	Total 2017 £	Total 2016 £
Sundry donations	-	6,009	6,009	16,631

### 4 Fundraising

	Restricted 2017 £	Unrestricted 2017 £	Total 2017 £	Total 2016 £
Events	-	23,348	23,348	24,435

### 5 Investment Income

	Restricted 2017 £	Unrestricted 2017 £	Total 2017 £	Total 2016 £
Bank interest receivable	-	-	-	43

# SALFORD RED DEVILS FOUNDATION

## Notes to the Financial Statements For the year ended 30 November 2017

6	Grants and contracts	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
	BIG Lottery Fund	114,000	-	114,000	113,167
	Salford CC - back to work education program	-	2,040	2,040	19,874
	Albion Academy	15,500	-	15,500	40,000
	Rugby Football League	-	-	-	15,971
	Onside Education	-	16,150	16,150	6,000
	Heritage Lottery	34,827	-	34,827	6,983
	New Ground Together	15,033	-	15,033	8,097
	Lancashire CCC / Sport England legacy programme	14,575	-	14,575	39,233
	Dance St Therasas	-	-	-	5,040
	Schools Rugby Delivery	33,296	-	33,296	23,750
	Salford CVS (Health project)	20,643	-	20,643	6,881
	RBS Skills	-	-	-	9,700
	RL Cares	28,757	-	28,757	9,196
	Salford University	-	275	275	-
	Learn Direct	-	-	-	15,068
	Sky Try	96,906	-	96,906	101,325
	Salford Clinical Commissioning Group	-	-	-	34,290
	GM Sports	-	410	410	-
	Streetgames	9,000	-	9,000	5,667
	Children in Need	10,960	-	10,960	-
		393,497	18,875	412,372	460,241

7	Expenditure	Charitable activities £	Fundraising £	TOTAL 2017 £	2016 £
	Wages				
	- Community development	183,808	-	183,808	195,781
	- Running costs	79,197	4,484	83,681	83,681
	Direct costs	60,483	12,500	72,983	104,847
	Administrative costs	85,418	4,836	90,254	98,719
	Governance costs	11,769	-	11,769	9,094
		420,675	21,820	442,495	492,122

8	Governance costs	2017 £	2016 £
	<i>Unrestricted expenditure</i>		
	Company secretarial	1,340	1,253
	Accountancy and independent examination fees	4,000	3,600
	Legal fees	6,429	4,241
		11,769	9,094

# SALFORD RED DEVILS FOUNDATION

## Notes to the Financial Statements For the year ended 30 November 2017

<b>9</b>	<b>Net income (expenditure) and net movement in funds for the year</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Net income (expenditure) is stated after charging:		
	Independent examiner's fees		
	Independent examination fees	<b>4,000</b>	3,600
	Other services	<b>375</b>	375
	Depreciation of tangible fixed assets	<b>5,500</b>	5,500

<b>10</b>	<b>Staff costs</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	<b>246,059</b>	254,589
	Social security costs	<b>20,432</b>	24,873
	Pension costs	<b>998</b>	-
		<b>267,489</b>	279,462

The average monthly number of employees during the year was:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Management	<b>5</b>	5
Community development	<b>7</b>	7
	<b>12</b>	12

No employee received remuneration in excess of £60,000.

## 11 Trustee remuneration and expenses

None of the trustees received any remuneration during either of the two years.

## 12 Tangible fixed assets

	<b>Leasehold improvements</b>	<b>Office furniture &amp; equipment</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 December 2016	37,999	14,738	52,737
Additions	-	5,809	5,809
At 30 November 2017	37,999	20,547	58,546
<b>Depreciation</b>			
At 1 December 2016	11,300	7,474	18,774
Charge for the year	4,000	1,500	5,500
At 30 November 2017	15,300	8,974	24,274
<b>Net book value</b>			
At 30 November 2017	<b>22,699</b>	<b>11,573</b>	<b>34,272</b>
At 30 November 2016	26,699	7,264	33,963

# SALFORD RED DEVILS FOUNDATION

## Notes to the Financial Statements For the year ended 30 November 2017

13 Debtors	2017 £	2016 £
Prepayments	7,115	11,619
Grants receivable	23,052	12,294
	<b>30,167</b>	<b>23,913</b>

14 Creditors : amounts falling due within one year	2017 £	2016 £
Other taxes and social security costs	5,431	5,722
Accruals	16,599	7,714
Deferred Income	24,499	73,203
	<b>46,529</b>	<b>86,639</b>

15 Movement in funds	Note	At 1 Dec 2016 £	Income £	Expenditure £	At 30 Nov 2017 £
<b>Restricted funds:</b>					
BIG Lottery Fund	i.	-	114,000	(114,000)	-
Albion Academy	ii.	-	15,500	(15,500)	-
Heritage Lottery	iii.	-	34,827	(34,827)	-
New Ground Together	iv.	-	15,033	(15,033)	-
Lancashire CCC / Sport England legacy programme	v.	-	14,575	(14,575)	-
Schools Rugby Delivery	vi.	-	33,296	(33,296)	-
Salford CVS (Health project)	vii.	-	20,643	(20,643)	-
RL Cares	viii.	-	28,757	(28,757)	-
Sky Try	ix.	-	96,906	(96,906)	-
Streetgames	x.	-	9,000	(9,000)	-
Children in Need	xi.	-	10,960	(10,960)	-
		-	393,497	(393,497)	-
<b>Unrestricted funds:</b>					
General funds		49,562	48,232	(48,998)	48,796
<b>Total funds</b>		<b>49,562</b>	<b>441,729</b>	<b>(442,495)</b>	<b>48,796</b>

Funds were received from the following to fund specific projects:

- BIG Lottery Fund to provide funding to undertake community projects.
- Albion Academy - funding for a bespoke education and sport programme.
- Heritage Lottery – funding for scheme relating former ground (The Willows).
- Newground Together – additional funding supporting our Big Lottery Fund (as above).
- Lancs CCC/ Sport England – youth community engagement project around 2013 RLWC/ Ashes legacy.
- Schools delivery – bespoke packages of delivery featuring activities including rugby, karate and dance.
- Salford CVS (health project) – community project around wheelchair rugby delivery.
- RL Cares dance – community engagement with a focus on providing opportunities for performing at marquee RL events.
- Sky Try funding – NGB led for multi faceted schools programme to increase participation.
- Streetgames – delivery of community activity in hub sites (East Manc and Central Salford).
- Children In Need – support of wheelchair rugby offer.



## SALFORD RED DEVILS FOUNDATION

### Notes to the Financial Statements For the year ended 30 November 2017

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#### 16 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
<b>Land and buildings</b>		
Later than one and not later than five years	120,000	120,000
Later than five years	-	-

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#### 17 Related party transactions

The Foundation operates entirely independently of Salford City Reds (2013) Limited ("the Club") but works very closely with it to help maximise income opportunities for both parties.

There are agreed recharges of income and expenditure which are intended to be financially neutral for both parties.

At the year end there were no outstanding balances either due to or from the Club

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