



Foundation

Manchester United Foundation
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 30 June 2020

Charity Number: 1118310

Company Number: 05845172

Manchester United Foundation (A Company Limited by Guarantee)

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Manchester United Foundation (A Company Limited by Guarantee)

Chairman's Review for the year ended 30 June 2020

The 2019/20 season will go down in history as a season like no other. Everyone on the planet has been impacted in some way by the Coronavirus outbreak. As I write this now, we end the season in the very different world from the one we started with.

During this time my thoughts are with the young people around the world whose lives have been turned upside down. For this generation it was already a difficult world to walk into without the added uncertainty, restrictions, and in many cases heartbreak that has been born from the pandemic.

As a Foundation we have had to adapt and innovate in unfamiliar and unusual circumstances. However, as a part of the world's largest football club we will never stand still. I'm incredibly proud of how the Foundation and club have been there for young people, key workers and fans around the globe. From the thousands of donations of Manchester United goodie bags, to interactive lessons and online coaching sessions, food deliveries and charitable donations through our supporters clubs - we have made every effort to stay engaged, keep inspiring and most importantly, remain united.

My thanks as always goes to the staff who have made this possible. There are many who have worked increasing hours, who have had to stray outside of their remit and who have been steadfast in finding ways to shine a light on thousands of lives during this incredibly difficult time.

I must also take this opportunity to recognise the work of the Foundation pre-Covid 19. We were on target for another year of expansion and growth. The aim during last season was to continue working with our existing projects while also developing new and exciting partnerships that allow us to break new ground in the sports charity sector. For the future ahead, we are confident that we will continue pushing these boundaries.

As we look to start the new season, the aim for the Foundation is the same as that of the first team. We must keep engaging youth, keep delivering exciting projects and importantly keep pushing ahead to be the biggest football foundation in the world. Things may have changed beyond recognition in the last 12 months but now it's our chance to reach out with both hands and continue helping those who need us most. From the shadows of Old Trafford to every corner of the planet we are one club United.



Richard Arnold
Chair of Trustees
21 June 2021

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020

The Trustees present their report and audited consolidated financial statements of Manchester United Foundation (the “Charity” or the “Company” or “MUF”) and its subsidiary, Manchester United Foundation (Trading) Limited (the “Trading Subsidiary”) (together “the Group”) for the year ended 30 June 2020. This report has been prepared in accordance with the special provisions relating to small companies within Section 415a of the Companies Act 2006. The Company has also taken advantage of the small companies’ exemption in section 414b of the Companies Act 2006 from preparing a Strategic Report.

Objects and Public Benefit

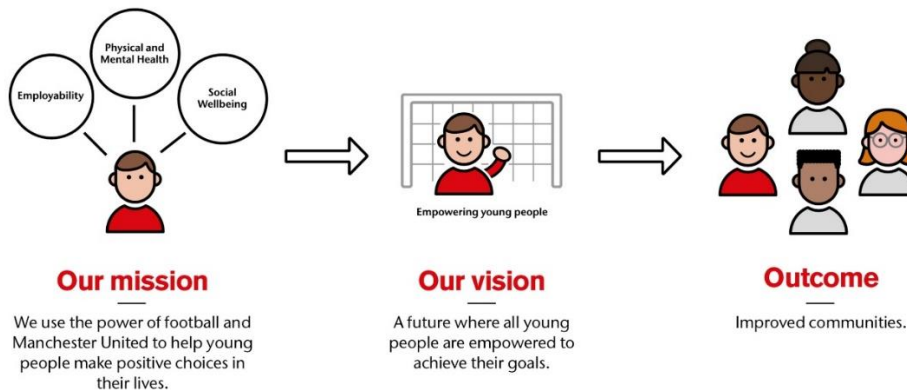
Objects

The objects of the Charity are:

- To promote community participation in healthy recreation by providing facilities for the playing of football and other sports capable of improving physical health;
- To provide and assist in providing facilities for sport, recreation and other leisure time occupation of such persons who have need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, or for the public at large, in the interests of social welfare and with the object of improving their conditions of life;
- To advance the education of children and young people and provide opportunities for them to develop their full capabilities and enable them to become responsible members of society so that their condition of life may be improved; and
- The furtherance of such a charitable purpose or charitable purposes in any part of the world and if more than one in such proportions and such manner as the Trustees shall from time to time think fit.

Our mission, vision and values

The Charity has adopted the following mission, vision and values to enable it to achieve its charitable objects:



What we do

We deliver educational and community outreach programmes to help young people make positive choices in their lives by improving their:

- **Physical and mental health** - By contributing to young people’s ability to live a healthy lifestyle.
- **Social wellbeing** - By giving young people a sense of belonging in their community.
- **Employability** - By improving educational and employment outcomes.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Our mission, vision and values (continued)

Values

- Unite** - Recognising the power of football across the world
- Nurture** - Growing the potential of every young person
- Invest** - Sustained financial investment aligning to our charitable objectives
- Together** - Working as a team with our stakeholders
- Excellence** - Delivering programmes to the highest standard
- Diversity** - What makes us different, makes us stronger

Public Benefit

The Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Activities, Achievements and Performance

Manchester United Foundation provides a range of opportunities for young people in line with its charitable objectives. It has created and developed a number of strategic partnerships locally, regionally and nationally in areas of health, education and social justice.

Every single child and young person who participates in a Foundation programme does so free of charge. Aimed at 5 -18 year olds, its delivery programmes are centred around education, community engagement, girls' development, employability and football. Over the 2019/20 season the Foundation engaged with nearly 19,000 participants through these areas of delivery. There are also plans to develop internationally.

Covid-19 Response

As well as delivering our usual projects, once the Covid-19 pandemic struck our provision had to adapt and respond. The Foundation has stepped up to make sure we support those with whom we usually work on a day-to-day basis, whilst also extending our provision to others in society who have found themselves, through no fault of their own, struggling through these exceptional circumstances.

Using the power of football and Manchester United, the Foundation has been able to assist the most vulnerable young people, families and communities through Covid-19 and become an industry leader during these unprecedented times.

The pandemic response focused on five key objectives:

- Supporting the NHS
- Providing additional support to Foundation partner schools
- Supporting foodbank charities to distribute food quickly and efficiently
- Partnering community organisations to reach a diverse network of communities
- Creating online support material

Below is a headline summary of the diverse range and scale of activities we have delivered during the pandemic.

NHS staff meals

The Foundation worked closely with the club to recognise the sacrifices made by NHS staff in tackling coronavirus and how they were supporting the most vulnerable people in society. The Foundation funded £150,306 contributing to over 60,000 meals for frontline NHS staff.

Family support donations

A donation of £300,000 was made to Foundation partner high schools and colleges to support families most in need. The schools identified the needs of their families and used the money to provide food, toiletries and IT equipment, plus bespoke wellbeing items for pupils with special educational needs.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Activities, Achievements and Performance (continued) Covid-19 Response (continued)

Excess food stock to vulnerable and key worker children

Over 30,000 items of food and drink from the club's catering team were transported and delivered to Stretford Foodbank (Mustard Tree), Salford Royal Hospital, Salford Foodbank, Foundation partner schools and a number of other charitable organisations by Foundation staff.

Continued delivery and support in our partner schools

In total 359 days of practical delivery were provided in our partner schools during the lockdown period, ensuring the Foundation remained a constant presence to the 791 most vulnerable pupils who rely on our provision.

2,525 welfare calls were also made by Foundation staff to young people and their families to ensure they felt valued and part of the Foundation family during this time. Throughout this period first-team players made surprise calls to a number of young fans who attend Foundation partner schools and projects, including Juan Mata, Dan James and Jesse Lingard.

Online PE lessons

Where it was not possible to deliver within the schools, many coaches filled the void with online sessions, 19 of which were delivered for partner schools reaching 41 pupils.

Activity bags

Thousands of activity and care packages have been donated to young people in schools and across the community:

- In partnership with Bear Grylls, all children of key workers and vulnerable young people (1,000) in our partner primary schools received a Manchester United activity and care bag.
- In partnership with Michael Carrick Foundation, Manchester United Foundation worked with Stretford High School and Lostock High School to provide 250 transition boxes to support year six pupils making the difficult step from primary to secondary school.
- Endorsed by Sir Bobby Charlton, 650 footballs and activity bags were handed out to our Street Red participants to supplement the online sessions and challenges set to keep young people active throughout the summer holidays. In total it took a total of 102 hours to distribute all the bags, with a total value of £15,093.
- The disability and inclusion team developed 500 sensory packs, which were distributed to every participant in our inclusion programmes and pupils of our special educational needs (SEN) partner schools.

Manchester Council emergency food response

From the beginning of lockdown through to 28th August, 2020 the Foundation delivered food to the most vulnerable residents across Greater Manchester every weekday for five months. This equated to:

- over 4,000 supplies of food and essential items
- 1,370 hours of staff time and
- over 11,000 miles driven by staff

Donation to foodbanks

The Foundation donated £110,261 to purchase bulk supplies from Bidfood, which were delivered for seven weeks to Mustard Tree, Audacious Foundation and Stretford Foodbank. 5,500 bags of food were distributed through this donation.

Distributed IT devices to vulnerable pupils in Trafford

In partnership with Trafford Council, the Foundation delivered 318 laptops to 36 schools so the most vulnerable and deprived young people could access educational resources from home.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Activities, Achievements and Performance (continued) Covid-19 Response (continued)

Donations to Supporters' Clubs

While helping those in our local communities is at the forefront of what the Foundation does, we also recognised it was vital to support our international communities and fans during this time. Consequently, a donation of £240,000 was pledged to the official Manchester United Supporters' Clubs for them to support a local youth charity of their choice to help with their own Covid-19 response. £135,474 has been donated during the 2019/20 year.

Inclusion exercise programme

Through our partnership with the Manchester United Disabled Supporters' Association (MUDSA), our disability and inclusion team was able to adapt its service to disabled participants throughout Covid-19. Staff delivered to participants of our inclusion programmes and their families for 17 weeks, including family challenges, online quiz nights and virtual exercise classes to keep both bodies and minds active. This also included a weekly exercise class for MUDSA members, which was supported by Wes Brown.

The disability and inclusion team also provided live online weekly football workouts including adaptations for all ages and abilities, featuring a whole host of footballing movements for both disabled and non-disabled fans. 675 fans watched the sessions live when they premiered each week, with the videos engaging over 273,400 fans in total.

Welfare calls to older and disabled fans

In partnership with the club, the Foundation coordinated welfare calls to older and disabled fans shielding from the pandemic. In total 1,038 calls were made by 28 volunteers from the club and Foundation.

Play Safe

The Foundation is the first and only Club Community Organisation (CCO) to have devised a safe sport campaign. Play Safe, which was supported by Manchester United's global partner adidas, provided coaches, teachers and young people the tools to play football again at a safe distance. Launched with a detailed coaching document of over 300 combinations, followed by various videos and worksheets, the campaign received over 2,000 downloads and just under 300,000 video views.
















Activity worksheets and video challenges

For ten consecutive weeks, free weekly activity challenges and worksheets were made available to download on the Foundation website, covering both fun and educational tasks for all ages and abilities. Each week we also released two video challenges, hosted by Foundation staff, all with the objective of finding fun ways for children to keep mentally and physically active whilst staying safe at home. These initiatives had a total of 93,165 social engagements.

Manchester United Foundation (A Company Limited by Guarantee)

Activities, Achievements and Performance (continued)

Covid-19 Response (continued)

<p>2,400 activity packs delivered to participants</p>  <p>When times are tough, it is important that clubs who have a huge social following, like we do, come together and make a difference.</p> <p>Marcus Rashford</p> 	<p>299,906 views of Play Safe campaign</p>  <p>£300k donated to partner schools</p> <p>7,454 worksheet downloads</p> 	<p>£1,000,000 ring-fenced for Covid -19 response</p>  	<p>216 supporters' clubs engaged in fundraising campaign</p>  <p>2,525 welfare calls to participants</p> 	<p>600,000 footballs donated to Street Reds participants</p>  <p>270k views of inclusive workout</p> 	<p>359 days of school support</p> <p>James Haseldine, Executive Headteacher, The Dean Trust Wigan</p>  <p>At a time when some families struggled more than most, the Foundation helped us to reach them, when help was not at hand from elsewhere. Those families and the children will never forget that help.</p>	<p>5 huge prizes for fans</p>  <p>1,370 hours of driving to support 17 foodbanks</p>  <p>It's a very good gesture; I like the way they have presented the packs to us and showing us that they care. It's going to keep me really busy through the summer; I really appreciate it.</p> <p>Jobe, 17 Street Reds participant</p> 	<p>We've learnt how to improve our football techniques so we can play with our friends at a social distance. It's really good to be back here with friends today; it's been so long since we've seen each other.</p> <p>Maddi, 15, partner school pupil</p> 
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Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Activities, Achievements and Performance (continued)

Manchester United Foundation uses football to engage and inspire young people to build a better life for themselves and unite the communities in which they live. Throughout 2019/20 dedicated staff delivered educational and community outreach programmes to help young people make positive choices in their lives. The strategies adopted by the Charity, together with the activities and achievements within each area of delivery, are outlined below.

Education programmes

Manchester United Foundation uses football and the inspiration of Manchester United to deliver bespoke programmes to support the learning, life skills and wellbeing of young people in educational settings from primary school to further education and beyond.

Partner primary schools

In line with the national curriculum the Foundation provides its partner primary schools with a bespoke high quality complementary education service that enhances the wellbeing and life skills of children aged 5-11.

This year we have worked with 23 partner primary schools across Greater Manchester on a weekly basis, including Kingfisher Special School, which has entered its fifth year as a partner.

Staff have delivered curriculum support in physical education to 82 teachers across our partner primary schools with 14 teachers completing the FA Primary Teachers qualification.

Partner schools have also accessed our cross-curricular programmes, which focus on healthy eating, disability awareness and enterprise skills. During this year we had over 176 pupils from Trafford and Manchester schools complete our Leadership Academy programme.

Participants engaged: 5,041
Sessions delivered: 2,149

Partner secondary schools

This year we have increased our high school partnerships from 22 to 25 within nine out of ten boroughs of Greater Manchester. This includes additional partnerships with three SEN facilities.

Full-time partnership officers are based in high schools in targeted areas delivering educational and pastoral programmes and interventions. Our aim is to raise the aspirations of students and help provide them with the tools and skills they require to help them reach their goals.

Working in partnership with high schools, we look to build long-lasting relationships that reach out into communities and provide a constant, positive and reliable presence.

Participants engaged: 7,229
Sessions delivered: 6,227
Qualifications achieved: 46

Further education

Using the medium of Manchester United our staff deliver high quality and innovative qualifications to enhance students' pathways into further and higher education and ultimately help them to pursue careers in the sport industry.

Enterprise and Entrepreneurship BTEC in partnership with MEA Sixth Form

The BTEC aims to increase the employability and life skills of students and support their progression to further education, training or employment. The Foundation provides workshops with an insight into the business operations of the football club, giving real-life case studies to support the overall learning experience.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Further education (continued)

During 2019/20 we also facilitated links with a range of external partners, including EY, the NHS and the Prince's Trust, to enhance the opportunities and journey of students whilst studying at MEA Sixth Form.

Participants engaged: 25
2 sessions per week with a Foundation coach

BTEC Sport in partnership with Eccles Sixth Form College

The BTEC course is an exciting partnership between the Foundation and Eccles Sixth Form College, which offers students aged 16-18 the opportunity to develop football and leadership skills. Students take part in competitive football fixtures alongside their studies and develop their skills in training sessions run by Foundation coaches.

Participants study a wide variety of topics including sports coaching, performance analysis, anatomy and physiology, sports massage, and sports leadership to ensure they have the knowledge and skills to progress in this competitive industry.

Participants engaged: 157
Sessions delivered: 420
Qualifications achieved: 133

Employability and skills

Our employability and skills team works across the various delivery areas of the Foundation to engage young people with a range of training and mentoring programmes that enhance their skills, personal attributes and enable them to gain qualifications, work experience and ultimately employment opportunities.

Participants engaged: 1,539
Sessions delivered: 164
Matchday employment: 38

Next Move

Working with a range of educational, employability and industrial partners, the Next Move programme provides positive experiences for young people that develop skills and competence and increase their awareness and understanding of potential career pathways and opportunities.

Throughout the season workshops, tuition and experiences have been provided through partnerships with organisations such as the Army, Community Rail Lancashire, EY, Manchester College, the NHS, the RAF and through working with internal Manchester United departments.

PL Inspires

PL Inspires is an educational programme developed by the Premier League and professional football clubs. The programme is aimed at young people aged 11-25 and allows students the opportunity to work with and compete against students from across the UK in the annual PL Inspires Challenge.

This year's challenge was to create a social action project on the theme of 'This is Everyone's Game' and pupils from Foundation partner schools were invited to Old Trafford to present their ideas to a panel of judges including Manchester United Academy players.

Community Programmes

The Foundation believes the most effective way to engage communities and ensure our interventions enhance the quality of life is by reaching out and becoming a trusted partner. It is important to us that we get to know the young people with whom we work and allow them to feel empowered in their community. We aim to partner with organisations that are also trusted in the community and whose values align to ours, whilst being proactive in delivering our commitments over a sustained period of time.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Community Programmes (continued)

Street Reds

Street Reds uses the power of the brand and strategic partnerships to give young people an opportunity to pursue their interest in playing, leading, coaching and participating in football and educational and diversionary activities.

Open to young people aged 8-18 and running for 48 weeks of the year, these free sessions promote inclusivity, provide regular physical activity, peer support and opportunities to engage in volunteering, social action and informal education.

Participants engaged: 1,755
Sessions delivered: 601
Qualifications achieved: 49

Volunteering

The Foundation offers volunteering opportunities to young people across all programmes for them to receive work experience and work towards qualifications to help with career prospects in the future.

A flagship element of our volunteering provision is the Volunteer Ninety Nine (V99) programme.

Aimed at 16-21 year-olds who are interested in pursuing a career in sport, V99 is designed to provide training, recognised qualifications and work experience as they work towards a goal of 99 hours of volunteering.

29 volunteers engaged in the V99 programme this season, including 11 females and 18 males, with four identifying as having a disability. Participants are given the opportunity to volunteer and shadow Foundation coaches at projects such as Street Reds, disability and inclusion, partner schools and girls' development.

Total volunteers: 100
Volunteering sessions: 655
Volunteering hours achieved: 1,577

G.O.A.L. (Grasping. Opportunities. (for) Accomplished. Lives)

Funded by Greater Manchester Police (GMP), G.O.A.L. offers support, mentoring and developmental opportunities for young people across Manchester who are directly affected by the issuing of a Threats to Life warning notice.

G.O.A.L. aims to minimise the impact of trauma through personal development in the form of sports participation, skills development, work experience, volunteering opportunities and the opportunity to gain qualifications.

Eight young people have been referred to the programme since February 2020 and all engagement so far has taken place online due to Covid-19. Out of those eight participants, three have completed the FA Level 1 Talent Identification qualification, in turn raising aspirations and developing protective factors to help support those young people at risk.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Community Programmes (continued)

Disability and inclusion

Our disability and inclusion provision aims for equal sport and physical activity opportunities for disabled people, their friends and family.

The programme incorporates a powerchair team in association with Sale United FC and the established Ability Counts initiative, a PAN-disability football programme for all ages and abilities.

The Foundation also has partnerships with three special schools across Greater Manchester: Brentwood School and Community College, Chatsworth Multi-Academy Trust and Kingfisher Special School. At each school a member of the disability and inclusion team is based full-time to work with the pupils, deliver engaging and inclusive programmes, and build lasting relationships.

Participants engaged: 779
Sessions delivered: 1,725

Wayne Rooney Foundation

This season we were proud to launch a three-year partnership with the Wayne Rooney Foundation, using the funding to develop a weekly inclusive football programme in our partner schools. The programme joins non-disabled and disabled young people of similar ages and abilities on the same team. This allows players to learn from each other and makes practises more exciting and fun.

Over 140 young people took part in the programme this season, with 74 sessions delivered. Staff have also completed a workshop with the FA regarding pathways and delivery for disabled players.

Powerchair football

The Manchester United Powerchair Team forms part of the Foundation's disability and inclusion programme and runs in partnership with Sale United Powerchair Club.

The teams regularly compete in the North West Powerchair Football League and the Muscular Dystrophy UK Premiership. The partnership has continued to grow over the season and we have now formed a development team to provide more opportunities for wheelchair users to play the sport they love.

The Manchester United Powerchair team enjoyed a successful season in the Muscular Dystrophy UK Premiership, after last season's promotion, finishing ninth prior to the season being halted due to the Covid-19 pandemic.

They also participated in the West Midlands Premier League and finished fifth, which is an improvement on the previous year's standing of sixth place. In both leagues the team has progressed and developed a positive approach to playing.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Female engagement

The Foundation is passionate about promoting female development across all programmes, and the dedicated team is committed to:

- Breaking down social and cultural barriers
- Providing opportunities to help girls lead healthier lifestyles
- Mentoring young girls to promote employability skills
- Creating opportunities for girls to take part in football activities and competitions
- Building confidence and empowering girls to fulfil their potential

Participants engaged: 9,058

48% of all Foundation participants are female

South Manchester Girls' Football League

As part of our commitment to grass roots football, a key success of the female development programme is the growing partnership between Manchester United Foundation and the South Manchester Girls' Football League (SMGFL).

In the last 12 months 4,037 girls have engaged in the project and the Foundation has supported the league by recruiting three full-time female football coaches to work in targeted primary schools to promote and forge school-club links. We have also supported a series of initiatives to encourage family participation in female football, including MU Women mascot opportunities, match tickets and holiday courses.

Another essential element of the partnership is to encourage and support more women from all backgrounds to enter coaching, officiating and leadership roles in grass roots football. Over the last 12 months Manchester United Foundation has hosted:

- Three coaching clinics (60 coaches, full attendance)
- Female-only referees course (22 U18 girls passed their badge and are now refereeing)
- Opportunities for all members of the SMGFL to be part of our V99 programme
- A day-in-the-life of a physiotherapist, sport scientist, coach and player

Manchester United FA Girls' Regional Talent Club ("RTC")

The Foundation manages the Girls' RTC on behalf of Manchester United Football Club and the club aims to deliver the best training academy within girls' football by transforming the way the game is played through a positive and open learning environment.

This season the FA awarded the RTC Tier One+ Academy status, making us the only RTC to achieve this for two consecutive seasons. Not only this but we 'exceeded' in all assessment categories.

Throughout the season a record 20 players got called up to play for their country, making 91 appearances at international training camps.

The teams continued to perform at a high level with all teams ranging from Under 11s to Under 16s reaching top positions in their leagues.

- 79 players
- 1,133 hours of delivery
- 513 trialists in June 2020
- 20 qualifications achieved

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Generating Funds

Some of our activities for generating funds are carried out through the Trading Subsidiary (Manchester United Foundation (Trading) Limited). The board of Manchester United Foundation (Trading) Limited is:

Virginia Buckley
Michael Edelson
David Maples
Alan Dawson MBE
Nicholas Booth MVO
Sean Jefferson
Philip Lynch
Kevin Cahill (appointed on 3rd December 2020)
Tanja Hettel (appointed on 5th February 2021)

The board meetings are held quarterly.

Fundraising

Throughout the 2019/20 season our fundraising team continued to build upon the growth and strategic development for our fundraising initiatives that was formulated in 2018/19. However, due to the Covid-19 crisis, many planned fundraising activities and events such as the annual golf day, organised by Ryan Giggs and MUF Trustee Michael Edelson, were postponed.

Prior to the pandemic Manchester United Football Club Limited held an auction for Manchester United Foundation and global club charity partner Unicef at the Manchester United Gala Dinner in November 2019. A record-breaking £256,834 was raised, with funds being split between both charities, which will go towards helping vulnerable children both worldwide and in the local community. The event is a highlight of the club's social calendar and is attended by the full first team and management staff. This was the Foundation's first time being a beneficiary of the event and we are grateful to the club and its staff for organising the event and support.

An executive lottery continues to operate in hospitality suites on a matchday under gambling legislation and reporting to the Gambling Commission. In the 2019/20 season the lottery achieved a profit of £174,281 (2018/19: £225,322). This reduction is due to fewer home games as a result of Covid-19 and government guidelines restricting supporter attendance.

This year the Foundation saw a growth in donations through major donors and in-memory gifts. We also saw a growth in donations as part of the online raffle that was held in June to raise funds for our Covid-19 appeal. We continue to be grateful to all those that share our vision and mission by supporting our fundraising campaign.

In September 2020, the Foundation took part in the national 'Remember a Charity Week', which encourages more people to leave a gift in their Will for charity. We believe that gifts through Wills will become an important source of income for the Foundation in the future so we can sustain and grow our projects.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Fundraising (continued)

We are grateful to our principal partner Aon and the following Manchester United Football Club (MUFC) partners that supported the Charity and Trading Subsidiary over the 2019/20 season through the donation of funds, goods or auction prizes:

- Since 2013 Manchester United Foundation has worked closely with its principal partner Aon to deliver a range of programmes to improve the lives of young people across Greater Manchester. We continue to be appreciative of their ongoing support.
- adidas has continued to donate products to the Foundation, which our coaches and staff use at projects. These products have been vital for us to engage and inspire the children and young people with whom we work.
- We continue to be grateful to Virgin Money, which once again donated London Marathon places to the Foundation. Whilst the 2020 London Marathon was cancelled, we are grateful that our runners will still be able to have a place in the 2021/2022 marathons.
- Thank you to Marriott Hotels, Chivas, Kohler and Tag Heuer who donated a prize for either the 2019 Gala Dinner or 2020 online raffle. These prizes enabled us to raise substantial funds.

All the support that we have received has allowed us to fund current and future projects.

Charity Services

Charity work has always been an intrinsic element of life at Manchester United. Manchester United Foundation (Trading) Limited has a service level agreement with Manchester United Football Club Limited whereby, in return for fees of £167,989 (2018/19: £163,096), the Trading Subsidiary agrees to manage some of Manchester United Football Club Limited's charitable activities. This includes managing the distribution of signed merchandise in response to requests from individuals raising funds for the Foundation and third party charities.

The Foundation also organises Dream Days and hospital visits to support children with life-threatening and life-limiting illnesses, and donates match tickets to partner schools, projects and deserving fans in need of support at a difficult time.

In 2019/20 the management service covered the distribution, free of charge, of 1,300 (2018/19: 2,350) signed items including balls, shirts, pennants and photographs in response to requests from individuals undertaking fundraising activities for third party charities. This figure includes the items that we gave to matchday lottery winners and children during Dream Days and hospital visits. The reduction from last season was due to the effects of Covid-19 and the limitations, due to social distancing measures, of obtaining and sending out signed items as well as the cancellation of fundraising activities by individuals for third party charities.

Manchester United Foundation (Trading) Limited also manages the club's charity partnerships with Unicef, under the 'United for Unicef' brand, and the Sir Bobby Charlton Foundation (formerly Find a Better Way). Both charities complement the work of Manchester United Foundation by supporting the most disadvantaged and vulnerable children throughout the world.

Our fundraising approach

We understand how important it is to maintain the trust and support of our donors. The Foundation voluntarily registers with the Fundraising Regulator, which holds the Code of Fundraising Practice for the UK. We ensure that we comply with the standards and principles as set out in the Code across all our activities. We do not engage with any third party fundraisers. We regularly review our fundraising activity in order to ensure that we are adhering to best fundraising practices. During 2019/20 we received no complaints relating to our fundraising.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Financial Review

The overall position for Manchester United Foundation for the year is a loss of £390,212 (2019: £1,984,409 profit) which leaves reserves of £5,357,933 (2019: £5,748,145). This includes a profit before tax from its trading subsidiary of £121,870 (2019: £1,849,779). Profits from its trading subsidiary are wholly gift aided to the Charity.

The Trustees are grateful to Manchester United Football Club Limited for Gifts in Kind for the services provided in relation to human resources, information technology, payroll and maintenance, together with the provision of kit and equipment, use of the stadium for the Legends match and a discretionary staff bonus. This equates to an estimated monetary value of £560,510 (2019: £743,285).

As the Charity has grown, we have identified new grant funds along with new sources of income from fundraising initiatives, such as Legends matches held at Old Trafford. We are also building relationships with major donors and Club partners to further increase our funding. Manchester United Foundation is well placed to benefit from future grants for community delivery and fundraising opportunities.

As part of the review of the Charity's performance the Trustee's reviewed the level of charitable spend compared with charitable and net trading income. Net trading income is defined as the net income generated by the Charity and is the net of trading income generated, less the costs associated with that income, which are mostly related to fundraising activities. Both trading income and trading costs are disclosed in the notes to the financial statements.

Charitable income represents all other income of the Charity and charitable spend represents the funds used by the Charity for charitable purposes. Both charitable income and charitable spend are disclosed in the notes to the financial statements.

For the year ended 30 June 2020, 112p in the pound of charitable and net trading income was spent on charitable activities (2019: 57p in the pound). The increase in charitable spend in 2020 reflects the significant response to Covid-19 with over £800k spend in the year and lower fundraising activities due to no legends match in the year.

The Trustees remain satisfied with the ratio of charitable spend to charitable and net trading income but will continue to monitor this in future years as part of assessing the performance and contribution of the Charity.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest funds at the direction of the Trustees. The investment powers may be delegated to a professional investment manager.

The Trustees intend to maintain the real value of the Charity's funds. They do not invest in products with significant volatility and risk and have agreed a policy of maximising returns on cash deposits is the most sensible method. This gives a fixed return with minimal risk to capital.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Reserves Policy

The Trustees have established the level of reserves (that is those funds that are freely available) that the Charity ought to have. The Trustees deem it to be prudent to hold a reserve in order that the Charity can continue its objects should there be a short-term reduction in funding.

The Trustees have sought to establish new funding streams for the coming financial year to ensure that reserves remain intact. As the Charity's activities grow, and operational costs increase, the Trustees will make the appropriate decisions to alter the reserves year-on-year. The Trustees make the commitment that at any time the reserves will aim to be between approximately 6 and 12 months of anticipated operating costs.

At the end of the 2018/19 year, following a successful fundraising legends match, we reported a significant increase in our reserves, allowing us to set an ambitious growth plan over the next three years. We continued to grow our programmes, but due to the Covid-19 we adapted our plans and our response to the pandemic. We continued to work with our partners throughout, but Trustees agreed to ring-fence £1 million of our reserves to help others in society suffering in these unprecedented times.

Despite this our reserves remain in a strong position, representing 11 months of anticipated operating costs, which is within our target of between 6 and 12 months. Although our reserves look high, we do this to satisfy the contractual commitments within our charitable delivery. At the end of 2019/20, our average outstanding contract was over 13 months, and our reserves and ongoing partnership funding allows us to meet the commitments on these agreements.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Plans for the Future

The Foundation will expand existing programmes and develop new initiatives with a key focus on creating more qualification and employment-based outcomes. Plans to create more accurate, measurable and in-depth impact reporting are also in development.

The renewal of partnerships and establishing new relationships continue to be central to the Charity's sustainability and expansion going forward.

Specific plans for each area of the business are as follows:

Education

Secondary Schools

- Expand the number of partner secondary schools to 30
- Deliver an accredited leadership development programme
- Develop and deliver a literacy and numeracy programme in partner secondary schools
- Enhance the quality of delivery in schools
- Create a measurement framework, which captures the impact of the programme in schools

Primary Schools

- Grow the programme to 32 schools for the 2021/22 academic year
- Diversify the primary programme to include a special partner primary school
- Develop and support the workforce to deliver the new programme

Further Education

BTEC courses

- Consolidate the programme and increase the number of pupils on BTEC courses
- Create a measurement framework, which captures the impact of the programme in colleges

Employability and skills

- Increase the number and range of qualifications offered
- Secure external investment to develop a one-to-one mentoring programme
- Deliver the largest and most successful Premier League Inspires programme in the country
- Re-develop the Volunteer Ninety Nine programme and work experience opportunities with the Foundation
- Increased participants engaged in the First Jobs programme
- Develop and design a Manchester United traineeship programme
- Grow the Ulster University partnership

Community Programmes

- Grow the number of Street Reds sites to 14
- Diversify the Streets Reds programme with girls-only and inclusion sessions
- Enhance the Street Reds offer with social action initiatives
- Enhance the standards of delivery at Street Reds sessions
- Create a measurement framework, which captures the impact of community programmes
- Expand mentoring and personal intervention programmes (G.O.A.L. and PLCF Targeted)

Disability and inclusion

- 100% growth in partner special schools
- Disabled participants across the Foundation programmes to be a minimum of 6% in line with Greater Manchester demographic.
- Expand the Ability Counts programme by increasing opportunities for female participation
- Provide an accredited and award-winning service
- Diversify the workforce within the Foundation

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Plans for the Future (continued)

Female Engagement

- Girls' RTC to maintain its Tier One+ status and develop players into the MU Women's Academy and England youth teams.
- Support the growth in clubs, teams and participants in the South Manchester Girls' Football League
- Create a girls-only player development centre.
- Ensure 50% of participants are female on Foundation programmes
- Develop female social action initiatives.

Charity

- To continue to distribute items signed by the Manchester United first team, in response to requests from individuals fundraising for the Foundation and third party charities.
- To continue to support children with life-limiting or life-threatening illnesses, and their families, through the organisation of various events.
- To continue to manage the relationship with Manchester United Football Club Limited partner charity organisations.

Fundraising

- To grow income by engaging with an exclusive group of high value supporters and charitable trusts who are keen to further the work of the Foundation.
- To continue to develop strong and enduring relationships with Manchester United Football Club Limited partners.
- To raise awareness of the Foundation and our fundraising needs by improving our fundraising communications and working closer with Manchester United Football Club to promote our activities.
- To develop current and new revenue streams through the Trading Subsidiary, in particular through the match day executive lottery, digital activities and a legends match at Old Trafford.
- To engage with supporters of Manchester United, through supporter groups and fundraising activities.

Structure, Governance and Management

Introduction

Manchester United Foundation was incorporated on 13 June 2006 and obtained charitable status on 9 March 2007. The following report covers the year ended 30 June 2020 for the Foundation operating with charitable status.

Governing Document

Manchester United Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association revised on 9 January 2014. It is a charity registered with the Charity Commission.

Appointment of Trustees

Trustees are elected by the members. Membership of the Charity is open to Trustees of the Charity and each Trustee will automatically become a member on his/her appointment to the Charity.

As set out in the Articles of Association, the Chair of the Trustees is nominated by the Trustees. A majority of the Trustees in office from time to time must be Independent Trustees (independent being defined as not a director or employee of Manchester United Football Club Limited or any of its fellow group companies). Trustees are appointed for a period of three years and thereafter one third of the Trustees retire in rotation, the first to retire being those who have been in office the longest.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Structure, Governance and Management (continued)

The Trustees may at any time co-opt any person duly qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee; however a co-opted Trustee only holds office until the next AGM, when the appointment is confirmed by the members.

Trustee Induction and Training

Trustees undergo training led by specialist charity lawyers to brief them on their legal obligations under Charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes. Trustee training was planned for March 2020 but was postponed due to Covid-19. It is hoped that training can take place during 2021/22.

Prior to this training session, Trustees have the opportunity to meet key members of staff who are responsible for each operational department.

Organisation

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of the delegation approved by the Trustees, for operational matters including programme management and delivery, finance and human resources.

Related Parties

The Charity's wholly owned subsidiary, Manchester United Foundation (Trading) Limited ("the Trading Subsidiary") was incorporated on 21 March 2006. The purpose of the Trading Subsidiary is to operate commercial activities, the profits from which are donated under a deed of covenant to the Charity for charitable purposes.

The Charity is supported by Manchester United Football Club Limited, in that the Charity has a licence to use MUFC's brand, and also certain rights to use the Club's ground at Old Trafford. During the year MUFC provided the following services to the Charity:

- MUFC processed the Charity's payroll for the year for a total value of £2,807,988 (2019: £2,638,723) which the Charity repays in full to MUFC with the exception of a discretionary bonus of £138,506 (2019: £132,206) which is included in the Gifts in Kind figure disclosed in note 10. No service charge or mark-up fee was paid to MUFC by the Charity for the provision of this service. The amount owing to MUFC by the Charity in relation to payroll repayments at year end was £212,768 (2019: £209,169).
- Other payments made by the Charity to MUFC during the year amounted to £67,480 (2019: £149,810) relating to recharge of costs incurred on the Charity's behalf. The amount owing to MUFC by the Charity in relation to these payments at year end was £nil, (2019: £4,295).
- Other payments made by MUFC to the Charity amounted to £2,685,298 (2019: £752,456). The amount owing by MUFC to the Charity at the year end was £1,315 (2019: £9,505).
- The Charity paid MU RAML Limited £367 during the year (2019: £1,173), principally in relation to branded kit and merchandise. The Charity received £6,939 (2019: £27,173) from MU RAML Limited principally in respect of monies raised for the Charity through fundraising.
- Richard Arnold is a Trustee of the Foundation, and a director of Manchester United Football Club Limited, MUTV Limited, MU Commercial Holdings Limited, MU Commercial Holdings Junior Limited, Manchester United plc, Manchester United Women's Football Club Limited and MU RAML Limited.
- Michael Edelson is a Trustee of the Foundation, a director of Manchester United Foundation (Trading) Limited and a director of Manchester United Football Club Limited.
- Collette Roche is a Trustee of the Foundation and Chief Operating Officer at Manchester United Football Club Limited.

David Maples is a trustee of the Foundation, a director of Manchester United Foundation (Trading) Limited and a senior equity partner at Brabners LLP, the Foundation's solicitors. The Charity paid Brabners LLP £2,276 (2019: £1,235) during the year in respect of legal and company secretarial services.

Manchester United Foundation

(A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Related Parties (continued)

Tarun Kapur CBE is a trustee of the Foundation, the Chief Executive Officer of four schools, Dean Trust Ardwick, Dean Trust Wigan, Dean Trust Rose Bridge and Partington Central Academy, in which the Foundation works and Chairman of the Football Association/Premier League Facilities Grant Funding Panel. The payment made by all four schools during the year was £59,501 (2019: £65,745). The Foundation made a payment of £20,000 (2019: £nil) to two Dean Trust schools as part of the Covid-19 response.

Manchester United Foundation (Trading) Limited, the trading subsidiary of Manchester United Foundation, made a gift aid payment of £121,772 relating to the 2019/20 financial year.

John Shiels, the Chief Executive Officer, is a trustee of the Dean Trust, which runs four schools in which the Foundation works.

None of the Trustees receive any remuneration.

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. Trustee indemnity insurance covers the Trustees against personal liability for corporate or management claims that may be made against them.

The Charity, through its Trading Subsidiary, continues to manage the Club's charitable partnerships and signed merchandise requests, generating income of £167,989 (2019: £163,096).

Risk Management

The Trustees are aware of factors both within and outside the Charity's control that are relevant to the achievement of its objectives including relationship with employees, key partners and funders and have a risk management strategy in place which comprises:

- An annual review of the risks the Charity may face.
- A quarterly review of the risks at each Trustee meeting.
- The establishment of systems and procedures to mitigate those risks identified.
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

Principal Risks and Uncertainties

- The Foundation relies heavily on income sourced from its largest single fundraising event and its partner sponsor. There is a risk that this event might not happen or deliver as much profit as expected and/or we will be unable to secure a principal partner sponsor. In consideration of the risk, directors continue to promote this event with other large clubs across the world to ensure the event remains successful for both footballing parties and will look to seek new income streams to ensure they are not solely reliant on this one source of income.
- The Foundation relies on income streams affected by the economic climate and government spending policies. Fluctuations in these spending patterns may adversely affect the level of funding available to the Foundation. In consideration of this risk the Directors continue to seek alternative funding sources to minimise the impact from this risk and ensure reserves remain intact.
- The Foundation continually monitors its safeguarding practices to ensure they remain of utmost importance across all delivery areas. The Foundation ensures that all staff are suitably qualified and trained in this area and regularly review the policy and procedure to ensure all risk areas are covered.

Manchester United Foundation

(A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Covid-19

Throughout the 2020/21 season, Manchester United Foundation continued to achieve our strategic objectives by adjusting and diversifying our delivery, despite the challenges and restrictions faced by the ongoing Covid-19 pandemic.

New skillsets and initiatives were developed, and we adapted to deliver programmes digitally, to continue supporting partners, stakeholders and participants at the heart of our work. This new era allowed us to work even closer with our young people and fans, both overseas through the United for the Children campaign, and at home through ground-breaking new initiatives such as Play Safe, Santa's Red Helpers and our wellbeing provision.

'Where we serve, we stay' has become our testimony to the quality of our staff, programmes and partnerships, with the Foundation being a mainstay in Greater Manchester communities since 2007.

We continue to adhere to the latest government advice to prioritise the safety of our colleagues and participants, and whilst the pandemic still isn't over, neither is our dedication to supporting our communities as we adapt to a new normal.

Going concern

On the basis of their assessment of the group's financial position and resources, the Trustees believe that the group is well placed to manage its business risks. Therefore the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Manchester United Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019).
- Make judgments and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2020 (continued)

Statement of disclosure of information to auditors

In accordance with Section 418, Report of the Trustees shall include a statement, in the case of each trustee in office at the date the Report of the Trustees is approved, that:

- so far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors

A resolution has been proposed at the Annual General Meeting that PricewaterhouseCoopers LLP be re-appointed as auditors to the Charity for the financial year ended 30 June 2021.

On behalf of the Trustees



Richard Arnold
Chair of Trustees
21 June 2021

Manchester United Foundation (A Company Limited by Guarantee)
Charity Number: 1118310
Company Number: 05845172

Manchester United Foundation (A Company Limited by Guarantee)

Reference and administrative details

Organisational Details

Registered Charity Number: 1118310

Registered Company Number: 05845172

Registered Office: 26 Sir Matt Busby Way, Old Trafford, Manchester, Lancashire M16 0RA

Independent Auditors: PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, 1 Hardman Square, Manchester M3 3EB

Bankers: NatWest, Manchester City Centre Branch, 19 Market Street, Manchester M1 1WR

Solicitors: Brabners LLP, Horton House, Exchange Flags, Liverpool, L2 3YL

Directors and Trustees:

The directors of the charitable company ("the Charity" or "The Foundation") for the purpose of Charity law are its Trustees and throughout this report are collectively referred to as the Trustees.

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Chair of Trustees:

Richard Arnold is the Chair of Trustees for the Foundation

Trustees:

John Arnold	(Independent)
Tom Bloxham MBE	(Independent)
Virginia Buckley	(Independent)
Michael Edelson	
Eamonn Holmes OBE	(Independent)
Tarun Kapur CBE	(Independent)
David Maples	(Independent)
Collette Marie Roche	

Chief Executive:

John Shiels is Chief Executive for the Foundation.

Manchester United Foundation (A Company Limited by Guarantee)

Independent auditors' report to the members of Manchester United Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Manchester United Foundation's group financial statements and charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 30 June 2020 and of the group's and charitable company's incoming resources and application of resources, including its income and expenditure, and of the group's and charitable company's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Charitable Company Balance Sheets as at 30 June 2020; the Consolidated Statement of Financial Activities including an Income and Expenditure Account, the Consolidated and Charitable Company Statement of Cash Flows for the year then ended; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and charitable company's ability to continue as a going concern.

Manchester United Foundation (A Company Limited by Guarantee)

Independent auditors' report to the members of Manchester United Foundation (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Report of the Trustees

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.

In addition, in light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Report of the Trustees. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, set out on page 22, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 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 and charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Manchester United Foundation (A Company Limited by Guarantee)

Independent auditors' report to the members of Manchester United Foundation (continued)

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Daniel Wilbourn (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
21 June 2021

Manchester United Foundation

(A Company Limited by Guarantee)

Consolidated Statement of Financial Activities including an Income and Expenditure Account for the year ended 30 June 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income and endowments from:					
- Donation and legacies	2	1,360,072	-	1,360,072	1,405,918
- Charitable activities	3	352,616	1,565,941	1,918,557	1,774,243
- Other trading activities	4	224,922	378,291	603,213	3,502,694
- Investments	5	30,891	-	30,891	13,731
Total		1,968,501	1,944,232	3,912,733	6,696,586
Expenditure on:					
Raising funds	6	(255,446)	(417,235)	(672,681)	(2,065,962)
Charitable activities	7	(1,184,336)	(2,445,830)	(3,630,166)	(2,646,204)
Total		(1,439,782)	(2,863,065)	(4,302,847)	(4,712,166)
Net income / (expenditure) before tax	9	528,719	(918,833)	(390,114)	1,984,420
Taxation	9	(98)	-	(98)	(11)
Net income / (expenditure) after tax		528,621	(918,833)	(390,212)	1,984,409
Transfers between funds		(918,833)	918,833	-	-
Net movement in funds	18	(390,212)	-	(390,212)	1,984,409
Reconciliation of Funds					
Total funds brought forward at 1 July		5,748,145	-	5,748,145	3,763,736
Total funds carried forward at 30 June		5,357,933	-	5,357,933	5,748,145

All incoming resources and resources expended are derived from continuing activities in the current and prior year. The notes on pages 33 to 48 form part of these financial statements.

The transfer between restricted and unrestricted funds represents the charitable funding required to deliver restricted projects to the agreed levels.

Manchester United Foundation (A Company Limited by Guarantee)

Consolidated Balance Sheet as at 30 June 2020

	Note	At 30 June 2020 £	At 30 June 2019 £
CURRENT ASSETS			
Debtors	13	692,908	2,943,468
Cash and cash equivalents		6,689,453	5,255,783
TOTAL CURRENT ASSETS		7,382,361	8,199,251
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	14/15	(2,024,428)	(2,451,106)
NET CURRENT ASSETS		5,357,933	5,748,145
NET ASSETS		5,357,933	5,748,145
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted funds:			
Designated funds	22	270,041	-
General unrestricted funds	18	5,087,892	5,748,145
TOTAL CHARITY FUNDS	18	5,357,933	5,748,145

The notes on pages 33 to 48 form part of these financial statements.

The Financial Statements on pages 28 to 48 were approved by the Board of Trustees on 17 June 2021 and signed on its behalf by:



Richard Arnold
Chair of Trustees
21 June 2021

Manchester United Foundation (A Company Limited by Guarantee)
Charity Number: 1118310
Company Number: 05845172

Manchester United Foundation (A Company Limited by Guarantee)

Charitable Company Balance Sheet as at 30 June 2020

	Note	At 30 June 2020 £	At 30 June 2019 £
FIXED ASSETS			
Investments	12	1	1
CURRENT ASSETS			
Debtors	13	988,958	2,763,163
Cash and cash equivalents		6,326,773	4,495,344
TOTAL CURRENT ASSETS		7,315,731	7,258,507
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14/15	(1,957,799)	(1,510,363)
NET CURRENT ASSETS		5,357,932	5,748,144
NET ASSETS		5,357,933	5,748,145
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted funds:			
Designated funds	22	270,041	-
General unrestricted funds	18	5,087,892	5,748,145
TOTAL CHARITY FUNDS	18	5,357,933	5,748,145

The notes on pages 33 to 48 form part of these financial statements.

The Financial Statements on pages 28 to 48 were approved by the Board of Trustees on 17 June 2021 and signed on its behalf by:



Richard Arnold
Chair of Trustees
21 June 2021

Manchester United Foundation (A Company Limited by Guarantee)
Charity Number: 1118310
Company Number: 05845172

Manchester United Foundation

(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows for the year ended 30 June 2020

	Note	2020 £	2019 £
Net (expenditure)/income for the reporting year (as per the consolidated statement of financial activities including an Income & Expenditure Account)		(390,212)	1,984,409
Adjustments for:			
Dividends, interest from investments		(30,891)	(13,731)
Decrease/(increase) in debtors		2,250,558	(2,219,332)
(Decrease)/increase in creditors		(426,677)	1,087,724
Net cash generated from / (used in) operating activities		1,402,779	839,070
		2020 £	2019 £
Cash flows from operating activities			
Net cash generated from operating activities		1,402,779	839,070
Cash flow from investing activities			
Dividends and interest from investments	5	30,891	13,731
Net cash generated from investing activities		30,891	13,731
Net increase in cash and cash equivalents		1,433,670	852,801
Cash and cash equivalents at the beginning of the reporting year		5,255,783	4,402,982
Cash and cash equivalents at the end of the reporting year		6,689,453	5,255,783

Manchester United Foundation

(A Company Limited by Guarantee)

Charitable Company Statement of Cash Flows for the year ended 30 June 2020

	2020 £	2019 £
Net (expenditure)/income for the reporting year (as per the statement of financial activities)	(390,212)	1,984,409
Adjustments for:		
Dividends, interest from investments	(28,161)	(11,325)
Decrease in debtors	1,774,205	(1,433,642)
Increase/(decrease) in creditors	447,436	262,965
Net cash generated from operating activities	1,803,268	802,407

	2020 £	2019 £
Cash flows from operating activities		
Net cash generated from operating activities	1,803,268	802,407
Cash flow from investing activities		
Dividends and interest from investments	28,161	11,325
Net cash generated from investing activities	28,161	11,325
Net increase in cash and cash equivalents	1,831,429	813,732
Cash and cash equivalents at the beginning of the reporting year	4,495,344	3,681,612
Cash and cash equivalents at the end of the reporting year	6,326,773	4,495,344

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020

1. ACCOUNTING POLICIES

General information

Manchester United Foundation is a company limited by guarantee (Companies House No. 05845172) and a registered charity (Registered Charity No. 1118310). It is incorporated and domiciled in the UK. The address of its registered office is 26 Sir Matt Busby Way, Old Trafford, Manchester, Lancashire, M16 0RA.

The principal activities of the Charity are mentioned in the Report of the Trustees.

Statement of compliance

The consolidated and individual financial statements of Manchester United Foundation have been prepared in accordance with Accounting and Reporting financial statements by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Summary of significant accounting policies

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

Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis in accordance with historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in critical accounting judgements and key source of estimation uncertainty.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going concern

On the basis of their assessment of the group's financial position and resources, the Trustees believe that the group is well placed to manage its business risks. Therefore the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The consolidated financial statements include Manchester United Foundation and its subsidiary Manchester United Foundation (Trading) Limited, applying the acquisition method of accounting. Intra-group transactions are eliminated on consolidation. Uniform accounting policies are adopted across the group.

No profit and loss account is presented for Manchester United Foundation, as provided by section 408 of the Companies Act 2006. The gross income/turnover of the Company is £3,224,984 (2019: £3,190,897) and the result of the Company is a loss for the financial year of £511,983 (2019: £134,641 profit), determined in accordance with the Act. This result is before tax and gift aid.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

1. ACCOUNTING POLICIES (continued)

Income recognition

All income is recognised once the Charity has entitlement to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income represents the amount derived from all fundraising and charitable activities and arises in the United Kingdom and overseas.

Donations Received

Donations are recognised in the financial statements where entitlement is demonstrable and are credited to Unrestricted Funds unless they are made for specific beneficiaries in which case they are credited to Restricted Funds.

Sponsorship income

Sponsorship income is recognised based on the Charity's right to the income and therefore is recognised in line with the payment schedule contained within the contract. Sponsorship income is recorded in 'Donation and legacies' and credited to Unrestricted Funds.

Grants and payment for services

Grants and payment for services (including Management Services and Charity Partner Management) are recognised when there are no external factors outside the control of the Charity that would prevent it being received, and are recognised only as deferred income when there are conditions imposed that specify the time period in which the expenditure can be made. Grant income is recorded in 'Income and endowments from Charitable activities' and 'Other trading activities'.

Bank Interest

Bank interest is recognised in the financial statements on the accruals basis, and is credited to Investments within Unrestricted Funds.

Income from Fundraising Activities

Income from fundraising events (including lotteries income) is credited to 'Other trading activities' and costs are shown within Raising funds.

Tax exemption

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

Resources Expended

Charitable expenditure comprises expenditure that is directly attributable to activities in furtherance of the Charity's objects, included on an accruals basis. Irrecoverable VAT is included within the appropriate expenditure category. The policy for including items within the following activity categories of resources expended are detailed as follows:

- Expenditure on Raising Funds: This includes the costs of the fundraising activities which include lotteries, the Charities management contract and legends matches.
- Charitable activities: This includes the Partner Schools programmes, the community engagement, our Girls' Development programmes and a range of smaller ad hoc community delivery projects.
- Group overheads are allocated based on the level of resources expended within each of the above areas.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

1. ACCOUNTING POLICIES (continued)

Gifts in Kind

Expenditure in relation to the Charity borne by Manchester United Football Club Limited has been attributed and allocated to each expenditure category according to where the Gifts in Kind were expended. The corresponding income benefit being recorded under 'Donation and legacies'. Gifts in Kind have been valued at management's estimate of the cost of an equivalent supply.

Restricted Funds

Restricted funds held at the year-end relate to grant aided projects. The grant income has been received and is to be used for a specific purpose, according to the grant agreement. All expenditure on grant aided projects is shown as restricted funds, resulting in a deficit position at the year-end. The transfer between restricted and unrestricted funds represents the charitable funding required to deliver these projects to the agreed levels.

There are sufficient resources to comply with the stipulations of the grant agreements. All restricted funds are held as cash and cash equivalents.

Unrestricted Funds

Unrestricted funds held at the year-end relate to monies held that can be expended on any of the charitable aims of the Charity. All unrestricted funds are held as cash and cash equivalents.

Designated Funds

Designated funds comprise of funds that have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of these funds are set out in the notes to the financial statements.

Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plans

The Charity participates in the Manchester United Group Pension Scheme, a defined contribution scheme. The assets of the scheme are in a separate trustee-administered fund.

For defined contribution schemes the amount charged to the income and expense account in respect of pension costs is the contribution payable in the year. Differences between contributions payable and actually paid are shown as either accruals or prepayments in the balance sheet.

The costs of this scheme are charged to the Statement of Financial Activities as incurred. The assets of the scheme are held separately from those of the Company in an independently administered fund.

Investments - company

Investment in subsidiary is held at cost less accumulated impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

1. ACCOUNTING POLICIES (continued)

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors and cash and cash equivalents 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.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in income and expenditure.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in income and expenditure.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies that are classified as debt, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The Company does not hold or issue derivatives financial instruments.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

1. ACCOUNTING POLICIES (continued)

Related party transactions

The Charity has disclosed transactions with wholly owned entities.

Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The Trustees do not consider there to be any areas where accounting policies or estimates are critical to the preparation of the financial statements.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

2. INCOME AND ENDOWMENTS FROM: DONATION AND LEGACIES

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Sponsorship	490,000	470,000
Manchester United donations (incl. Community Shield)	197,821	2,000
Other charitable donations received	111,741	190,633
Gifts in kind	560,510	743,285
	1,360,072	1,405,918

Donation and legacies are wholly unrestricted and include gifts in kind from MUFC of £560,510 (2019: £743,285).

3. INCOME AND ENDOWMENTS FROM: CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Football	-	117,549	117,549	133,774
Community Engagement	-	225,507	225,507	167,116
High School Delivery	-	779,762	779,762	708,075
Primary School Delivery	-	225,604	225,604	244,835
Education – Other	150,669	86,232	236,901	251,476
Disability Schools Delivery	-	65,128	65,128	40,167
Covid-19 Response	18,529	-	18,529	-
Other grants and income	183,418	66,159	249,577	228,800
	352,616	1,565,941	1,918,557	1,774,243

Manchester United Foundation

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Notes to the financial statements for the year ended 30 June 2020 (continued)

4. INCOME AND ENDOWMENTS FROM: OTHER TRADING ACTIVITIES

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Lotteries	219,870	285,167
Treks	-	-
Charity partner management	167,989	163,096
Home legends matches	(1)	2,790,538
Overseas legends matches	-	-
FA Girls Regional Talent Club	182,583	180,961
Other activities	32,772	82,932
	603,213	3,502,694

Charity partner management income of £167,989 (2019: £163,096), payable by Manchester United Football Club Limited, are restricted funds relating to management of the Club's Charity partners. A further £nil from Football Aid (2019: £15,000) and £27,719 (2019: £26,912) for Disability Services to Club within 'Other activities' are also treated as restricted funds. Following the launch of the Manchester United Women's Team, the FA Girls' Regional Talent Club is now managed by the trading company and is fully-funded by MUFC.

5. INCOME AND ENDOWMENTS FROM: INVESTMENTS

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Investment income received on cash deposits	30,891	13,731

Investment income is wholly unrestricted.

6. EXPENDITURE ON: RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Staff costs	209,994	83,814	293,808	506,610
Group overhead apportionment	62,492	102,284	164,776	321,733
Fundraising events	(61,075)	-	(61,075)	813,032
Departmental overheads	17,513	12,434	29,947	25,400
Girls RTC	0	128,773	128,773	-
Gifts in Kind	26,522	89,930	116,452	399,187
	255,446	417,235	672,681	2,065,962

The credit on Fundraising events relates to release of prior period accruals where costs were not as high as expected.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

7. EXPENDITURE ON: CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Football	115,137	155,353	270,490	244,960
Community Engagement	-	318,520	318,520	335,070
High School Delivery	-	1,301,519	1,301,519	1,123,701
Primary School Delivery	-	341,570	341,570	343,893
Disability Schools Delivery	-	117,959	117,959	78,402
Education – Other	202,221	139,386	341,607	355,031
Covid-19 response activities	742,695	-	742,695	-
Other community delivery	124,283	71,523	195,806	165,147
	1,184,336	2,445,830	3,630,166	2,646,204

Included in the above are direct costs, overhead apportionment, and staff costs relating to charitable activities. Overheads have been apportioned on the estimated value of services/goods consumed in each area.

8. GOVERNANCE COSTS

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Audit fees	10,200	9,700
Taxation services	4,500	4,500
Trustees indemnity insurance	4,787	4,070
	19,487	18,270

Governance costs are included within apportioned group overhead costs.

9. TAXATION

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The tax assessed for the year is the same as (2019: same as) that resulting from applying the standard effective rate of corporation tax in the UK for the year ended 30 June 2020 of 19% (2019: 19%).

	B/f per financial statements £	Credited to Equity £	Charged to I&E £	C/f per financial statements £
Current tax:				
Corporation tax payable				
Current year	-	(22,973)	23,071	98
	-	(22,973)	23,071	98

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

9. TAXATION (continued)

	Year to 30-Jun- 20 £	Year to 30-Jun- 19 £
Current tax:		
UK Corporation tax on income and expenditure for the year	22,973	351,543
Less: Gift Aid	(22,973)	(351,456)
Total current tax	-	87
Deferred tax:		
Origination and reversal of timing differences	182	(85)
Adjustment in respect of previous periods	-	-
Effect of changes in tax rates	(84)	9
	98	(76)
Total tax per income and expenditure account	98	11
	Year to 30-Jun- 20 £	Year to 30-Jun- 19 £
Net (expenditure)/ income before tax	(390,114)	1,984,420
Less: Charitable exceptions	511,983	(134,641)
Taxable income	121,870	1,849,779
Tax on profit at standard UK tax rate of 19% (2019: 19%)	23,155	351,458
Effects of:		
Tax rate changes	(84)	9
Effect of gift aid	(22,973)	(351,456)
Total tax charge for the year	98	11
Deferred tax (assets):	2020	2019
	£	£
Provision at start of year	(716)	(640)
Adjustment in respect of prior years	-	-
Deferred tax charge to income statement in the year	98	(76)
Provision at end of year	(618)	(716)

The current rate of UK corporation tax, at 19%, has been in place since 1 April 2020 and is expected to stay at this rate for the foreseeable future. On 3 March 2021, it was announced that the main rate would increase from 19% to 25% from 1 April 2023. This change has not been substantively enacted and therefore it is not included in these financial statements.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

10. TOTAL WAGES AND SALARIES

The following staff costs are included within Expenditure on the Income and Expenditure Account. A bonus (included within 'Wages and salaries' below) of £138,506 (2019: £132,206) relates to a discretionary bonus paid to the Foundation staff by Manchester United Football Club Limited and is included in the Gifts in Kind figure within the relevant expenditure category.

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Wages and salaries	2,362,404	2,394,890
Social security costs	196,210	198,832
Other pension costs (note 20)	170,053	156,871
	2,728,667	2,750,593

Monthly average number of employees in the year:	2020 Number	2019 Number
Operational Employees	71	67

The employee numbers noted above relate to staff on contracts, not casual terms of engagement.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

10. TOTAL WAGES AND SALARIES (continued)

Key management compensation

Key management personnel comprises of the Chief Executive Officer, Operations Director, Director of Finance & Compliance, Head of Communications, Director of Development and Head of High Value Relationships. The compensation paid or payable to key management for employee services is shown below:

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Salaries and other short-term benefits	507,709	462,014
	507,709	462,014

The increase in key management costs relates to the recruitment of a Director of Development and Head of High Value Relationships during the previous year.

The number of higher paid employees was:

	2020 Number	2019 Number
£60,000 - £70,000	3	-
£70,000 - £80,000	1	1
£120,000 - £130,000	1	1

Total pension contribution for the members of staff earning in excess of £60,000 was £36,952 (2019: £26,237).

11. TRUSTEES' EXPENSES

The total expenses of the Trustees were £1,111 (2019: £1,478). None of the Trustees received any remuneration during the year (2019: none). Three (2019: three) Trustees were reimbursed travel expenses to attend Trustees' meetings.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

12. INVESTMENTS

	As at 30 June 2020 £	As at 30 June 2019 £
Charity		
Investment in subsidiary	1	1

The Charity owns the entire share capital of Manchester United Foundation (Trading) Limited ("the Trading Subsidiary"). The Trading Subsidiary has an issued share capital of one ordinary share of £1 and was incorporated in England on 13 June 2006 (Registration Number 05750031). The registered address of the Trading Subsidiary is: 26 Sir Matt Busby Way, Old Trafford, Manchester, Lancashire M16 0RA.

The main activities of Manchester United Foundation (Trading) Limited include match day lotteries, a service contract managing the charity partners of Manchester United Football Club Limited and various fundraising projects e.g. auctions, legends matches.

A summary of the balance sheet and profit and loss account for Manchester United Foundation (Trading) Limited is as follows:

	As at 30 June 2020 £	As at 30 June 2019 £
Total assets	368,469	3,486,175
Total liabilities	(368,468)	(3,486,174)
Net assets	1	1

	Year to 30-Jun-20 £	Year to 30-Jun-19 £
Turnover	687,168	3,872,157
Expenditure	(565,298)	(2,022,378)
Profit on ordinary activities (before taxation and Gift Aid donation to the Charity)	121,870	1,849,779

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

13. DEBTORS

	Group		Charity	
	As at 30 June 2020	As at 30 June 2019	As at 30 June 2020	As at 30 June 2019
	£	£	£	£
Trade debtors	656,238	371,790	656,238	94,000
Deferred tax	618	716	-	-
Amount owed by group undertakings	-	-	301,839	2,545,433
Other debtors	36,052	2,570,962	30,881	123,730
	692,908	2,943,468	988,958	2,763,163

The trade debtor balance owing by Manchester United Football Club Limited at 30 June 2020 was £1,315 (2019: £18,301). Within other debtors is accrued income of £nil (2019: £2,470,675), the prior year balance being in respect of income from the Legends Match and a donation from the Player of the Year Awards, not yet paid by Manchester United Football Club Limited. The amounts owed by group undertakings are unsecured, interest free, and repayable on demand. The Trustees consider the carrying value of trade and other debtors to be the same as the book value due to their short term nature. Deferred tax relates to plant pool assets.

14. TRADE AND OTHER CREDITORS

	Group		Charity	
	As at 30 June 2020	As at 30 June 2019	As at 30 June 2020	As at 30 June 2019
	£	£	£	£
Trade creditors	2,590	38,198	2,590	8,330
Corporation tax	-	-	-	-
Other creditors	216,208	245,704	200,836	225,390
	218,798	283,902	203,426	233,720

The trade creditors balance payable to Manchester United Football Club Limited at 30 June 2020 was £nil (2019: £4,295). The Trustees consider the carrying value of trade and other creditors to be the same as the book value due to their short-term nature.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

15. ACCRUALS AND DEFERRED INCOME

	Group		Charity	
	As at 30 June 2020	As at 30 June 2019	As at 30 June 2020	As at 30 June 2019
	£	£	£	£
Deferred Income				
School / College delivery	355,855	273,079	355,855	273,079
Community Engagement	48,829	41,735	48,829	41,735
Sponsorship	500,000	490,000	500,000	490,000
Inclusion Programme	180,556	250,000	180,556	250,000
Other Deferred Income	129,629	40,082	122,612	40,082
	1,214,869	1,094,896	1,207,852	1,094,896
Accruals	590,761	1,072,308	546,522	181,747
	1,805,630	2,167,204	1,754,374	1,276,643

Deferred Income Movements:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Deferred Income at the beginning of the year	1,094,896	824,948	1,094,896	824,948
Amounts released from previous years	(1,025,452)	(824,948)	(1,025,452)	(824,948)
Incoming resources deferred in the current year	1,145,425	1,094,896	1,138,408	1,094,896
Deferred Income at the end of the year	1,214,869	1,094,896	1,207,852	1,094,896

Deferred Income, in both the Group and Charity, represents income received and receivable prior to the year end in respect of future periods.

16. FINANCIAL INSTRUMENTS

	Group		Charity	
	As at 30 June 2020	As at 30 June 2019	As at 30 June 2020	As at 30 June 2019
	£	£	£	£
Financial assets that are debt instruments measured at amortised cost:				
Trade debtors	656,238	371,790	656,238	94,000
Other debtors	36,052	2,570,962	30,881	123,730
Amounts owed by group undertakings	-	-	301,839	2,545,433
Cash at bank and in hand	6,689,453	5,255,783	6,326,773	4,495,345
	7,381,743	8,198,535	7,315,731	7,258,508

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

16. FINANCIAL INSTRUMENTS (continued)

	Group		Charity	
	As at 30 June 2020	As at 30 June 2019	As at 30 June 2020	As at 30 June 2019
	£	£	£	£
Financial liabilities measured at amortised cost				
Trade creditors	2,590	38,198	2,590	8,330
Other creditors	216,208	245,704	200,836	225,390
Accruals	590,761	1,072,308	546,522	181,747
	809,559	1,356,210	749,948	415,467

17. STATUS OF THE GUARANTEE

The company is limited by guarantee and has no share capital. The liability of the trustees as members is limited by guarantee to not more than £1.

18. NET MOVEMENT IN FUNDS

	Unrestricted income funds	Restricted income funds	Total Charity Funds
	£	£	£
Group and Charity			
Total funds brought forward at 1 July 2019	5,748,145	-	5,748,145
Net incoming/(outgoing) resources before transfers	528,621	(918,833)	(390,212)
Gross transfers between funds	(918,833)	918,833	-
Total funds carried forward at 30 June 2020	5,357,933	-	5,357,933

All expenditure on grant aided projects is shown within restricted funds, resulting in a deficit position at the year-end. The transfer between restricted and unrestricted funds represents the charitable funding required to deliver these projects to the agreed levels.

19. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking and controlling party of the Charity are its Trustees.

20. PENSIONS

The Charity participates in the Manchester United Group Pension Scheme, a defined contribution scheme. The assets of the scheme are in a separate trustee-administered fund. The cost recognised in the year in the Statement of Financial Activities is equal to the contributions payable to the scheme for the year and they total £170,053 (2019: £156,871). The amounts outstanding at the year-end are £14,932 (2019: £13,809).

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2020 (continued)

21. ANALYSIS OF NET ASSETS

Group

Fund balances at 30 June 2020 are represented by:

	Unrestricted £	Restricted £	Total £
Current Assets	7,200,829	181,532	7,382,361
Creditors: amounts falling due within one year	(1,228,570)	(795,858)	(2,024,428)
	5,972,259	(614,326)	5,357,933

Charity

Fund balances at 30 June 2020 are represented by:

	Unrestricted £	Restricted £	Total £
Current Assets	7,134,202	181,529	7,315,731
Creditors: amounts falling due within one year	(1,186,020)	(771,779)	(1,957,799)
	5,948,182	(590,250)	5,357,932

22. DESIGNATED FUNDS

The income funds of the charity include the following designated funds which have been set aside from General Unrestricted funds by the trustees for specific purposes:

	Balance at 1 July 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2020 £
Transfer from Unrestricted General Funds				1,000,000	1,000,000
Covid-19 General		10,692	(23,023)		(12,331)
Schools £10k Fund			(300,000)		(300,000)
Activity Packs			(21,525)		(21,525)
Supporters Clubs		18,529	(154,003)		(135,474)
NHS Initiative			(110,261)		(110,261)
Foodbank Initiative			(150,368)		(150,368)
	-	29,221	(759,180)	1,000,000	270,041