

**TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019
FOR
THE HARLEQUINS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

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THE HARLEQUINS FOUNDATION
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FOR THE YEAR ENDED 30 JUNE 2019

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Charities Act 2011.

OBJECTIVES AND ACTIVITIES

Objectives and aims

At The Harlequins Foundation (The Foundation) we passionately believe in the power of sport to transform lives. Our focus is on inspirational, sustainable and transformative solutions that promote wellbeing, champion inclusive communities and improve the life opportunities of the most vulnerable in society.

We are at an incredibly exciting point in our development, backed by an impressive Board of Trustees and an enthusiastically supportive rugby club with a rich heritage, an iconic brand, highly regarded playing squads and an extensive fan base, all of which offers a hugely significant platform for our future success.

This document outlines our approach and the focus for our work. It has been extremely encouraging to see how well our plans have developed and we now have a clear direction for the forthcoming years.

We have an amazing opportunity to make a positive difference and we hope you will support us on the journey.

The exclusively charitable objects for which The Charity is established are:

1. To advance education
2. To relieve need in individuals arising from their youth, age, gender infirmity or disability, financial hardship or social circumstances
3. To develop the capacity and skills of the members of communities that are socially or socially and economically disadvantaged in such a way that they are better able to identify and help meet their needs and to participate more fully in society

Such other exclusively charitable means as the trustees may from time to time determine.

Significant activities

- Partnership with Simetrica to develop the Sport Value Bank - a tool to measure the social value of sports-based intervention programmes.
- Partnership with Skills Builder to co-create a sports-based version of the Skills Builder framework.
- Partnership with Movember to pilot the delivery of Ahead of the Game.
- Development of further fundraising initiatives - a Direct Marketing campaign and 'The Mighty Draw' an online and match day raffle.

Public benefit

As required by the Charities Act 2011, the Trustees have referred to the Charity Commission's general guidance on public benefit when formulating the grant making policy. In particular, the Trustees consider how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public causes, as detailed in the notes to the financial statements.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

STRATEGIC REPORT

Achievement and performance

The reporting period 2018-19 was once more one of continued growth and development for The Foundation.

The number of sessions delivered as a part of The Foundation programmes increased, along with the total headcount, primarily because of an expansion of Project Rugby.

Several fundraising products were developed and either executed during this reporting period or progressed to the point of execution shortly thereafter.

The Club continue to support with £1 for every public ticket sold for Big Game 11, as well as enabling The Foundation to promote its work through its media channels, access players for public appearances, and provide 'money can't buy' experiences.

Strategy and direction

This year has once more been a year of development and progression as an organisation. A consultation with staff, Board and key stakeholders, coupled with a review of our programmes and identification of potential opportunities where The Foundation can have the greatest impact was undertaken, ensuring everyone had a voice in setting our future direction.

Our direct delivery is concentrated in our 'Harlequin Heartlands', specifically the boroughs surrounding The Stoop and in countries around the world through selected partners; and indirectly through the development of strategic relationships, creation of resources and the support of campaigns on topics we are passionate about.

Our programmatic focus is on projects that sit under three main pillars: skills, wellbeing and inclusion.

In order to maximise our impact and achieve a consistent approach across our programmes, we are co-creating a bespoke sports-based version of a Skills Builder toolkit designed to support the development of eight key skills and capabilities. This will help to guarantee our beneficiaries have an opportunity to acquire the essential skills for work and life and help us to demonstrate a clear approach to how we work and the difference we make.

Sport has long been a means to unite people and sports organisations continue to deliver positive social outcomes for communities, generating social value through their work. We recognise the need, in the sports sector more broadly, to quantify this value more accurately.

By investing in the development of the Sport Value Bank (SportVB), we will set a new industry standard approach to impact measurement and demonstrate our true value to society, whilst supporting other like-minded organisations to do the same. Social value is the total impact an activity has on the quality of a person's life. Understanding this will help decision-makers to allocate resources and investment in the most effective way. This is increasingly important for both internal and external reasons, for example, improving stakeholder engagement; attracting and retaining talented people; developing brand awareness; and increasing the levels of external funding.

Our vision

A world where the power of sport is used to drive positive change.

Our mission

To use the Harlequin network and brand to inspire, educate and equip individuals and communities at home and around the world to change their lives and fulfil their potential.

Our focus is on inspirational, sustainable and transformative solutions that tackle inequality, poor health and the challenges facing the most vulnerable in society using education, skills development and entrepreneurship.

Programmes and partnerships

Skills

Hitz Learning Academy

Our HITZ Learning Academy (HLA) is a full-time post 16 education programme delivered in partnership with Premiership Rugby and SCL. HLA is a targeted programme for young people between the ages of 16-18 who are not in education, employment or training (NEET).

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

The programme offers young people a safe and fun place to learn at their own pace while gaining nationally recognised qualifications, including BTEC Level 1 in Sport and Active Leisure, NCFE Level 2 in Sport, Level 1 Employability Skills and essential Functional Skills qualifications in English and Math.

While qualifications are a key focus of the programme, we use Rugby's Core Values to deliver a full programme of extra-curricular and enrichment activities to build young people's self-belief and resilience before supporting their progression back into education, employment or training.

Hitz on Track

HITZ on Track (HoT) is a targeted programme for young people between the ages of 14-16 (Years 10 and 11) identified by schools as at risk of exclusion or becoming NEET. The programme, which is delivered over six-weeks, includes both classroom and outdoor sessions. Classroom topics focus on key themes which include:

- Rugby core values
- British values
- Managing emotions
- Positive relationships
- Alcohol awareness
- Drug awareness

The programme offers a short intervention for young people at risk of exclusion and potential referral opportunity into our HITZ Learning Academy.

Wellbeing

Mettle

Our METTLE programme is an interactive, evidence-based programme, underpinned by positive psychology and solution-focused thinking. The programme draws on the attraction of Harlequins to equip, educate and inspire young children in developing skills associated with mental resilience. It aims to deliver a unique and engaging narrative, using the message and learning from the pitch to bring about positive change in children's lives.

The programme designed to raise awareness, challenge the stigma of mental health whilst developing mental resilience in the young people involved, uses the resources, brand and experience of The Harlequins Foundation to support young people to develop a practical and meaningful 'Resilience Tool-Box' which participants can draw upon at times of challenge, change or difficulty in any aspect of their lives.

Ahead of the Game - Movember

Ahead of the Game is a ground-breaking programme that aims to improve youth mental health through community organised sport. By delivering Movember's most successful programme, The Foundation aim to improve youth mental health through community organised sport and targets adolescent male mental health by engaging with the whole community around the local sports club.

The programme involves a series of different workshops which have been designed with input from young male athletes, coaches, and their families.

Tackling Health

In partnership with Greggs Foundation, Tackling Health is a strand of Premiership Rugby Champions and is an interactive programme for children aged seven - eight, which takes a holistic approach to teaching children about their own health, wellbeing and about leading a healthy lifestyle with a rugby focus.

The programme uses rugby to improve young people's understanding of what constitutes healthy eating and a healthy diet and to increase young people's levels of physical activity.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Rugby's diversity makes it the perfect vehicle to drive a healthy and activity-led initiative. As a sport rugby can offer playing opportunities and role models to children no matter what their background or ability. The interactive programme takes a well-rounded approach to teaching children about leading a healthy lifestyle.

Matchday Health Checks

The mini health check will provide supporters with an opportunity to take a ten-minute health check of the most crucial health indicators, coupled with a brief discussion on their current health status. It is quick and not intrusive and will provide a snapshot of their current health as well as friendly advice and signposting to appropriate services in the local area.

Our health checks are delivered by ICS Health and Wellbeing, and supported by Hospital Health Champions, a Youth Volunteering Programme at West Middlesex University Hospital.

Inclusion

Switch

In October 2016, The Foundation launched Switch - a multi-tiered programme aimed at encouraging girls to get involved in rugby by:

- Providing opportunities for girls to take part in rugby.
- Using our coaches to nurture and develop girls' progression within the game.
- Educating staff, supporting schools and providing an onward pathway.

Our programme sees our coaching team provide a series of engaging and accessible rugby taster sessions in schools aimed at overcoming initial perceptions of the sport while developing self-confidence, key social skills and the sports core values such as teamwork and respect.

Participants are then encouraged to further their rugby development by joining the coaching team at one of our local Rugby HUBs.

Switch into Sport - Tag Rugby Trust

A female leadership programme aimed at developing essential skills through sport. SiS is working with students from three local schools who will become young sports leaders, delivering tag rugby in local primary schools, whilst also fundraising to deliver a social action (volunteering) project internationally.

Project Rugby

A nationwide participation initiative delivered in partnership with Premiership Rugby and Gallagher. The programme is designed to increase participation within traditionally underrepresented groups including minority ethnic groups, lower socio-economic groups and people with disabilities.

Our team work closely with local schools to introduce young people to the sport for the first time through a series of accessible and engaging school-based sessions. Our programme culminates in an inter-school's festival where participants and the schools themselves often have the chance to take to the rugby field for the first time.

The team also support newly qualified coaches into the grassroots game to facilitate the growing player base within these new audiences and sustain long term rugby participation in the community.

Community Satellite Clubs: Rugby HUBs

A common aim across our range of Inclusion programmes is to support young people towards physically active and healthy lifestyles, typically in the form of long-term sports participation.

As a result, we deliver weekly evening club sessions that enable beneficiaries the opportunity to further their rugby development in a safe, familiar and accessible environment in the heart of their local community. Here they can develop strong social relationships with fellow participants from wider schools, as well as progressing their rugby skills before transitioning into the club ultimately becoming a long term physically active rugby player.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Digital School - Orchard Hill College and Academy Trust

Over the last 12 months, OHC has been running a digital hub from The Stoop, offering a variety of digital experience sessions to OHC students, OHCA academy schools and external schools in the Twickenham area. This has given the College students an exciting opportunity to work on the Harlequins' Movember project and to create an innovative Interactive Virtual Tour of The Stoop.

Additional charitable partnerships and support

- Berkeley Homes - £15,000 for Mettle
- Continued sponsorship of Team Richmond as part of the London Youth Games
- Support of Seb's Fund with a game dedicated for fundraising. Seb's Fund was set up in the memory of Harlequins player Sebastian Adeniran-Olule to support those who would not normally be able to afford the academic and sporting opportunities he enjoyed. It's the Fund's mission to help youngsters realise their full potential in the same way that Seb was able to do during his all-too-short life.
- Player appearances at events throughout the year in support of local charities and organisations.
- Donation of signed items and match tickets for auctions for charities.
- Social Mobility Business Partnership (SMBP) - The Foundation supported the SMBP by hosting the London region programme. The SMBP delivers work insight and skills training and ongoing alumni support to secondary state school students who aspire to work in the legal profession.

Fundraising events

- DM Campaign
- Rival Ride
- Movember
- Various Harlequin FC events (e.g HOPA dinner)
- End of Season Dinner
- Big Game 11 - ticket donation and The Really Big Mighty Draw
- LSEG touch rugby tournament
- Pub quiz
- Cabbage Patch 10
- London Marathon

Financial review

Financial position

The Foundation's total income for the year amounted to £721,905 compared to £608,470 in the previous period.

Total restricted income decreased to £208,279 from £316,663. This was made up from Income from Premiership Rugby Ltd. to deliver programmes such as Project Rugby, HITZ, Tackling Numbers and Move Like a Pro as well as fundraising for Seb's Fund.

Unrestricted income grew from £291,807 to £513,626. This is made up of increased charitable donations received. These are primarily made up of a significant contribution from an individual donor to support the development of the Foundation and money received from Harlequin FC including £1 ticket donations from Big Game 11 and the "50% Ticket Forwarding".

The total resources expended were £669,149 compared to £421,074 in the previous period, the increase due mainly to the coaching costs of delivering PRL programmes and METTLE.

As a result, the charity carried forward healthy reserves of £548,487 at the reporting date, of which £133,961 were restricted and £414,526 unrestricted.

Reserves policy

It is the policy of the charity to have sufficient funds available to meet all ongoing responsibilities (programmes and partnerships that the charity has committed to) and operating costs for six months.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

STRATEGIC REPORT

Principal risks and uncertainties

The trustees are responsible for overseeing the identification and management of significant risks. Risks are identified, assessed and mitigation actions put in place throughout the year. All significant risks are recorded in a register and the likelihood and impact of each is quantified and formally reviewed by trustees. The three most significant potential risks identified, and actions taken to mitigate or eliminate these risks, are as follows:

Safeguarding issues, including inappropriate actions by staff or volunteers, affecting service users and others, particularly young and vulnerable people, could cause reputational damage and result in loss of funding for programmes. Mitigating actions include: all staff and trustees are subject to DBS checks; all staff undergo mandatory safeguarding training; safeguarding policies and procedures are in place and are reviewed annually by trustees; staff have access to and are required to adhere to the policies.

Data protection issues, including confidential or sensitive personal data being lost, published or held inappropriately. The resulting damage to the charity's reputation could lead to external funders being unwilling to work with us, and non-compliance with legislation may lead to financial penalties being imposed. Mitigating actions include: data Protection policies and procedures are in place and reviewed regularly; staff are made aware of, and are required to comply with these policies and procedures; staff are required to complete mandatory online data protection training; system security and physical security measures prevent unauthorised access to data.

Financial risks as a result of the charity losing funding and not being able to cover core costs. Mitigating actions include: Ensuring that support as well as direct cost recovery is built into funding bids, and maintaining free reserves in line with the agreed reserve policy. In addition, a programme of fundraising events and programmes are run every year to grow unrestricted income to help cover core costs.

The trustees are satisfied that all necessary steps are being taken to mitigate against the risks and manage them appropriately.

Future plans

Over the course of the next 12 months the Harlequins Foundation will:

- Launch Sport Value Bank
- Launch Skills Builder Toolkit
- Deliver International Rugby Leaders Programme
- Revise delivery model to focusing delivery in the three boroughs surrounding The Stoop
- Employ into key positions

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee by its Memorandum and Articles of Association, as defined by the Companies Act 2006. It is registered as a charity with the Charity Commission.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09299973 (England and Wales)

Registered Charity number

1161838

Registered office

Twickenham Stoop Stadium
Langhorn Drive
Twickenham
Middlesex
TW2 7SX

THE HARLEQUINS FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Trustees

M Wall (Chairman)
D Coles
K Cahill
S J Pope
K V Dooley - appointed 20/6/19
L E Dalrymple - appointed 23/1/20
N M Butterworth - resigned 11/4/19
D Ellis - resigned 25/11/19

Independent Examiner

Michael Merritt MA FCA
ICAEW
Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors,
on 19.03.2020 and signed on the board's behalf by:



.....
M Wall - Trustee

THE HARLEQUINS FOUNDATION

FOR THE YEAR ENDED 30 JUNE 2019

The trustees (who are also the directors of The Harlequins Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HARLEQUINS FOUNDATION**

Independent examiner's report to the trustees of The Harlequins Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2019.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Michael Merritt MA FCA
ICAEW
Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

14 May 2020

THE HARLEQUINS FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2019**

				2019	2018
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	347,023	9,053	356,076	104,506
Income from charitable activities	5	166,027	199,226	365,253	503,570
Other income	6	576	-	576	394
Total		513,626	208,279	721,905	608,470
 EXPENDITURE ON					
Raising funds					
Raising donations and legacies	7	19,299	-	19,299	-
		19,299	-	19,299	-
 Charitable activities	8				
Charitable activities		418,065	231,785	649,850	421,074
Total		437,364	231,785	669,149	421,074
 NET INCOME/(EXPENDITURE)		76,262	(23,506)	52,756	187,396
 Transfers between funds	16	29,309	(29,309)	-	-
Net movement in funds		105,571	(52,815)	52,756	187,396
 RECONCILIATION OF FUNDS					
Total funds brought forward		308,955	186,776	495,731	308,335
 TOTAL FUNDS CARRIED FORWARD		414,526	133,961	548,487	495,731

The notes form part of these financial statements

BALANCE SHEET
30 JUNE 2019

				2019	2018
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
CURRENT ASSETS					
Debtors	14	132,912	105,777	238,689	111,886
Cash at bank and in hand		418,445	47,104	465,549	477,618
		<u>551,357</u>	<u>152,881</u>	<u>704,238</u>	<u>589,504</u>
CREDITORS					
Amounts falling due within one year	15	(136,830)	(18,921)	(155,751)	(93,773)
NET CURRENT ASSETS		<u>414,527</u>	<u>133,960</u>	<u>548,487</u>	<u>495,731</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>414,527</u>	<u>133,960</u>	<u>548,487</u>	<u>495,731</u>
NET ASSETS		<u>414,527</u>	<u>133,960</u>	<u>548,487</u>	<u>495,731</u>
FUNDS	16				
Unrestricted funds				414,527	308,955
Restricted funds				133,960	186,776
TOTAL FUNDS				<u>548,487</u>	<u>495,731</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on 19.03.2020 and were signed on its behalf by:



M Wall - Trustee

The notes form part of these financial statements

THE HARLEQUINS FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	18	<u>(12,069)</u>	<u>156,170</u>
Net cash (used in)/provided by operating activities		<u>(12,069)</u>	<u>156,170</u>
 Change in cash and cash equivalents in the reporting period		 <u>(12,069)</u>	 <u>156,170</u>
Cash and cash equivalents at the beginning of the reporting period		<u>477,618</u>	<u>321,448</u>
 Cash and cash equivalents at the end of the reporting period		 <u><u>465,549</u></u>	 <u><u>477,618</u></u>

The notes form part of these financial statements

THE HARLEQUINS FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. STATUTORY INFORMATION

The Charity is an incorporated charity, registered with the Charity Commissioners for England and Wales (1161838) and a company incorporated in England (0929973). The charity is controlled by its governing document, a deed of trust, and constitutes a company, limited by guarantee by its Memorandum and Articles of Association, as defined by the Companies Act 2006. The Charity is limited by Guarantee to a maximum of £1 contribution per member. At the year end date there were five (2018: three) members. Its principle objectives are; to advance education; to relieve need in individuals arising from their youth, age, gender, infirmity or disability, financial hardship or social circumstances; and to develop the capacity and skills of the members of the communities that are socially and/or economically disadvantaged. The registered office is; The Twickenham Stoop Stadium, Langhorn Drive, Twickenham, Middlesex, TW2 7SX.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Financial Statements have been prepared in Sterling. This is the Charity's functional and presentation currency.

Monetary amounts in these Financial Statements are rounded to the nearest £. There are a few rounded differences which cannot be eliminated.

Going concern

There are no material uncertainties about the Charity's ability to continue and accordingly the Financial Statements have been drawn up on a going concern basis.

Incoming resources

All incoming resources are recognised in the Statement of Financial Activities (SOFA) once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations Receivable

Donations are recognised in the SOFA when conditions for receipt have been complied with.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Donations Payable

Donations payable are recognised when they are approved by the Trustees and the recipient of the donation has been informed of the amount paid. Any donations where the recipient has not been informed are noted as a contingent liability.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

THE HARLEQUINS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash at bank and in hand includes cash and short term deposits with a withdrawal notice period of no more than 90 days.

Financial instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments which are recognised at transaction cost and subsequently carried forward at amortised cost.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the view of the Trustees in applying the accounting policies, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

4. DONATIONS AND LEGACIES

			2019	2018
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Donations	297,023	9,053	306,076	100,000
Gift aid	50,000	-	50,000	4,506
	<u>347,023</u>	<u>9,053</u>	<u>356,076</u>	<u>104,506</u>

5. INCOME FROM CHARITABLE ACTIVITIES

			2019	2018
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fundraising income	146,315	-	146,315	94,862
Events income	19,712	-	19,712	348,708
Grant income	-	199,226	199,226	60,000
	<u>166,027</u>	<u>199,226</u>	<u>365,253</u>	<u>503,570</u>

6. OTHER INCOME

			2019	2018
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Bank interest received	576	-	576	394
	<u>576</u>	<u>-</u>	<u>576</u>	<u>394</u>

All other income in 2018 was unrestricted.

THE HARLEQUINS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

7. RAISING DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	£	£	£	£
Support costs	<u>19,299</u>	<u>-</u>	<u>19,299</u>	<u>-</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support Costs	2019 Total	2018 Total
	£	£	£	£
Donations Payable	56,818	-	56,818	23,228
Event Costs	76,192	-	76,192	77,782
Staff Costs	379,642	-	379,642	264,314
Independent Examination Fees	-	1,500	1,500	3,650
Other Costs	108,132	46,865	154,997	52,100
	<u>620,784</u>	<u>48,365</u>	<u>669,149</u>	<u>421,074</u>

Direct donations payable includes £42,690 (2018: £23,228), direct event costs includes £3,753 (2018: £43,231), direct staff costs includes £170,988 (2018: £144,673) and other costs includes £14,355 (2018: £7,057) that were paid out of restricted funds. All other expenditure was unrestricted.

9. SUPPORT COSTS

	Management	Finance	Other	Governance costs	Totals
	£	£	£	£	£
Raising donations and legacies	-	-	19,299	-	19,299
Charitable activities	<u>38,347</u>	<u>818</u>	<u>-</u>	<u>9,200</u>	<u>48,365</u>
	<u>38,347</u>	<u>818</u>	<u>19,299</u>	<u>9,200</u>	<u>67,664</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Independent examiner's remuneration	<u>1,500</u>	<u>3,650</u>

THE HARLEQUINS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2019 nor for the year ended 30 June 2018.

Trustees' expenses

Expenditure incurred by K Cahill of £265 (2018: £Nil) was reimbursed during the year.

12. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	346,167	243,341
Social security costs	24,650	16,886
Other pension costs	8,825	4,087
	<u>379,642</u>	<u>264,314</u>

The average monthly number of employees during the year was as follows:

	2019	2018
	11	7
Number of staff FTE recharged	<u>11</u>	<u>7</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
	1	-
£70,001 - £80,000	<u>1</u>	<u>-</u>

The Trustees consider that there were no employees within the Charity as the staff time is recharged from the Harlequin Football Club Limited. The number of staff disclosed in the notes above relate to the full time equivalent staff that have been recharged.

The Trustees consider that key management personnel remuneration totalled £80,000 (2018: £53,333).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	104,506	-	104,506
Income from charitable activities	186,907	316,663	503,570
Other income	394	-	394
Total	<u>291,807</u>	<u>316,663</u>	<u>608,470</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	202,884	218,190	421,074
NET INCOME	<u>88,923</u>	<u>98,473</u>	<u>187,396</u>
Transfers between funds	<u>(1,264)</u>	<u>1,264</u>	<u>-</u>

THE HARLEQUINS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Net movement in funds	87,659	99,737	187,396
RECONCILIATION OF FUNDS			
Total funds brought forward	221,298	87,037	308,335
TOTAL FUNDS CARRIED FORWARD	<u>308,957</u>	<u>186,774</u>	<u>495,731</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	-	1,416
VAT	6,412	6,751
Prepayments and accrued income	232,277	103,719
	<u>238,689</u>	<u>111,886</u>

Other debtors include £Nil (2018: £1,416), VAT includes £500 (2018: £1,527) and Prepayments and accrued income include £105,277 (2018: £91,412) that relate to restricted funds.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	9,960	-
VAT	13,649	27,684
Other creditors	115,391	60,489
Accruals and deferred income	16,751	5,600
	<u>155,751</u>	<u>93,773</u>

VAT includes £13,649 (2018: £27,684), Other creditors include £Nil (2018: £22,184) and Accruals and deferred income include £5,272 (2018: £Nil) which relate to restricted funds.

THE HARLEQUINS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019

16. MOVEMENT IN FUNDS

	At 1/7/18 £	Net movement in funds £	Transfers between funds £	At 30/6/19 £
Unrestricted funds				
Unrestricted Fund	308,955	76,263	29,309	414,527
Restricted funds				
METTLE	72,172	(29,151)	-	43,021
Seb Fund	33,694	(33,694)	-	-
Hitz	-	6,942	-	6,942
Project Rugby	48,906	34,682	-	83,588
Move Like a Pro	-	409	-	409
Switch	32,004	-	(32,004)	-
Tackling Health	-	(2,695)	2,695	-
	<u>186,776</u>	<u>(23,507)</u>	<u>(29,309)</u>	<u>133,960</u>
TOTAL FUNDS	<u>495,731</u>	<u>52,756</u>	<u>-</u>	<u>548,487</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted Fund	513,626	(437,363)	76,263
Restricted funds			
METTLE	2,000	(31,151)	(29,151)
Seb Fund	9,053	(42,747)	(33,694)
Hitz	33,776	(26,834)	6,942
Project Rugby	148,202	(113,520)	34,682
Move Like a Pro	4,923	(4,514)	409
Tackling Health	10,325	(13,020)	(2,695)
	<u>208,279</u>	<u>(231,786)</u>	<u>(23,507)</u>
TOTAL FUNDS	<u>721,905</u>	<u>(669,149)</u>	<u>52,756</u>

THE HARLEQUINS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/7/17	Net movement in funds	Transfers between funds	At 30/6/18
	£	£	£	£
Unrestricted funds				
Unrestricted Fund	221,298	88,921	(1,264)	308,955
Restricted funds				
METTLE	86,805	(14,633)	-	72,172
Seb Fund	-	33,694	-	33,694
Other	232	(232)	-	-
Hitz	-	(1,264)	1,264	-
Project Rugby	-	48,906	-	48,906
Switch	-	32,004	-	32,004
	<u>87,037</u>	<u>98,475</u>	<u>1,264</u>	<u>186,776</u>
TOTAL FUNDS	<u>308,335</u>	<u>187,396</u>	<u>-</u>	<u>495,731</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unrestricted Fund	291,807	(202,886)	88,921
Restricted funds			
METTLE	34,999	(49,632)	(14,633)
Seb Fund	39,441	(5,747)	33,694
Other	(222)	(10)	(232)
Hitz	26,490	(27,754)	(1,264)
Brighter Future	25,000	(25,000)	-
Project Rugby	108,176	(59,270)	48,906
Tackling Numbers	22,680	(22,680)	-
Move Like a Pro	5,100	(5,100)	-
Switch	54,999	(22,995)	32,004
	<u>316,663</u>	<u>(218,188)</u>	<u>98,475</u>
TOTAL FUNDS	<u>608,470</u>	<u>(421,074)</u>	<u>187,396</u>

PRL Programmes are aimed at increasing participation in rugby and those that use rugby for education.

METTLE projects are aimed at building and protecting the mental resilience of players by raising awareness of, providing support for and education and deliver school programmes to young people in local boroughs and schools promoting mental health and supporting its challenges.

Hitz is a programme that uses the core values of rugby, alongside other sporting and extracurricular opportunities to increase young people's resilience, self-confidence and long-term employability.

Move Like a Pro is a programme designed by Premiership Rugby's professional rugby coaches for people who aren't currently particularly active, inspiring a legacy of long-term lifestyle change across the rugby fan community.

THE HARLEQUINS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

16. MOVEMENT IN FUNDS - continued

Tackling Health is an interactive programme for children aged seven - eight, which takes a holistic approach to teaching children about their own health, wellbeing and about leading a healthy lifestyle with a rugby focus.

Seb Fund was a specific fundraising fund set up in the memory of Harlequins player Sebastien Adeniran-Olule.

Switch is a multi-tiered programme aimed at encouraging girls to get involved in the sport.

The other funds have specific restrictions and will be used for the purpose received.

Transfers between funds

The Charity has used unrestricted funds to support the excess costs of £2,695 (2018: £1,264) on one of the restricted funds.

The Switch restricted fund balance of £32,004 brought forward has been transferred to unrestricted during the year as it was identified as being incorrectly classified as restricted previously. This fund and the activities in relation to this fund are unrestricted and the income and expenditure have been included in the general unrestricted fund for the year ended 30 June 2019.

17. RELATED PARTY DISCLOSURES

During the year the Harlequin Football Club Limited (The Club), a former Trustee of the Charity, paid for goods and services and collected monies on behalf of the Charity totalling net expenditure of £54,901 (2018: £49,316). The balance due to the Club, included in other creditors at the year end, was £115,391 (2018: £60,490). The balance is unsecured, repayable on demand and bears no interest.

The Club provides facilities and services to The Foundation for which no charge is made. The level of these costs cannot be reliably estimated by The Foundation.

18. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	52,756	187,396
Adjustments for:		
Increase in debtors	(127,142)	(59,860)
Increase in creditors	62,317	28,634
Net cash (used in)/provided by operations	<u>(12,069)</u>	<u>156,170</u>