

Registered Company Number (England and Wales): 06803046
Registered Charity Number (England and Wales): 1130353
Registered Charity Number (Scotland): SC046140

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

THURSDAY



AC1TEOTU

A06

20/04/2023

#143

COMPANIES HOUSE

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

I N D E X

| | |
|----------------|--|
| 1 | Chairperson report |
| 2 - 8 | Trustees' report |
| 9 - 12 | <i>Report of the independent auditors</i> |
| 13 | Statement of financial activities |
| 14 | Balance sheet |
| 15 | Statement of cash flows |
| 16 - 30 | Notes to the financial statements |

NOTE FROM DALLAGLIO RUGBYWORKS CHAIRPERSON, IAN MCAULAY

I am delighted to have recently been given the privilege to take on the role as Chairperson of RugbyWorks. It is inspiring to be working with a team of employees and Trustees who are dedicated to RugbyWorks' mission to equip young people, who are excluded from education, with the life skills and attitudes they need to move into sustained Education, Employment or Training after school.

In the last year, as we began to see an end to the restrictive lockdown elements of the pandemic, I think everyone hoped that one of the most significant periods of uncertainty encountered in our lifetimes was coming to an end. Sadly, that has not been the case and people everywhere are facing an even more difficult set of circumstances which seem set to continue for some time.

This poses challenges for RugbyWorks, but the team has responded exceptionally well thus far and demonstrated success in delivering the vital work they do. They are led admirably by our CEO, Zenna Hopson, who has ensured that the team are supported and able to do what they do best every day. I have seen first-hand the positive impact they have on disadvantaged young people, giving them focus and encouragement and helping them to help themselves on a pathway to a brighter future.

It is difficult to conceive how frightening the future must look for those who are excluded. Indeed it is hard to contemplate how they can look forward at all with confidence if there is a limited support system, with few examples of what an included future would look like and little encouragement on how to take even small steps forward.

For me that is why the importance and the value of what RugbyWorks delivers is increasing in line with the scale of challenges which society faces. We provide practical, meaningful and structured assistance, delivered by people who can relate to and help the young people they work with to help them think differently. Last year our skilled teams helped 1,200 young people to improve both mental and physical health, develop life and employment skills and raise personal aspirations. The programmes work harmoniously within the local authority system, providing a win-win situation for all.

Of course the economic headwinds which prevail also impact Dallaglio RugbyWorks but I am pleased that ongoing prudent financial management has ensured we remain able to deliver our work to plan. It is sobering to think that exclusion costs hundreds of thousands pounds per student and that almost half of excluded students are not in education, employment or training when they leave school.

RugbyWorks is making a real impact on this with 95% of the students who complete 15 group sessions going on to further education or employment/training. That is a remarkable return on investment and a significant measure of social good delivered. We are indebted to all of our supporters who continued to support us and help achieve this result.

There is ambition to do much more. We aim to substantially increase the number of people supported and to extend services to post school hours of 3-7pm, which is when young people are most likely to become victims or perpetrators of serious crime. To do so, we need support more than ever before and I thank you in advance for your generosity. It's been great to reestablish social events such as the Cycle Slam and Golf Days and I look forward to seeing you in the coming months as we continue these.

Let's make it a year to remember for as many young people as we can.



**Ian McAulay
Chairperson
Dallaglio RugbyWorks**

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

The trustees present their annual report and audited financial statements of the charity for the year ended 31 July 2022. This meets the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles, the Charities Act 2011, the Companies Act 2006, the Statement of Recommended Practice Accounting and Reporting by Charities (SORP) (Effective 1 January 2019) and FRS102 The Financial Reporting Standard applicable in the UK and Ireland.

Objectives and activities

The Charity's main purpose is to use rugby to engage young people to help tackle the challenges of life.

The objectives of the Charity are to raise money and awareness through a variety of methods for projects that support young people by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

- d) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- d) advancing education;
- d) relieving unemployment;
- d) providing recreational and leisure time activity for people who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the condition of life.

The charity continues its RugbyWorks programme; an employability skills programme based on the values of rugby, where we aim to help disengaged teenagers aged 11-16 who are excluded from mainstream education or at risk of exclusion, and therefore at heightened risk of being Not in Education, Employment or Training (NEET), to transition successfully from secondary education onto a career that matches their skills and interests or to pursue alternative pathways, such as apprenticeships, further education or training that will help them achieve this goal.

The Charity employs coaches to run weekly sessions for young people, permanently excluded from mainstream education, in Pupil Referral Units or Alternative Provision. The funding for this is through a combination of events, grants, sponsorship and corporate partnerships.

Throughout the year the Charity has tested two new elements to the delivery methodology and enhanced a third.

The Charity tested its prototype new app, Player Profiles, with three cohorts of young people. The app aims to give young people the power to set their own goals and monitor their own progress, ensuring they develop skills and can use their own lived experience to evidence these. The app proved to be popular and impactful and will be formally piloted in the coming year.

The charity started offering the young people it worked with in PRU's and Alternative settings the opportunity to attend activities in the evenings. This was tested as research shows that young people who have been excluded from school are least likely to attend productive after school activities and are high risk of being involved in crime both as victims and perpetrators. As the young people have formed relationships with the Charities coaches they felt confident to attend sessions in the evenings, as such the Charity will be rolling out evening sessions next year across all of its delivery sites.

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

The charity has offered Holiday Activities in a sporadic way historically, it is now a pillar of the Charities delivery methodology. The Holiday Programme targets young people who have been excluded from school and those who are on Free School Meals. The aim is to ensure that young people get at least one healthy hearty meal a day and that they take part in fun physical activities.

Donation making policy

The Charity established its donation making policy to achieve its objectives for the public benefit to improve the lives of young people. The trustees review the donation making policy annually to ensure that it reflects the charity's objectives and thereby advances public benefit.

The trustees review the cash position of the Charity at the trustee meetings and consider how the assets could best be allocated in order to give the greatest public benefit and the funds are currently used to run the in house rugby programme, Dallaglio RugbyWorks.

Achievements and Performance

During the year under review, Dallaglio RugbyWorks has invested £874,298 (2021: £729,957) in the RugbyWorks Programme.

This year was an incredible learning experience for us, to rebuild our delivery and progress on our ambitious growth strategy for 2027. From our pilot test of Player Profiles, to our exploration of delivery outside of school times, and expanding on our holiday camps, we have learnt a lot, and celebrated a lot. This year also saw our female-only sessions led by Brittany Lewis in Wales, and 8 students successfully earning their Sports Leaders Qualifications.

RugbyWorks delivery is built around 5 core skills identified as important for young people to enter the workplace of the future. These skills are Communication, Teamwork, Problem solving, Self-belief, Self-management.

- 78% of our young people said they found their communication skills improving with the program delivery.
- 81% of our young people also saw improvements in their ability to work well with others.
- 87% of our young people also observed that they were able to think more clearly in challenging situations and solve complex problems.

Perhaps most significantly, 83% of our young people also stated that they felt more resilient and had an improved sense of self-esteem.

These improvement were also echoed by school leaders, with 77% school leaders stating that there was a definite increase in positive behaviours amongst at least half the participants in the RugbyWorks programme.

Financial review

The Charity is dependent upon income generated by its events. In the year under review, the charity undertook one major event, the postponed biannual Dallaglio Cycle Slam, which took place from April 2022 and generated £307,287 net of direct expenses. There was a surplus of £470,378 (2021 £22,265) on events after the deduction of associated administration costs. The trustees consider a key performance indicator to be the amount that can be given to its own charitable projects as a result of the events. They are pleased with the performance of the charity in the year under review.

Donations and grants received to fund the Rugby programme included BNP Paribas £20,000, Mercers Charitable Foundation £93,480, Sport England £40,000, East Head Impact £50,000, Obex Dental £25,000, Advantas £25,000 and Charles Hayward £25,000 and Henry Smith £25,000.

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Financial review (continued)

Grants and donations to fund the unrestricted fund include State Street £96,391 and Hospitality Finder £35,835. The total income from donations, grants and gifts in kind was £619,262 (2021: £954,665), this includes gifts in kind totalling £nil (2021: £76,400).

The Charity received grants from the Coronavirus Job Retention scheme of £10,692 (2021: £76,841) and the charity continued to charge schools for the RugbyWorks Programme, generating income of £116,699 (2021 £89,813).

The Charity approved payments for charitable activities totalling £874,298 (2021: £729,957)

A surplus of £293,968 was generated for the year under review (2021 £206,760). The trustees have continued financial management policies that safeguard the assets of the Charity and require approval by the Board of Trustees prior to making any donation or other significant expenditure. The policies also require the trustees to consider whether the funds of the Charity are suitably invested; given the intent to distribute these funds in the short term the trustees do not consider it relevant to have a full investment policy at this time but will monitor the situation and set up an appropriate policy at such time as it becomes necessary.

Reserves policy

The balance of unrestricted funds at 31 July 2022 was £777,601 (2021: £407,194) and the restricted funds held for the Rugby programme at 31 July 2022 were £31,389 (2021: £107,828).

The reserves policy has been reviewed and free reserves are to be held to cover approximately four to six months of the future costs of the management, support and administration, governance and the Rugby Programme. Our free reserves at 31st July 2022 were £680,395 (2021: £382,252) and equate to 6 months of future costs and are therefore in line with our policy.

Plans for the future

The Charity plans to continue its activities as outlined above in the forthcoming periods, subject to *satisfactory funding and self-funding arrangements*.

The Charity intends to broaden its reach by embedding the tested delivery pillars of *Player Profiles*, *RugbyWorks Evening* and *RugbyWorks Holiday*, as well as this the Charity plans to expand its delivery into Bedfordshire and Hertfordshire, concentrating on Luton and Stevenage. The charity will not be delivering in Hampshire in 22/23 although delivery in the Southeast remains under review.

The Charity will continue its focus to the following objectives:

- Reach and engage young people excluded from school through the power of rugby
- Empower and equip young people, giving them the means and inspiration to change their lives for the better

The Rugby Programme is run by a team from the Charity. It is a social inclusion rugby programme working with disadvantaged 11 to 16 year olds, through direct group work delivery and 17+ through one to one support and Player Profiles. The charity works with young people who have been excluded from mainstream education, called Dallaglio RugbyWorks. The programme currently operates in 8 London boroughs, South Wales, West Midlands, East Midlands, the North East and West and is expanding into the East of England.

The Charity is planning that the funding for the Rugby Programme will be through charging schools for the programme, trusts and foundations, corporate sponsorship and fundraising events.

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Reference and administrative details

| | | |
|--------------------|--|---------------------|
| Charity Number: | England and Wales Scotland | 1130353 SC046140 |
| Company Number: | 06803046 | |
| Registered Office: | The Barn Kings Newton Hall Main Street Kings Newton Derbyshire DE73 8BX | |

Our Advisers

| | |
|-----------|--|
| Auditors: | Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP |
| Bankers: | Barclays Bank Hanover Square London WS1 1JW |

Directors and Trustees

The following trustees served at the date of signing this report or during the period:

M D Key (Chairperson) (resigned 31 December 2021)

IJ McAulay (appointed 31 January 2022)

L B N Dallaglio

J S Stevenson

W L Carey-Evans (resigned 21 February 2022)

C P K Taylor

A T Cook

Z Atkins (resigned 31 August 2021)

J V D'Abbro

N Hetherington

K Stephenson (appointed 1 January 2022)

J Zafar (appointed 1 January 2022)

N Theakstone (appointed 31 January 2022)

None of the trustees has any beneficial interest in the company.

Company secretary

J L Heldreich

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Reference and administrative details (continued)

Key management personnel

| | |
|---------------------------------------|--------------|
| Chief Executive Officer | Zenna Hopson |
| Head of Delivery and Partnerships | P Hannah |
| Head of Growth, Impact and Innovation | V Bentley |
| Finance Director | J Heldreich |

Structure, governance and management

Governing Document

Dallaglio RugbyWorks (Limited by Guarantee, number 06803046) is a registered charity, number 1130353, and was constituted by a memorandum and articles of association dated 27 January 2009. The Articles were amended by written resolution on 22 September 2015. The charity was entered in the Scottish Charity Register on 16 November 2015 and now has charitable status under the Charities and Trustee Investment (Scotland) Act 2005.

The Charity owns the whole of the issued share capital of Dallaglio Events Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities.

Appointment of trustees, induction and training

The Charity is governed by its Board of Trustees, who are all supporters of the Charity. The trustees are appointed through an open and transparent application process, overseen by the nominations committee, and serve on a three year tenure.

On appointment, new trustees have an induction consisting of a series of meetings with the CEO, Chair, Lawrence Dallaglio, and other trustees which covers such topics as the history of the Charity, the purpose of the Charity and its strategic objectives, the donation making process and an introduction to the team that manages the Charity on a day to day basis. New trustees are also supplied with a copy of the Charity Commission's guidance 'The Essential Trustee' and a Dallaglio RugbyWorks Information Pack. They also attend a RugbyWorks programme session prior to starting.

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Organisation

The governance of Dallaglio RugbyWorks rests with the Board of Trustees who meet a minimum of 5 times per year and there are four sub committees covering finance and audit, HR, Programmes and Nominations. This Board members who served during the year are listed on page 5.

At regular trustees' meetings, the trustees agree the broad strategy of the Charity, as well as approving all donations made, and consider the investment, reserves and risk management policies of the Charity. The day to day administration of donations and the processing and handling of applications is delegated to Zenna Hospon (CEO) and her team and the accounting administration is delegated to a team from Beehive Chartered Accountants, led by Jo Heldreich.

Related parties and co-operation with other organisations

All trustees give their time freely and no trustees' remuneration was paid in the year for time given in capacity as a Trustee. Details of trustee expenses and related party transactions are disclosed in notes 13 and 24 to the accounts.

The trustees are required to disclose all relevant interests to the Board of Trustees and highlight where a perceived conflict of interest may occur. All transactions with related parties are undertaken with the full knowledge and consent of the trustees, and at arm's length prices.

Pay policy for senior staff

The trustees, who are also the directors of the company, have appointed the senior management team as the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day to day basis. The pay of the senior staff is reviewed by the trustees annually and increased to take account of performance, average earnings and a review of pay levels in charities of a similar size.

Risk management

The trustees have considered the major risks to which the charity is exposed and have established systems and procedures to monitor and manage those risks.

The trustees consider variability of income from charitable events to be the Charity's major financial and operational risk. This is due to the possibility of events running at a loss. The trustees reduce this risk by planning events thoroughly and monitoring the cash flows throughout the lead-up to the event, as well as by ensuring that the team who run the events have sufficient experience and expertise to produce a surplus that can be distributed as part of the Charity's charitable activities. The trustees are of the opinion that their procedures are appropriate and adequate.

The trustees have a CEO, supported by the senior independent non-executive (CPK Taylor), to oversee the governance and risk management of the charity, supported by a team of experienced staff.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also the directors of Dallaglio RugbyWorks for the purposes of company law) are responsible for preparing a trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

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

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and accounting estimates that are reasonable and prudent;
- d) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) 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 proper 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statements of disclosure to the auditors

In so far as the trustees are aware at the time of approving the trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Exemption

The trustees' report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006.

Approved by the Board of Trustees on 13th December 2022 and signed on its behalf by:



Ian McAulay
Director



A T Cook
Director

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DALLAGLIO RUGBYWORKS**

Opinion

We have audited the financial statements of Dallaglio RugbyWorks (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2022 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated and parent charitable company statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006, and the relevant Scottish legislation.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DALLAGLIO RUGBYWORKS (CONTINUED)**

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the report of the trustees, for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the report of the trustees, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material mis-statements in the report of the trustees,

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DALLAGLIO RUGBYWORKS (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant charities' acts in the UK and Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation.

We identified the following areas as those most likely to have such an effect:

Employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and the parent charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and the parent charitable company's control environment and how the group and the parent charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and the parent charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DALLAGLIO RUGBYWORKS (CONTINUED)**

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Melvin Bailey (Senior Statutory Auditor) FCCA DChA

for and on behalf of
Rogers Spencer
Chartered Accountants
Newstead House
Pelham Road
Nottingham
NG5 1AP

21st December 2022

**DALLAGLIO RUGBYWORKS (LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022**

| | Notes | Year ended 31 July 2022 Unrestricted Funds £ | Year ended 31 July 2022 Restricted Funds £ | Year ended 31 July 2022 Total Funds £ | Year ended 31 July 2021 Total Funds £ |
|--|-----------|--|--|--|--|
| Income | | | | | |
| Donations | 4 | 243,422 | 375,840 | 619,262 | 954,665 |
| Charitable Activities | 5 | 116,699 | - | 116,699 | 89,813 |
| Other Trading Activities | 6 | 309,489 | 610,751 | 920,240 | 69,664 |
| Investment Income | 7 | 221 | - | 221 | 503 |
| Other income | 8 | - | 10,692 | 10,692 | 76,841 |
| Total income | | 669,831 | 997,283 | 1,667,114 | 1,191,486 |
| Expenditure | | | | | |
| Costs of raising funds | 10 | 133,647 | 365,201 | 498,848 | 254,769 |
| Charitable Activities | 11 | - | 874,298 | 874,298 | 729,957 |
| Total expenditure | | 133,647 | 1,239,499 | 1,373,146 | 984,726 |
| Net income/ (expenditure) | | 536,184 | (242,216) | 293,968 | 206,760 |
| Transfer between funds | | (165,777) | 165,777 | - | - |
| Net movement in funds | | 370,407 | (76,439) | 293,968 | 206,760 |
| Reconciliation of funds | | | | | |
| Total funds brought forward at 1 August 2021 | | 407,194 | 107,828 | 515,022 | 308,262 |
| Total funds carried forward at 31 July 2022 | 21 | £777,601 | £31,389 | £808,990 | £ 515,022 |

All income and expenditure derives from continuing activities.

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

The notes on pages 16 to 30 form part of these accounts.

An analysis of comparative figures between restricted and unrestricted funds is given in note 28 to the financial statements.

**DALLAGLIO RUGBYWORKS (LIMITED BY GUARANTEE)
COMPANY NO. 06803046
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 JULY 2022**

| | Notes | GROUP 2022 £ | GROUP 2021 £ | CHARITY 2022 £ | CHARITY 2021 £ |
|---|-------|--------------------|--------------------|----------------------|----------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 16 | 91,680 | 21,348 | 91,680 | 21,348 |
| Tangible assets | 17 | 5,526 | 3,594 | 5,526 | 3,594 |
| Investments | 18 | - | - | 100 | 100 |
| TOTAL FIXED ASSETS | | <u>97,206</u> | <u>24,942</u> | <u>97,306</u> | <u>25,042</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 19 | 60,554 | 26,090 | 52,196 | 11,464 |
| Cash at bank and in hand | | 706,304 | 1,069,721 | 631,652 | 1,046,821 |
| TOTAL CURRENT ASSETS | | <u>766,858</u> | <u>1,095,811</u> | <u>683,848</u> | <u>1,058,285</u> |
| CREDITORS: amounts falling due within one year | 20 | (55,074) | (605,731) | (48,214) | (312,011) |
| NET CURRENT ASSETS | | <u>711,784</u> | <u>490,080</u> | <u>635,634</u> | <u>746,274</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>808,990</u> | <u>515,022</u> | <u>732,940</u> | <u>771,316</u> |
| NET ASSETS | | <u>£808,990</u> | <u>£515,022</u> | <u>£732,940</u> | <u>£771,316</u> |
| FINANCED BY | | | | | |
| Unrestricted funds | 21 | 777,601 | 407,194 | 701,551 | 663,488 |
| Restricted funds | 21 | 31,389 | 107,828 | 31,389 | 107,828 |
| TOTAL CHARITY FUNDS | | <u>£808,990</u> | <u>£515,022</u> | <u>£732,940</u> | <u>£771,316</u> |

The trustees have prepared consolidated accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 16 to 30 form part of these accounts.

The charity made a deficit for the year of £38,376 (2021: surplus £255,526) further information is disclosed in note 3 to the financial statements.

The financial statements were approved and authorised for issue by the trustees on 13 December 2022 and signed on its behalf by:

I McAulay
Director



A T Cook
Director



DALLAGLIO RUGBYWORKS (LIMITED BY GUARANTEE)

COMPANY NO. 06803046

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

| | Notes | GROUP 2022 £ | GROUP 2021 £ | CHARITY 2022 £ | CHARITY 2021 £ |
|---|--------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Cash used in operating activities | 26 | (275,023) | 256,894 | (326,775) | 296,243 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest income | | 221 | 503 | 221 | 503 |
| Purchase of tangible fixed assets | | (88,615) | (21,348) | (88,615) | (21,348) |
| Fixed assets scrapped | | - | - | - | - |
| CASH USED IN INVESTING ACTIVITIES | | (88,394) | (20,845) | (88,394) | (20,845) |
| Increase in cash and cash equivalents in year | | (363,417) | 236,049 | (415,169) | 275,398 |
| Cash and cash equivalents at the beginning of the year | | 1,069,721 | 833,672 | 1,046,821 | 771,423 |
| TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | | <u>£ 706,304</u> | <u>£1,069,721</u> | <u>£ 631,652</u> | <u>£ 1,046,821</u> |

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

The financial statements incorporate the results of the principal activity which is described in the Trustees' Report, and which is continuing. The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:-

a) Basis of preparation and going concern

The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice Accounting and Reporting by Charities (SORP) (Effective 1 January 2019) and FRS102 The Financial Reporting Standard applicable in the UK and Ireland.

Dallaglio RugbyWorks meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the Covid-19 pandemic, the trustees have tested their cash flow analysis to take into account the impact on their charity of possible scenarios brought on by the impact of Covid-19, alongside measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

b) Consolidated financial statements

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

A separate SOFA for the charity has not been presented because the company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Income recognition policies

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Investment income is included when receivable
- Incoming resources from charity activity are accounted for when earned
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

e) Donated services and gifts in kind

Donated services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity is probable and that economic benefit can be measured reliably. On receipt, donated services and gifts in kind are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain the services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure on events includes any VAT that cannot be reclaimed. The VAT that cannot be reclaimed on administration expenses is included in the total expenses cost.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activity and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between expenditure categories of the consolidated statement of financial activities on a basis to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Management, support, administration and governance costs, where not directly attributed to an event or charitable activity are allocated in proportion to the income generated.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and accountancy costs linked to the strategic management of the charity.

g) Tangible Fixed assets

- Intangible Fixed Assets:

Intangible fixed assets are initially measured at historic cost and subsequently carried at cost less accumulated amortisation and any accumulated impairment losses.

At the reporting date, the charity assesses whether there is any indication that an asset may be impaired. An impairment loss is recognised if the recoverable amount of an asset is less than its carrying amount.

Amortisation is provided at rates calculated to write down the cost of each asset to its residual value (realistic value at the end of its economic life) on a systematic basis over its useful economic life.

The amortisation rates in use on a straight line basis are as follows:

Computer software - 20% straight line basis

- Tangible Fixed Assets:

Individual fixed assets are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life as follows:

Computer equipment - 33⅓% and 25% straight line basis

Office furniture - 20% straight line basis

Mobile phones - 50% straight line basis

h) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. All exchange differences are taken to the income and expenditure account.

**DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

i) Financial Instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and trade creditors and other creditors.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors:

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents:

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors:

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method.

Interest income:

Interest income is recognised in income and expenditure using the effective interest method.

j) Government Grants

Government grants are recognised on the accruals basis and included in other income.

k) Operating Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to income and expenditure on a straight-line basis over the period of the lease.

l) Employee Benefits

The charity contributes to a defined contribution plan for the benefit of its employees. Contributions are recognised in income and expenditure as they become payable.

2. Legal status of the charity

The charity is a company limited by guarantee. The members of the company are the trustees named on page 5. The liability of the members on the dissolution or winding up of the company is limited to the sum of £10.

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

3. Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary which is used for non-primary purpose trading activities and running sporting events.

The summary financial performance of the charity alone is:

| | Year ended 31 July 2022 £ | Year ended 31 July 2021 £ |
|--|---------------------------------|---------------------------------|
| Income | 1,359,335 | 1,131,557 |
| Expenditure | | |
| Costs of raising funds | (240,282) | (298,485) |
| Charitable activities | (821,716) | (582,426) |
| Provision for loss on loan to subsidiary | (335,713) | 4,880 |
| Net surplus/(loss) | (38,376) | 255,526 |
| Total funds brought forward at 1 August 2021 | 771,316 | 515,790 |
| Total funds carried forward at 31 July 2022 | £ 732,940 | £ 771,316 |
| Represented by: | | |
| Restricted income funds | 31,389 | 107,828 |
| Unrestricted income funds | 701,551 | 663,488 |
| TOTAL FUNDS | £732,940 | £ 771,316 |

4. Donations

| | Year ended 31 July 2022 Unrestricted £ | Year ended 31 July 2022 Restricted £ | Year ended 31 July 2022 Total £ | Year ended 31 July 2021 Total £ |
|--------------------------------|---|---|--|--|
| Corporate grants and donations | 143,164 | 123,310 | 266,474 | 364,668 |
| Charity and other donations | 7,727 | 252,530 | 260,257 | 414,121 |
| Donations and Gifts in kind | 92,531 | - | 92,531 | 175,876 |
| | £ 243,422 | £ 375,840 | £ 619,262 | £ 954,665 |

The donations and gifts in kind include:

Restricted donations: Gifts in kind of strategic consultancy services for training, project planning and support for the rugby programme £nil (2021: £76,400).

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

5. Charitable activities (Income)

| | Year ended 31 July 2022 Unrestricted £ | Year ended 31 July 2021 Unrestricted £ |
|--------------------------------------|---|---|
| RugbyWorks fee for services provided | 116,699 | 89,813 |
| | <u>£ 116,699</u> | <u>£ 89,813</u> |

6. Other trading activities

| | Year ended 31 July 2022 Unrestricted £ | Year ended 31 July 2022 Restricted £ | Year ended 31 July 2022 Total £ | Year ended 31 July 2021 Unrestricted Total £ |
|----------------------------------|---|---|--|--|
| Activities for generating funds: | | | | |
| Dallaglio Cycle Slam | - | 610,751 | 610,751 | 32,254 |
| Other Events | 309,489 | - | 309,489 | 37,410 |
| | <u>£ 309,489</u> | <u>£ 610,751</u> | <u>£920,240</u> | <u>£ 69,664</u> |

7. Investment Income

| | Year ended 31 July 2022 £ | Year ended 31 July 2021 £ |
|------------------------------------|---------------------------------|---------------------------------|
| Bank and other interest receivable | 221 | 503 |
| | <u>£ 221</u> | <u>£ 503</u> |

8. Other income

| | Year ended 31 July 2022 Unrestricted £ | Year ended 31 July 2022 Restricted £ | Year ended 31 July 2022 Total £ | Year ended 31 July 2021 Total £ |
|--|---|---|--|--|
| Government grants Coronavirus Job Retention Scheme | - | 10,692 | 10,692 | 76,841 |
| | <u>£ -</u> | <u>£ 10,692</u> | <u>£ 10,692</u> | <u>£ 76,841</u> |

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

9. Other Voluntary Income

In addition to the above supplies, the charity would like to thank the following generous sponsors for the donations in kind and services provided where it has not been possible to quantify the value received:

| | | | |
|-----------------------|-------------------------|-----------------------------|----------------------|
| • Andrew Orrock | • Hand and Flowers | • M Restaurant | • Robert Samuelson |
| • Andrew Peryman | • Henry Fraser Art | • Mayer Brown International | • Simon Byrne |
| • Ben Wilson | • Hospitality Finder | • Mentzendoff | • Steve Booth |
| • Bidfood | • iCookIndian | • Nigel Trilk | • Steve Fryett |
| • Big yellow Storage | • James Haskell | • Nikon UK | • Steve King |
| • Boisdale | • Jawbone | • Optimum Nutrition | • Terry Hughes |
| • Celerity | • Jon Orchard | • Paul Denning | • The Goring |
| • Chelsea FC | • Kevin Browne | • Phil Vickery | • Vikki Bentley |
| • Daniel Brennan | • Kirsty Stanley-Hughes | • Rebecca Scown | • Virginia Ramsay |
| • David Ridler | • Laurent Perrier | • Richard Jameson | • Warners Distillery |
| • Flying Pig Catering | • Lawrence Dallaglio | • Richard Wilson | • WinterComms |
| • George Solmo | • London Pride | • Rob Foulston | |

10. Expenditure: Cost of raising funds

| | Year ended 31 July 2022 Unrestricted £ | Year ended 31 July 2022 Restricted £ | Year ended 31 July 2022 Total £ | Year ended 31 July 2021 Total £ |
|--|---|---|--|--|
| Fund raising activity costs: | | | | |
| 8Rocks event hosting costs | - | - | - | 33,949 |
| Dallaglio Cycle Slam | - | 303,464 | 303,464 | (6,282) |
| Administration and support costs (note 12) | 10,060 | 29,502 | 39,562 | 15,368 |
| Governance costs (note 12) | 854 | 2,505 | 3,359 | 1,235 |
| Other Events | 103,477 | - | 103,477 | 3,128 |
| Total fund raising costs | £ 114,391 | £ 335,471 | £ 449,862 | £47,398 |
| Costs of generating voluntary income: | | | | |
| Administration and support costs (note 12) | 17,749 | 27,404 | 45,153 | 191,797 |
| Governance costs (note 12) | 1,507 | 2,326 | 3,833 | 15,574 |
| Total costs of raising voluntary income | £ 19,256 | £ 29,730 | £ 48,986 | £ 207,371 |
| Total costs of raising funds | £ 133,647 | £ 365,201 | £ 498,848 | £ 207,371 |

All events run by Dallaglio RugbyWorks are cost neutral as we charge fees to ensure we cover the costs. However, this means that our cost of raising funds appears high. It is important to note that no donated income is used to funds events and it is therefore true that for every pound donated 90% goes directly to working with young people and fulfilling our charitable objectives.

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

11. Expenditure: Charitable activities

| | Year ended 31 July 2022 Unrestricted £ | Year ended 31 July 2022 Restricted £ | Year ended 31 July 2022 Total £ | Year ended 31 July 2021 Total £ |
|--|---|---|--|--|
| Charitable activities: | | | | |
| RugbyWorks | - | 614,785 | 614,785 | 601,296 |
| Administration and support costs (see note 12) | - | 239,205 | 239,205 | 119,970 |
| Governance costs (see note 12) | - | 20,308 | 20,308 | 8,692 |
| Total charitable activities | £ - | £ 874,298 | £ 874,298 | £729,957 |

Dallaglio RugbyWorks also received a 'gift in kind' of strategic consultancy services for training, project planning and support of £nil (2021: £76,400) and this is included in the costs of the RugbyWorks shown above.

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

12. Analysis of governance, administration and support costs

The charity identifies the costs of its administration and support costs. It then identifies the costs which relate to the governance function. The governance costs and the costs of administration and support are apportioned between the three activities. These are the costs of fundraising, the costs of generating voluntary income (restricted and unrestricted) and the rugby.

| | Fund raising costs | Costs of generating voluntary income | Fund raising costs | Costs of generating voluntary income | Rugby Programme Restricted | 31 July 2022 Total | 31 July 2021 Total |
|---|--------------------|--------------------------------------|--------------------|--------------------------------------|----------------------------|--------------------|--------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Administration and support | | | | | | | |
| Management and administration | 10,060 | 17,749 | 29,502 | 27,404 | 162,154 | 246,869 | 211,374 |
| Finance and professional fees | - | - | - | - | 18,562 | 18,562 | 59,138 |
| Bank and finance charges | - | - | - | - | 3,530 | 3,530 | 3,423 |
| Insurance, office rent and staff expenses | - | - | - | - | 44,403 | 44,403 | 31,200 |
| Website, computer and marketing | - | - | - | - | 10,556 | 10,556 | 22,000 |
| Total administration and support | £10,060 | £17,749 | £29,502 | £27,404 | £239,205 | £323,920 | £327,135 |
| Governance costs | | | | | | | |
| Accountancy fees | 621 | 1,096 | 1,822 | 1,692 | 14,769 | 20,000 | 20,000 |
| Audit | 233 | 411 | 683 | 634 | 5,539 | 7,500 | 5,500 |
| Total governance costs | £854 | £1,507 | £2,505 | £2,326 | £20,308 | £27,500 | £25,500 |

Total Administration and Support costs in 2020-21 of £327,135 included £136,926 unrestricted expenditure and £190,209 restricted expenditure.

Total governance costs in 2020-21 of £25,500 included £10,764 unrestricted expenditure and £14,736 restricted expenditure.

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

13. Trustees' and Key Management Personnel Remuneration and Expenses

The total amount of employment benefits received by key management personnel during the year was £242,413 (2021: £165,102). The charity considers its key management personnel comprise the Senior Management Team.

None of the trustees received any remuneration during the period in their capacity as Trustee. Trustees' expenses reimbursed for travel costs were £nil (2021: £nil).

14. Employees

| | Year ended 31 July 2022 | Year ended 31 July 2021 |
|--|----------------------------|----------------------------|
| | Total £ | Total £ |
| Staff costs consist of: | | |
| Wages and salaries | 571,575 | 489,996 |
| Social security costs | 45,132 | 37,949 |
| Pension costs | 9,421 | 9,022 |
| | <u>£626,128</u> | <u>£536,967</u> |
| Allocation: | | |
| Costs of management and administration | 229,816 | 161,039 |
| Charitable activities – RugbyWorks | 396,312 | 375,929 |
| | <u>£626,128</u> | <u>£536,968</u> |

The average number of employees, excluding trustees, during the period was:

| | Number 2022 | Number 2021 |
|---------------------------------|----------------|----------------|
| Fund-raising and administration | 5 | 4 |
| Charitable activities | 13 | 13 |

The number of employees whose emoluments (salaries, wages and benefits in kind) for the year to 31 July 2022 fell within the following bands was:

| | Number 2022 | Number 2021 |
|---------------------|----------------|----------------|
| £ 90,000 - £100,000 | 1 | - |

1 employee had emoluments over £60,000 in the year to 31 July 2022.

15. Net income/expenditure for the year

| | Year to 31 July 2022 £ | Year to 31 July 2021 £ |
|---------------------------------|---------------------------------|---------------------------------|
| This is stated after charging:- | | |
| Depreciation | 2,396 | 13,806 |
| Amortisation | 13,955 | - |
| Auditors' remuneration | 7,500 | 5,500 |
| Loss on disposal of fixed asset | - | 16,800 |

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

16. Intangible assets

| | Computer Software £ | Total £ |
|---------------------------|------------------------------------|--------------------|
| Group and charity: | | |
| Cost: | | |
| 1 August 2021 | 21,348 | 21,348 |
| Additions | 84,287 | 84,287 |
| Disposals | - | - |
| | <u>£ 105,635</u> | <u>£ 105,635</u> |
| Amortisation: | | |
| 1 August 2021 | - | - |
| Provision for year | 13,955 | 13,955 |
| Eliminated on disposals | - | - |
| | <u>£13,955</u> | <u>£13,955</u> |
| Net book values: | | |
| 31 July 2022 | <u>£ 91,680</u> | <u>£ 91,680</u> |
| 31 July 2021 | <u>£ 21,348</u> | <u>£ 21,348</u> |

17. Tangible assets

| | Computers, mobiles and office equipment £ | Total £ |
|---------------------------|--|--------------------|
| Group and charity: | | |
| Cost: | | |
| 1 August 2021 | 22,516 | 22,516 |
| Additions | 4,328 | 4,328 |
| Disposals | - | - |
| | <u>£ 26,844</u> | <u>£ 26,844</u> |
| Depreciation: | | |
| 1 August 2021 | 18,922 | 18,922 |
| Provision for year | 2,396 | 2,396 |
| Eliminated on disposals | - | - |
| | <u>£ 21,318</u> | <u>£ 21,318</u> |
| Net book values: | | |
| 31 July 2022 | <u>£ 5,526</u> | <u>£ 5,526</u> |
| 31 July 2021 | <u>£ 3,594</u> | <u>£ 3,594</u> |

18. Fixed asset investments

| | 2022 £ | 2021 £ |
|-------|-------------------|-------------------|
| Group | - | - |
| | <u>£ -</u> | <u>£ -</u> |

The investment held by the charity is the £100 (2021: £100) investment in the subsidiary company at cost (see note 25).

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

| 19. Debtors | Group 31 July 2022 £ | Group 31 July 2021 £ | Charity 31 July 2022 £ | Charity 31 July 2021 £ |
|--------------------------------|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
| Auction and event income | 8,968 | 8,565 | 8,866 | 4,374 |
| Other debtors | 4,476 | 14,108 | - | 6,292 |
| Prepayments and accrued income | 7,110 | 3,417 | 3,330 | 798 |
| Donations and gift aid | 40,000 | - | 40,000 | - |
| | <u>£ 60,554</u> | <u>£26,090</u> | <u>£ 52,196</u> | <u>£ 11,464</u> |

20. Creditors : amounts falling due within one year

| | Group 31 July 2022 £ | Group 31 July 2021 £ | Charity 31 July 2022 £ | Charity 31 July 2021 £ |
|---------------------------------|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
| Trade creditors | 17,366 | 49,376 | 10,506 | 40,621 |
| Other taxes and social security | 13,636 | 11,158 | 13,636 | 11,158 |
| Accruals and deferred income | 18,269 | 541,044 | 18,269 | 256,079 |
| Other creditors | 5,803 | 4,153 | 5,803 | 4,153 |
| | <u>£ 55,074</u> | <u>£ 605,731</u> | <u>£ 48,214</u> | <u>£ 312,011</u> |

Included within creditors is £nil (charity £nil) of deferred income relating to grants and event income received in advance. The movement can be analysed as follows:

| | Group 31 July 2022 £ | Charity 31 July 2022 £ |
|-----------------------|-------------------------------------|---------------------------------------|
| Balance b/fwd | 494,695 | 209,730 |
| Additions in the year | 30,000 | 30,000 |
| Released in the year | (524,695) | (239,730) |
| Balance c/fwd | <u>£ -</u> | <u>£ -</u> |

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

21. Analysis of charitable funds

| | At 31 July 2021 £ | Incoming resources £ | Outgoing resources £ | Transfer £ | At 31 July 2022 £ |
|--------------------------------|-------------------------|----------------------------|----------------------------|---------------|-------------------------|
| Current Financial Year: | | | | | |
| Restricted funds | | | | | |
| Dallaglio Cycle Slam | - | 610,751 | (335,471) | (275,280) | - |
| Rugby Programme | 107,828 | 386,532 | (904,028) | 441,057 | 31,389 |
| Total restricted funds | 107,828 | 997,283 | (1,239,499) | 165,777 | 31,389 |
| Unrestricted funds | 407,194 | 669,831 | (133,647) | (165,777) | 777,601 |
| | <u>£ 515,022</u> | <u>£ 1,667,114</u> | <u>£ (1,373,146)</u> | <u>£ -</u> | <u>£ 808,990</u> |

Purpose of restricted funds

Dallaglio Cycle Slam

The Dallaglio Cycle Slam is a bi-annual group cycling event that took place from April 2022, to raise funds for the Dallaglio RugbyWorks programme. There was a transfer from the Dallaglio Cycle Slam Fund support the Dallaglio RugbyWorks programme.

Rugby Programme

Funds brought forward of £107,828 relate to donations received in excess of spend in prior years on the North West (£35,291) and West Midlands (£72,537) regions. These funds were all expended during the year under review.

During 2021-22, income of £25,000 was received from Obex Dental for the set up of our new region in the East of England. These funds remain unspent as at 31 July 2022, along with £6,389 of income received from East Head Impact and Sport England relating to the development of our Digital offer, Player Profiles. £10,692 of income from the Coronavirus Job Retentions scheme is also included within restricted income and was fully expended during the year.

| | At 31 July 2020 £ | Incoming resources £ | Outgoing resources £ | Transfer £ | At 31 July 2021 £ |
|-------------------------------|-------------------------|----------------------------|----------------------------|---------------|-------------------------|
| Prior Financial Year: | | | | | |
| Restricted funds | | | | | |
| Rugby Programme | 132,110 | 584,149 | (806,241) | 197,810 | 107,828 |
| Total restricted funds | 132,110 | 584,149 | (806,241) | 197,810 | 107,828 |
| Unrestricted funds | 176,152 | 607,337 | (178,485) | (197,810) | 407,194 |
| | <u>£ 308,262</u> | <u>£1,191,486</u> | <u>£984,726</u> | <u>£ -</u> | <u>£515,022</u> |

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

22. Analysis of group net assets between funds

| | 31 July 2022 Unrestricted £ | 31 July 2022 Restricted £ | 31 July 2022 Total £ | 31 July 2021 Total £ |
|---|-----------------------------------|---------------------------------|----------------------------|----------------------------|
| Group | | | | |
| Fund balances at 31 July 2022 are represented by : | | | | |
| Fixed assets | 97,206 | - | 97,206 | 24,942 |
| Net current assets | 680,395 | 31,389 | 711,784 | 490,080 |
| Net assets | <u>£ 777,601</u> | <u>£ 31,389</u> | <u>808,990</u> | <u>£515,022</u> |
| Charity | | | | |
| Fund balances at 31 July 2022 are represented by : | | | | |
| Fixed assets | 97,206 | - | 97,206 | 24,942 |
| Investments | 100 | - | 100 | 100 |
| Net current assets | 604,245 | 31,389 | 635,634 | 746,274 |
| Net assets | <u>£ 701,551</u> | <u>£ 31,389</u> | <u>£ 732,940</u> | <u>£771,316</u> |

23. Taxation

The charity is not liable to taxation upon its income by reason of the exemption under Section 505 of the Income and Corporation Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable activities.

24. Related party transactions

L B N Dallaglio, a trustee, donated his services for appearances, speeches, books, signed rugby shirts and events. A fair valuation of these services cannot be measured reliably and cannot be resold. There are no balances outstanding from transactions at 31 July 2022 (2021 £0).

All trustees give their time freely and no trustees' remuneration or expenses (other than disclosed in note 13) was paid in the year for time given in capacity as a Trustee. From time to time, Trustees will purchase tickets to fundraising events or make donations.

The Learning Crowd, a company in which former Trustee, Zenna Atkins, is a Senior Associate, invoiced Dallaglio Events £5,500 during August 2021 for the provision of education and leadership support. Zenna Atkins was appointed CEO of Dallaglio Rugbyworks in September 2021. There was a balance of £nil due to The Learning Crowd at 31 July 2022 (2021 £6,655).

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

25. Subsidiary company

The charity owns the whole of the issued share capital of Dallaglio Events Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities. A summary of the results of the subsidiary is shown below.

| | Total 2022 £ | Total 2021 £ |
|-----------------------------------|-----------------------------|-----------------------------|
| Turnover | 331,513 | 59,927 |
| Cost of sales | (261,024) | (7,795) |
| Gross Profit / (loss) | 70,489 | 52,312 |
| Administrative expenses | (73,861) | (96,018) |
| Interest Receivable | 3 | - |
| Add provision for release of loan | 335,713 | (4,880) |
| Net (Deficit) for year | £ 332,344 | £ (48,766) |

The aggregate of the assets, liabilities and funds was:

| | Total 2022 £ | Total 2021 £ |
|-----------------------------|-----------------------------|-----------------------------|
| Assets | 83,011 | 37,526 |
| Liabilities | (6,860) | (293,720) |
| Net (liabilities) | £ 76,150 | £(256,194) |
| Capital and Reserves | | |
| Called up share capital | 100 | 100 |
| Profit and loss account | 76,050 | (256,294) |
| | £ 76,150 | £ (256,194) |

Dallaglio Events Limited has taken advantage of the exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies for the period ended 31 July 2022.

26. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2022 £ | 2021 £ | Charity 2022 £ | 2021 £ |
|---|-----------------------------|-------------------|-------------------------------|-------------------|
| Net movement in funds | 293,968 | 206,760 | (38,376) | 255,526 |
| Add back depreciation charge | 16,351 | 13,806 | 16,351 | 13,806 |
| Fixed assets written off | - | 16,800 | - | 16,800 |
| Deduct interest shown in investing activities | (221) | (503) | (221) | (503) |
| Decrease/(increase) in debtors | (34,464) | 257,966 | (40,732) | 165,722 |
| Increase/(decrease) in creditors | (550,657) | (237,935) | (263,797) | (155,108) |
| Net cash used in operating activities | £ (275,023) | £256,894 | £ (326,775) | £296,243 |

DALLAGLIO RUGBYWORKS
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

27. Obligations under rental agreements

Dallaglio Events Limited has a commitment under an office rental agreement at 31 July 2022 of £9,072 (2021: £5,040).

28. Analysis of restricted and unrestricted funds for prior year

| | Year ended 31 July 2021 Unrestricted Funds £ | Year ended 31 July 2021 Restricted Funds £ | Year ended 31 July 2021 Total Funds £ |
|--|--|--|--|
| Income | | | |
| Donations | 447,357 | 507,308 | 954,665 |
| Charitable Activities | 89,813 | - | 89,813 |
| Other Trading Activities | 69,664 | - | 69,664 |
| Investment Income | 503 | - | 503 |
| Other income | - | 76,841 | 76,841 |
| Total income | <u>607,337</u> | <u>584,149</u> | <u>1,191,486</u> |
| Expenditure | | | |
| Costs of raising funds | 157,761 | 97,008 | 254,769 |
| Charitable Activities | 20,724 | 709,233 | 729,957 |
| Total expenditure | <u>178,485</u> | <u>806,241</u> | <u>984,726</u> |
| Net income/ (expenditure) | 428,852 | (222,092) | 206,760 |
| Transfer between funds | (197,810) | 197,810 | - |
| Net movement in funds | <u>231,042</u> | <u>(24,282)</u> | <u>206,760</u> |
| Reconciliation of funds | | | |
| Total funds brought forward at 1 August 2020 | <u>176,152</u> | <u>132,110</u> | <u>308,262</u> |
| Total funds carried forward at 31 July 2021 | <u><u>£407,194</u></u> | <u><u>£ 107,828</u></u> | <u><u>£ 515,022</u></u> |