



Foundation

**Manchester United Foundation
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year Ended 30 June 2021

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 2021

Never has the importance of the Foundation been greater than during the 2020/21 season. As the Coronavirus pandemic continued to adversely affect our everyday lives, we helped to provide thousands of young people with the tools they needed to navigate an unprecedented situation.

It is often the case that hard times bring out the very best in people; we have found it heartening to see communities rally round to care for each other during the most testing circumstances, and it was vitally important that the Foundation played its part.

This spirit of community was exemplified during the winter months with the Santa's Red Helpers appeal. The first-team squad and supporters across the globe provided extremely generous donations totalling £350,000, enabling staff volunteers to prepare and deliver 80,000 meals and 7,000 gift bags to those in need through our partnership with FareShare Greater Manchester and ties with local authorities.

We were delighted to see these incredible efforts commended at the 2020 North West Football Awards, at which we received the Community Initiative of the Year Award – deserved recognition for everybody involved across our season-long Covid-19 response.

Ensuring that minds as well as bodies were nourished, we were delighted to see our growing presence in the wellbeing space. In May, we carried out a week-long activation, distributing 5,000 wellbeing books and balls to students, and we are already seeing the positive effect provided by the advice and activities included.

Following on from the achievements of the Foundation as a whole, we would like to offer our congratulations to the Foundation's CEO John Shiels, who has been awarded an MBE as part of the Queen's Birthday Honours. This richly deserved accolade recognises John's incredible contribution to education during a career spanning over forty years. We are delighted that he continues to demonstrate his passion for empowering young people as head of our Foundation, impacting thousands of lives across Greater Manchester and beyond.

It is a great source of pride to look back on how well we responded to the biggest national emergency in our lifetime, helping to create as normal an environment as possible for our young people. Now, as we enter a new season, we will continue to work just as hard – channelling the age-old values of Manchester United: investing in young people and striving to be the best Foundation in world football.



Collette Roche
Trustee
26 February 2022

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report)

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 2021. The financial statements comply with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

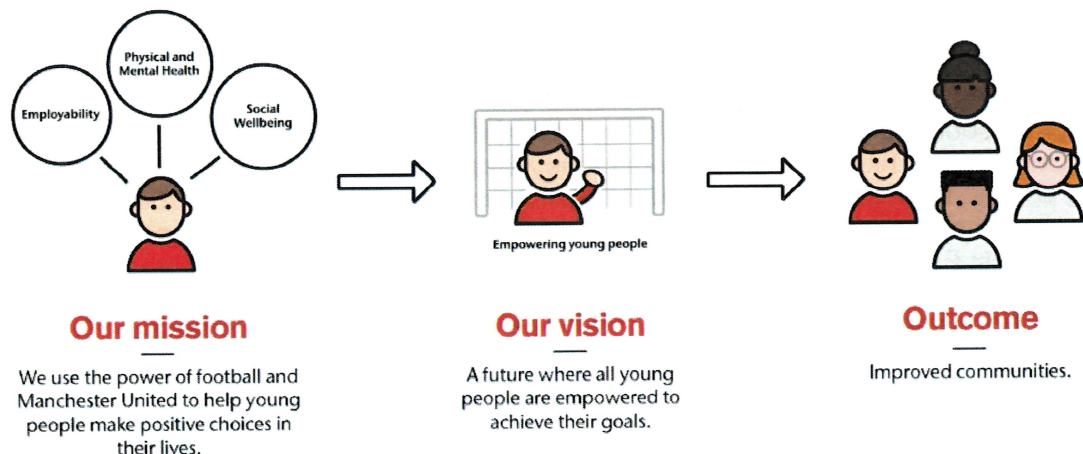
Objects and Public Benefit Objects

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 2021 (incorporating the Strategic Report) (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 uses football to engage and inspire young people to build a better life for themselves and unite the communities in which they live. Throughout 2020/21 dedicated staff delivered educational and community outreach programmes to help young people make positive choices in their lives. The Charity has created and developed a number of strategic partnerships locally, regionally and nationally in areas of health, education and social justice. The strategies adopted by the Charity, together with the activities and achievements within each area of delivery, are outlined below.

Every single child and young person who participates in a Foundation programme does so free of charge. Aimed at 5–21-year-olds, its delivery programmes are centred around education, community engagement, girls' development, employability and football. Over the 2020/21 season the Foundation interacted with young people 122,988 times. Of those, 12,166 were uniquely engaged consistently throughout the year.

Key participant data (sourced from participant database):

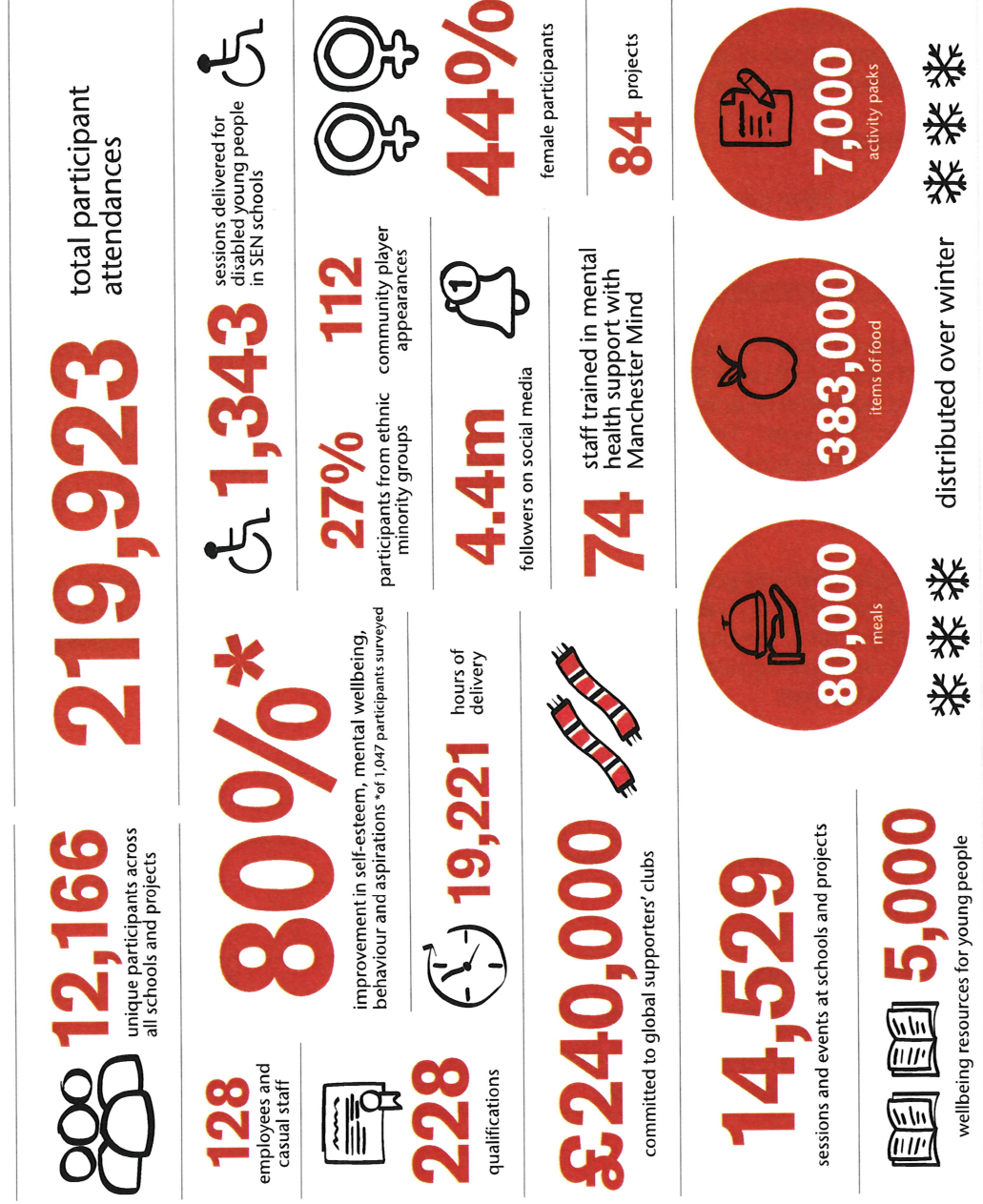
Unique participants	12,166
Total attendances at sessions/events	121,988
Number of sessions/events	14,529
Total hours of delivery	19,221
Number of girls engaged / % of total	5,355 / 44%
Number of participants from ethnic minorities / % of total	3,437 / 34%
Number of disabled participants / % of total	1,090 / 15%
Number of qualifications achieved	228

Social Return on Investment

To calculate the health and social value cost savings associated with Manchester United Foundation's work, Substance (evaluation specialists) have used a modified version of the social return on investment (SROI) model it developed for the UEFA Grow team. The model involves identifying the proportion of participants who are at risk of suffering from particular conditions (for example, poor mental health) and then modelling and - where possible - measuring the amount of protection that specific projects provide against such conditions. Whilst some of the figures presented here are modelled estimations of the value of the Foundation's work (rather than defined 'measures'), Substance is confident that the figures are likely to underestimate the true value of the work because of the approach to discounting built into the core model.

Manchester United Foundation
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Report of the Trustees for the year ended 30 June 2021
(incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued)



Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued) Social Return on Investment (continued)

Health			Social				
Anxiety	Depression	Obesity	Educational Attainment	NEET	School Absence	Youth Crime	Total
£6.5m	£2.1m	£1.4m	£1.6m	£3.1m	£9.0m	£0.2m	£23.9m

In the survey results, participants reported the following improvements against the key outcomes the Manchester United Foundation works to improve:

OUTCOME	
Improved physical activity levels	57.3%
Improved confidence / self esteem	81.1%
Improved happiness / life satisfaction	67.9%
Increased resilience / mental wellbeing	77.9%
Improved social engagement	91.3%
Improved educational behaviour and attitude to learning	80.7%
Improved educational attainment	82.2%
Improved aspirations	91.8%
Improved knowledge/skills	83.6%

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

Over the course of the season the Primary Reds department has partnered with 24 primary schools, which have a dedicated delivery officer in their school, one day a week for the full school year.

Partner primaries have had access to weekly PE lessons in line with the National Curriculum and the Premier League Primary Stars programme with a focus on supporting the teacher's development delivering PE. Alongside this staff in those schools have been able to attend CPD events on disability and inclusion and mental health and wellbeing.

The Leadership Academy has taken place throughout the season allowing students to learn new skills, including female-specific football sessions. Students have been able to take part in a number of awareness days focused on disability and inclusion and equality and diversity, access to active maths and English delivery as well as healthy eating programmes. Additionally, schools were invited to take part in pitch days at Old Trafford and sessions at the first-team training ground and had opportunities to be virtual mascots at Old Trafford for a Premier League game.

During the Covid-19 pandemic, the Primary Reds department supported schools with delivery to key worker students, gave food for families, and distributed a range of goodies from adidas kit to footballs at each partner school. To finish the year the team held Red Days, delivering a sports day in all partner primaries.

Unique participants	3,098
Number of sessions and events	2,645
Total attendances at sessions and events	56,319

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued)

Education programmes (continued)

Partner secondary schools

The 2020/21 season was a season like no other for our partner high schools. The pandemic saw school attendances and timetables change constantly, heavily disrupting students' learning and creating unstable working environments. Nevertheless, the agility, perseverance and passion of our dedicated staff shone through to achieve another progressive year.

Student health and wellbeing was at the forefront of our delivery. During the season, we worked in partnership with Manchester Mind to develop staff and deliver a Book and Ball wellbeing resource that reached all of our partner schools. These tools were designed to open up conversations around mental health, alleviate issues caused by the pandemic and create healthy habits.

The focus on health and wellbeing did not stop there. Alongside their day-to-day programme and intervention delivery, staff volunteered to carry out Covid-19 testing responsibilities in schools. This ensured that students could still access not only their classrooms, but regular routines and friends too.

The benefits of our programmes were felt in the communities which surround our schools. At Christmas, 80,000 meals and 7,000 activity bags were distributed as part of our 'Feeding Bodies, Feeding Minds' initiative. These were collected by the families of our high school students, and the impact of these packages was evident as some families continued to receive support until Easter.

With two new partner schools on board and ten contract resigns during the course of the season, we are now operating in thirty high schools (including our special schools) and have a presence in all ten boroughs of Greater Manchester.

Unique participants	6,507
Number of sessions and events	8,441
Total attendances at sessions and events	125,040

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. Listed below is a summary of the key projects delivered in 2020-21:

PL Inspires

As part of our PL Inspires programme 134 participants have undertaken 14 local social action projects from mindful stones, to fundraising events, to supporting food banks and collections for homeless charities in Manchester.

Next Move Into

19 participants completed the Next Move Into programme that supports young people aged 16-21 to take their next move into education, training, or employment. The bespoke training programme consisted of group and individual support, increasing participants awareness of careers and pathways, and providing experiences and opportunities to make informed decisions about their future. This project was delivered online in lockdown with all 19 participants securing a position progression.

BTEC Enterprise

36 students have engaged with the BTEC Enterprise programme which aims to increase the employability and life skills of students and support their progression to further education, training, or employment whilst undertaking an Enterprise and Entrepreneurship BTEC with a partner college. The programme consists of 1:1 student support; delivery of employability and skills activities, events, and workshops, supporting students into employment; supporting the delivery of specific course units using Manchester United as a case study, and delivery of social action activity.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued) **Further education (continued)**

Ulster University – Northern Ireland

66 participants have engaged in our Higher Education partnership with Ulster University following the appointment of a full-time member of staff in Northern Ireland.

The project delivers educational programmes and activities that engages and inspires young people across the Foyle Learning Community in Derry/ Londonderry. Projects include Female Engagement, Ability Counts, Youth Ambassadors, Work Experience and Volunteering, Next Move Careers and Pathways events, and United...the Business programme.

BTEC Sport (Eccles)

The 2020/21 academic year had some challenges, but it has still been one of our most successful seasons on and off the pitch and we have been innovative in the way we engage the students and deliver the programme. We are happy to see all our leaving students moving on to pathways both either in education, training or employment and we are looking to replicate this in 2021/22.

We had a successful season on the pitch once the football season eventually commenced. Our first team went undefeated, the second team won their league, the women's team finished third in their league and we were also crowned regional Futsal Champions.

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.

Street Reds

Street Reds and our other accessible community-based initiatives use 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, educational and diversionary activities.

Enriching the lives of those who might otherwise become isolated, the sessions assist in developing a range of soft skills and increasing social mobility through inter-project tournaments and activities.

Season highlights

- 10 Street Reds sites open and running by the end of the season (including one new location at TEMA) with the remaining location open early July.
- 1,135 young people engaged across the season, despite multiple lockdowns.
- 230 girls engaged in mainstream Street Reds sessions an increase of 111% from last season.
- Online Street Reds delivery throughout both lockdowns, including Wellness Wednesdays and Fun Fridays .
- Two one-off competitions were hosted with Chelsea and AC Milan in line with the first-team fixtures against the respective clubs. The virtual competition included young people from both clubs taking part in a football skills challenge and a quiz.
- As part of the Random Acts of Kindness Week, participants submitted videos of their work including delivering care packages to neighbours and sponsored kick-ups for the NHS.
- In December we worked with the Michael Carrick Foundation to support their Christmas campaign 'Carrick's Boot Room'. Gifts were handed out before Christmas at Werneth and MEA Street Reds by Michael and his Foundation.
- U11's Street Reds tournament held at Littleton Road with 70 young people.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued) **Community Programmes (continued)**

Personal Mentoring through G.O.A.L. and Targeted

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.

The G.O.A.L. programme has continued to engage and support nine referrals from the police with the majority now attending Street Reds and are being supported on site by a mentor. Further workshops have been delivered through resources provided by The Ben Kinsella Trust that educates young people on the dangers of knife crime through real life examples and offender stories.

The Targeted programme has continued its engagement within schools with 21 vulnerable participants now identified on the PL Targeted programme which includes a cohort of seven girls.

All participants now have a personal development plan and have development opportunities identified through regular 1-1's with their mentor. This intense support is proving to have the greatest impact especially with the girls as they all completed phase one of the programme and have begun to attend a local Street Reds session supported by the female development coordinator.

Inclusion **Special Schools**

The number of partner special schools has remained constant this season but increased at the start of the 2021 academic year to 5 schools. Our 3 Partner Special Schools are across three of the 10 boroughs of Greater Manchester. Across our partner special schools we have worked with 389 students across 371 sessions.

An inclusive highlight was the sensory experience of Old Trafford, for fans to enjoy a matchday experience from home. The story was released in celebration of World Book Day and Level Playing Field's weeks of action, to create awareness of positive, inclusive experiences for disabled sports fans.

Unique participants	389
Number of sessions and events	371
Total attendances at sessions and events	3,543

Manchester United Disabled Supporters' Association ("MUDSA")

MUDSA funded work continues to increase with 162 participants taking part in our Ability Counts programme across 1,147 hours of delivery which has been delivered both virtually and in person. Through our end of season survey; 82% of participants reported their satisfaction for Ability Counts was excellent and 70% of participants reported that they are extremely likely to recommend the sessions to a friend.

We have also delivered an exercise class online for MUDSA members. Across 51 sessions, 14 participants were engaged in the online exercise programme. Collectively, participants on the programme amassed 73.5 hours of exercise online. 100% of participants reported feeling part of a team and enjoyed the social aspect to the sessions and reported enhanced confidence or self-esteem as a result of the exercise class.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued) **Inclusion (continued)**

Rooney's Inclusive Reds

Through Rooney's Inclusive Reds we have engaged with 213 participants across 68 hours of delivery. 34 students, across 4 schools completed the FA Playmaker qualification and 61% of these students had a disability. 100% of students reported enhanced confidence or self-esteem and improved aspiration as a result of gaining the qualification.

Three events were delivered through the programme including the pitch day sponsored by Barclays, where 18 female participants from our Ability Counts programme and partner special schools were given the opportunity to play on Old Trafford. Also, two football festivals were delivered at Carrington where we launched Rooney's Inclusive Reds. 100% of students to engage reported enjoyment and 90% of students engaged reported feeling inspired by Manchester United Football Club experiences.

Online content has been key throughout the year and this has included the creation of our inclusive football workouts which reached over 278,000 views across all social media platforms and was utilised across PLCF Primary Stars as best practice.

Training continues to be key for us to embed ED&I across the Foundation and this has included:

- Autism Awareness through Seashell Trust for 76 staff across the Foundation and Club, linked to Autism Awareness week.
- Online Safety for parents/carers of children with disabilities in partnership with NSPCC for 18 families.
- Stonewall Allies training for 39 staff across the Foundation.
- Mermaids LGBT+ inclusive training for 19 staff across the Foundation.
- Kick It Out workshop training for 35 staff across the Foundation.
- Through our equality work we have continued to ensure our workforce is diverse and over the last 12 months we have increased the percentage of Asian and female staff within our team.

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

The Foundation manages the Girls' RTC on behalf of Manchester United Football Club. The Manchester United Girls Regional Talent Club has the vision of creating the most successful talent development programme within girl's football by revolutionising the way the game is learnt and played.

The 2020-21 season has been a challenging year with the impact of Covid-19 having numerous implications however as ever Manchester United has dealt with adversity and turned this into a rewarding and successful period.

- As the traditional way of delivering trials in June 2020 could not be completed, due to Covid, a comprehensive summer holiday programme was delivered throughout August to all girls who expressed an interest in joining. In total 438 girls were engaged in 30 sessions.
- 41 different trialists attended the RTC throughout the season.
- Satellite (Player Development Centre) sessions were created at Werneth High School with 107 registered players attending alongside the U9s Development Squad.
- To strengthen the player pathway an additional U13s was introduced so the now the programme now has six age groups (U10s, 11s, 12s, 13s, 14s and 16s) making it the largest RTC in the country.

Manchester United were the first RTC back into training in July and despite national lockdowns and restrictions still managed to deliver in a safe way 407 training sessions and 102 games meaning we engaged more with our players on the field than any other RTC. To deliver this it meant that the MU Foundation completed and implemented the additional requirements to become one of the first girls' academies to be given an elite license the equivalent of the boys academy.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Activities, Achievements and Performance (continued)

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

For the first time the RTC adopted the charity 'Every Month' who address period poverty across Greater Manchester. Every week players donated chocolate bars that were added into the packs of menstrual products they create and distribute to food banks and other services for people living in poverty. In its first six months the girls collected over 100 chocolate bars.

Key successes:

- Eight players became youth internationals
- Five players at the end of the season graduated to the U21s with the other seven players finding placements in other WSL academies or high-level Women's teams.
- The RTC underwent numerous audits and inspections and excelled in all of them:
 - The International FIFA In-depth Analysis highlighted Manchester United RTC as world leading as it currently fulfils 54/75 international elite standards (72%). The world average is 38/75 (51%).
 - FA 360 review deemed the RTC as excellent in all areas and retained its Tier One Plus Status.
 - FA Safeguarding Review rated the RTC as excellent in children's welfare.

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
Tanja Hettel

The board meetings are held quarterly.

Fundraising

Throughout the 2020/21 season our fundraising plans continued to be greatly affected by the Covid-19 pandemic, many planned fundraising activities and events such as the match day lottery (2020: profit of £174,281) and our annual golf day, organised by Ryan Giggs and MUF Trustee Michael Edelson, were postponed.

We were also affected by the cancellation of annual charitable events organised by third-parties in aid of Manchester United Foundation, including the Manchester United Gala Dinner (2020: donation of £256,834 split between UNICEF and Manchester United Foundation).

This year the Foundation launched a new fundraising campaign, Santa's Red Helpers, with the funds raised helping children and their families during the difficult winter months. The campaign was held throughout December 2020 with £350,707 being raised altogether. We are grateful for all the support that we received for the campaign, especially from Manchester United Football Club first team players, staff and fans. We also held an online auction as part of the campaign with prizes donated by Manchester United Football Club and its partners.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Generating Funds (continued)

Fundraising (continued)

We are grateful to our principal partner Aon and the following Manchester United Football Club partners that supported the Charity and Trading Subsidiary over the 2020/21 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. Our partnership with Aon finished at the end of the 2020/21 season – we are enormously grateful for the support that we have received from them and their staff throughout the partnership.
- 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 marathon.
- Thank you to Marriott Hotels, Konami, Casillero del Diablo, Melitta, Milly Chivas and Tag Heuer who donated a prize for the online auction in December 2020. These prizes enabled us to raise substantial funds.
- Remington donated some of their profits from the sale of their goods to the Manchester United Foundation in December 2020.
- DHL helped us to distribute our special Christmas packs to charities that support children globally. These charities were nominated by some of the Manchester United supporter clubs.
- Cadbury's donated items for NHS staff which we were able to distribute during our hospital visits initiative.

Throughout 2020/21 we organised new activities including our first virtual event for major donors with Collette Roche (MUF Trustee), John Shiels (MUF Chief Executive Officer) and Bryan Robson (MUFC ambassador) hosting. We are grateful to the hosts and attendees for their support of the Foundation. We also held our first online engagement event for Manchester United supporters clubs which was well attended by club members throughout the world.

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.

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 (2020: £167,989), 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.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Generating Funds (continued)

Charity Services (continued)

Unfortunately the Covid-19 pandemic greatly affected our distribution of signed items to requests from individuals undertaking fundraising activities for third party charities. This is due to the limitations of obtaining signed items, due to social distancing measures, as well as the cancellation of fundraising activities by individuals for third party charities.

Social distancing measures also meant that the Foundation was unable to organise Dream Days and hospital visits to children with life-threatening and life-limiting illnesses. We were, however, able to send gifts to children spending time in local hospitals and hospices during Christmas 2020.

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. During the year the Foundation donated £33,000 to Sir Bobby Charlton Foundation's Safe Play and Education Centre project in the Battambang Province of Cambodia. The donation went towards funding a safe environment for children to receive education and play football without the risk of landmines.

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 2020/21 we received no complaints relating to our fundraising.

Financial Review

The overall position for Manchester United Foundation for the year is a surplus of £49,352 (2020: £390,212 loss) which leaves reserves of £5,407,285 (2020: £5,357,933). This includes a profit before tax from its trading subsidiary of £103,438 (2020: £121,870). 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, office facilities, goodwill payments to staff and a discretionary staff bonus. This equates to an estimated monetary value of £625,423 (2020: £560,510).

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 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 2021, 99p in the pound of charitable and net trading income was spent on charitable activities (2020: 112p in the pound). The decrease in charitable spend in 2021 reflects the significant response to Covid-19 in the prior year with less charitable donations in this period.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Financial Review (continued)

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.

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.

Our reserves remain in a strong position and represent 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 2020/21, 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 2021 (incorporating the Strategic Report) (continued)

Plans for the Future

The Foundation will expand existing programmes and develop new initiatives with a key focus on

- Deepening integration into local communities
- Increasing programme audience reach
- Demonstrating programme value and impact
- Geographical programme expansion

Specific targets for each department are as follows:

Partner Primary Schools	Integration into communities	<ul style="list-style-type: none"> • 70% of partner schools within two miles of a Hub School
	Increase programme audience	<ul style="list-style-type: none"> • 33 partner schools • 6,000 unique participants
	Demonstrate value and impact	<ul style="list-style-type: none"> • 80% NPS Rating - schools
Partner Secondary Schools	Integration into communities	<ul style="list-style-type: none"> • 8 Super Hub Areas • 1 Mega Hub Areas
	Increase programme audience	<ul style="list-style-type: none"> • 37 partner schools (6 special) • 7,500 unique participants
	Demonstrate value and impact	<ul style="list-style-type: none"> • 80% NPS Rating - schools
Employability Programmes	Integration into communities	<ul style="list-style-type: none"> • 70% pupils from highest 20% deprivation areas
	Increase programme audience	<ul style="list-style-type: none"> • 500 unique participants
	Demonstrate value and impact	<ul style="list-style-type: none"> • 80% NPS Rating
Community Programmes	Integration into communities	<ul style="list-style-type: none"> • 70% pupils from highest 20% deprivation areas
	Increase programme audience	<ul style="list-style-type: none"> • 1,700 unique SR participants • 2,500 unique HC participants
	Demonstrate value and impact	<ul style="list-style-type: none"> • 80% NPS Rating
Talent Programmes	Integration into communities	<ul style="list-style-type: none"> • 25% players from highest 20% deprivation areas
	Increase programme audience	<ul style="list-style-type: none"> • 150 talented players engaged
	Demonstrate value and impact	<ul style="list-style-type: none"> • 5 youth internationals

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Plans for the Future (continued)

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 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 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 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 2021 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.

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 2021 but was postponed due to Covid-19. This training is now scheduled for March 2022.

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Structure, Governance and Management (continued)

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 £3,060,381 (2020: £2,807,988) which the Charity repays in full to MUFC with the exception of a discretionary bonus of £145,700 (2020: £138,506) 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 £255,416 (2020: 212,768). Other payments made by the Charity to MUFC during the year amounted to £333,765 (2020: £67,480) 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, (2020: £nil).
- Other payments made by MUFC to the Charity amounted to £517,345 (2020: £2,685,298). The amount owing by MUFC to the Charity at the year-end was £nil (2020: £1,315).
- The Charity paid MU RAML Limited £31,456 during the year (2020: £367), principally in relation to branded kit and merchandise. The Charity received £13,044 (2020: £6,939) 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 £1,206 (2020: £2,276) during the year in respect of legal and company secretarial services.

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 Dean Trust Broadoak, in which the Foundation works and Chairman of the Football Association/Premier League Facilities Grant Funding Panel. John Shiels, the Chief Executive Officer, is a trustee of the Dean Trust, which runs four schools in which the Foundation works. The payment made by all four schools during the year was £110,517 (2020: £59,501).

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2021 (incorporating the Strategic Report) (continued)

Related Parties (continued)

John Shiels, the Chief Executive Officer, is a trustee of The Sir Bobby Charlton Foundation. The Foundation donated £33,000 (2020: £0) to The Sir Bobby Charlton Foundation Safe Play project during the year.

Manchester United Foundation (Trading) Limited, the trading subsidiary of Manchester United Foundation, made a gift aid payment of £103,090 (2020: £121,772) relating to the 2020/21 financial year.

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 manages the Club's Disability Services provision and, through its Trading Subsidiary, continues to manage the Club's charitable partnerships and signed merchandise requests and the Girls Regional Talent Centre, generating total income of £324,708 (2020: £315,708).

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.

Covid-19

Through another season of disruption, Manchester United Foundation maintained its position as a pillar of support in the community. Normal methods of delivery were of course greatly affected by the continuing Covid-19 pandemic, but our resolve to adapt and maintain our high level of delivery was greater still.

Manchester United Foundation **(A Company Limited by Guarantee)**

Report of the Trustees for the year ended 30 June 2021 **(incorporating the Strategic Report) (continued)**

Covid-19 (continued)

Our support for local food poverty initiatives, and the work we carried out during Mental Health Awareness Week, were particularly notable for showcasing our ingenuity and developing valuable external partnerships. We worked with FareShare Greater Manchester to help provide 80,000 meals to support children and their families over Christmas, and later partnered with DK to produce a 48-page book containing activities and self-care tips enabling children to look after their mental health.

These are just a sample of our valuable contributions in 2020/21, helping to tackle two of the biggest issues society is currently facing and demonstrating how the Foundation stands ready to help no matter how difficult the situation.

We tread cautiously into the new normal we are all experiencing, but safe in the knowledge that our young people are receiving the support they deserve.

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 2021
(incorporating the Strategic Report) (continued)**

Statement of disclosure of information to auditors

In accordance with Section 418, Report of the Trustees (incorporating the Strategic Report) 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 Beever & Struthers be re-appointed as auditors to the Charity for the financial year ended 30 June 2022.

On behalf of the Trustees



Collette Roche
Trustee
26 February 2022

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: Beever & Struthers, Chartered Accountants and Business Advisors,
St George's House, 215-219 Chester road, Manchester M15 4JE

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 MBE 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

We have audited the financial statements of Manchester United Foundation ("the charitable company") and its subsidiary ("the group") for the year ended 30 June 2021 which comprise the Consolidated Statement of Financial Activities including an Income and Expenditure Account, the Consolidated and Charitable Company Balance Sheets, the Consolidated and Charitable Company Statement of Cash Flows and the notes to the financial statements including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 30 June 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the group and charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Manchester United Foundation **(A Company Limited by Guarantee)**

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

Other information (continued)

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**Manchester United Foundation
(A Company Limited by Guarantee)**

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

Auditor's responsibilities for the audit of the financial statements (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our knowledge and experience of the charity sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities Act 2011, health and safety legislation, data protection and fund raising regulations.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on income and salaries to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Manchester United Foundation (A Company Limited by Guarantee)

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

Auditor's 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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Maria Hallows BA FCA DCha (Senior Statutory Auditor)

for and on behalf of Beever & Struthers
Chartered Accountants and Statutory Auditors,
St George's House
215-219 Chester Road
Manchester
M15 4JE

23 March 2022

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 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments from:					
- Donation and legacies	2	1,616,294	-	1,616,294	1,360,072
- Charitable activities	3	377,616	1,796,594	2,174,210	1,918,557
- Other trading activities	4	54,092	389,708	443,800	603,213
- Investments	5	3,901	-	3,901	30,891
Total		2,051,903	2,186,302	4,238,205	3,912,733
Expenditure on:					
Raising funds	6	(257,666)	(322,819)	(580,485)	(672,681)
Charitable activities	7	(684,242)	(2,924,234)	(3,608,476)	(3,630,166)
Total		(941,908)	(3,247,053)	(4,188,961)	(4,302,847)
Net income / (expenditure) before tax	9	1,109,995	(1,060,751)	49,244	(390,114)
Taxation	9	108	-	108	(98)
Net income / (expenditure) after tax		1,110,103	(1,060,751)	49,352	(390,212)
Transfers between funds		(1,060,751)	1,060,751	-	-
Net movement in funds	18	49,352	-	49,352	(390,212)
Reconciliation of Funds					
Total funds brought forward at 1 July		5,357,933	-	5,357,933	5,748,145
Total funds carried forward at 30 June		5,407,285	-	5,407,285	5,357,933

All incoming resources and resources expended are derived from continuing activities in the current and prior year. The notes on pages 32 to 47 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 2021

	Note	At 30 June 2021 £	At 30 June 2020 £
CURRENT ASSETS			
Debtors	13	437,466	692,908
Cash and cash equivalents		6,459,501	6,689,453
TOTAL CURRENT ASSETS		6,896,967	7,382,361
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	14/15	(1,489,682)	(2,024,428)
NET CURRENT ASSETS		5,407,285	5,357,933
NET ASSETS		5,407,285	5,357,933
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted funds:			
Designated funds	22	171,406	270,041
General unrestricted funds	18	5,235,879	5,087,892
TOTAL CHARITY FUNDS	18	5,407,285	5,357,933

The notes on pages 32 to 47 form part of these financial statements.

The Financial Statements on pages 27 to 47 were approved by the Board of Trustees on 26 February 2022 and signed on its behalf by:



Collette Roche
Trustee
 26 February 2022

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 2021

	Note	At 30 June 2021 £	At 30 June 2020 £
FIXED ASSETS			
Investments	12	<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors	13	628,078	988,958
Cash and cash equivalents		6,059,996	6,326,773
TOTAL CURRENT ASSETS		<u>6,688,074</u>	<u>7,315,731</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14/15	<u>(1,281,245)</u>	<u>(1,957,799)</u>
NET CURRENT ASSETS		5,406,829	5,357,932
NET ASSETS		<u>5,406,830</u>	<u>5,357,933</u>
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted funds:			
Designated funds	22	171,406	270,041
General unrestricted funds	18	5,235,424	5,087,892
TOTAL CHARITY FUNDS	18	<u>5,406,830</u>	<u>5,357,933</u>

The notes on pages 32 to 47 form part of these financial statements.

The Financial Statements on pages 27 to 47 were approved by the Board of Trustees on 26 February 2022 and signed on its behalf by:



Collette Roche
Trustee
 26 February 2022

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 2021

	Note	2021 £	2020 £
Net income/(expenditure) for the reporting year (as per the consolidated statement of financial activities including an Income & Expenditure Account)		49,352	(390,212)
Adjustments for:			
Dividends, interest from investments		(3,901)	(30,891)
Decrease in debtors		255,441	2,250,558
Decrease in creditors		(534,745)	(426,677)
Net cash (used in) / generated from operating activities		(233,853)	1,402,779
		2021 £	2020 £
Cash flows from operating activities			
Net cash (used in) / generated from operating activities		(233,853)	1,402,779
Cash flow from investing activities			
Dividends and interest from investments	5	3,901	30,891
Net cash generated from investing activities		3,901	30,891
Net (decrease) / increase in cash and cash equivalents		(229,952)	1,433,670
Cash and cash equivalents at the beginning of the reporting year		6,689,453	5,255,783
Cash and cash equivalents at the end of the reporting year		6,459,501	6,689,453

Manchester United Foundation
(A Company Limited by Guarantee)

Charitable Company Statement of Cash Flows for the year ended 30 June 2021

	2021 £	2020 £
Net income / (expenditure) for the reporting year (as per the statement of financial activities)	48,897	(390,212)
Adjustments for:		
Dividends, interest from investments	(3,891)	(28,161)
Decrease in debtors	360,880	1,774,205
(Decrease) / increase in creditors	(676,554)	447,436
Net cash (used in) / generated from operating activities	(270,668)	1,803,268
	2021 £	2020 £
Cash flows from operating activities		
Net cash (used in) / generated from operating activities	(270,668)	1,803,268
Cash flow from investing activities		
Dividends and interest from investments	3,891	28,161
Net cash generated from investing activities	3,891	28,161
Net (decrease) / increase in cash and cash equivalents	(266,777)	1,831,429
Cash and cash equivalents at the beginning of the reporting year	6,326,773	4,495,344
Cash and cash equivalents at the end of the reporting year	6,059,996	6,326,773

Manchester United Foundation (A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021

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 £3,753,738 (2020: £3,224,984) and the result of the Company is a deficit for the financial year of £54,194 (2020: £511,983 deficit), 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 2021 (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 2021

(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 2021
(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 2021
(continued)

1. ACCOUNTING POLICIES (continued)

Related party transactions

The Charity has disclosed transactions with all related parties .

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 2021
(continued)

2. INCOME AND ENDOWMENTS FROM: DONATION AND LEGACIES

	Year to 30-Jun-21 £	Year to 30-Jun-20 £
Sponsorship	500,000	490,000
Manchester United donations (incl. Community Shield)	164,447	197,821
Other charitable donations received	326,424	111,741
Gifts in kind	625,423	560,510
	1,616,294	1,360,072

Donation and legacies are wholly unrestricted and include gifts in kind from MUFC of £625,423 (2020: £560,510).

3. INCOME AND ENDOWMENTS FROM: CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-21 £	Year to 30-Jun-20 £
Football	-	146,213	146,213	117,549
Community Engagement	-	200,492	200,492	225,507
High School Delivery	-	883,698	883,698	779,762
Primary School Delivery	-	247,127	247,127	225,604
Education – Other	147,305	133,641	280,946	236,901
Disability Schools Delivery	-	80,209	80,209	65,128
Covid-19 Response	-	-	-	18,529
Other grants and income	230,311	105,214	335,525	249,577
	377,616	1,796,594	2,174,210	1,918,557

Manchester United Foundation
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021
(continued)

4. INCOME AND ENDOWMENTS FROM: OTHER TRADING ACTIVITIES

	Year to 30-Jun-21	Year to 30-Jun-20
	£	£
Lotteries	-	219,870
Treks	-	-
Charity partner management	167,989	167,989
Home legends matches	-	-1
Overseas legends matches	-	-
FA Girls Regional Talent Club	194,000	182,583
Other activities	81,811	32,772
	443,800	603,213

Charity partner management income of £167,989 (2020: £167,989), payable by Manchester United Football Club Limited, are restricted funds relating to management of the Club's Charity partners. £27,719 (2020: £27,719) 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-21	Year to 30-Jun-20
	£	£
Investment income received on cash deposits	3,901	30,891

Investment income is wholly unrestricted.

6. EXPENDITURE ON: RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Year to 30-Jun-21	Year to 30-Jun-20
	£	£	£	£
Staff costs	181,828	76,211	258,039	293,808
Group overhead apportionment	42,877	31,185	74,062	164,776
Fundraising events	198	-	198	(61,075)
Departmental overheads	25,284	(2,090)	23,194	29,947
Girls RTC	0	145,521	145,521	128,773
Gifts in Kind	7,479	71,992	79,471	116,452
	257,666	322,819	580,485	672,681

Manchester United Foundation
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021
(continued)

7. EXPENDITURE ON: CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-21 £	Year to 30-Jun-20 £
Football	100,780	154,819	255,599	270,490
Community Engagement	-	285,198	285,198	318,520
High School Delivery	-	1,544,036	1,544,036	1,301,519
Primary School Delivery	-	387,217	387,217	341,570
Disability Schools Delivery	-	140,753	140,753	117,959
Education – Other	189,892	269,087	458,979	341,607
Covid-19 response activities	248,499	-	248,499	742,695
Other community delivery	145,071	143,124	288,195	195,806
	684,242	2,924,234	3,608,476	3,630,166

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-21 £	Year to 30-Jun-20 £
Audit fees	10,300	10,200
Taxation services	1,375	4,500
Trustees indemnity insurance	4,480	4,787
	16,155	19,487

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 (2020: same as) that resulting from applying the standard effective rate of corporation tax in the UK for the year ended 30 June 2021 of 19% (2020: 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	98	(19,587)	19,479	(10)
	98	(19,587)	19,479	(10)

Manchester United Foundation
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021 (continued)

9. TAXATION (continued)

	Year to 30-Jun-21 £	Year to 30-Jun-20 £
Current tax:		
UK Corporation tax on income and expenditure for the year	19,587	22,973
Less: Gift Aid	(19,587)	(22,973)
Total current tax	-	-

Deferred tax:		
Origination and reversal of timing differences	66	182
Adjustment in respect of previous periods	-	-
Effect of changes in tax rates	(174)	(84)
	(108)	98
Total tax per income and expenditure account	(108)	98

	Year to 30-Jun-21 £	Year to 30-Jun-20 £
Net (expenditure)/ income before tax	49,244	(390,114)
Less: Charitable exceptions	54,194	511,983
Taxable income	103,438	121,870
Tax on profit at standard UK tax rate of 19% (2020: 19%)	19,653	23,155
Effects of:		
Tax rate changes	(174)	(84)
Effect of gift aid	(19,587)	(22,973)
Total tax charge for the year	(108)	98

Deferred tax (assets):	2021	2020
	£	£
Provision at start of year	(618)	(716)
Adjustment in respect of prior years	-	-
Deferred tax charge to income statement in the year	(108)	98
Provision at end of year	(726)	(618)

The standard rate of corporation tax rate for the year ended 30 June 2021 was 19% (2020 19%). The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing Covid-19 pandemic. These included measures to increase the UK's main corporation tax to 25% which is due to be effective from 1 April 2023. As this change had been substantively enacted at the balance sheet date it has been recognised in these financial statements

Manchester United Foundation
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Notes to the financial statements for the year ended 30 June 2021
(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 £145,700 (2020: £138,506) 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-21	Year to 30-Jun-20
	£	£
Wages and salaries	2,550,874	2,362,404
Social security costs	232,398	196,210
Other pension costs (note 20)	191,794	170,053
	2,975,065	2,728,667

Monthly average number of employees in the year:

	2021	2020
	Number	Number
Operational Employees	78	71

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 2021 (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-21 £	Year to 30-Jun-20 £
Salaries and other short-term benefits	553,029	507,709
	553,029	507,709

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:

	2021 Number	2020 Number
£60,000 - £70,000	3	3
£70,000 - £80,000	1	1
£110,000 - £120,000	1	1

Total pension contribution for the members of staff earning in excess of £60,000 was £35,054 (2020: £36,952).

11. TRUSTEES' EXPENSES

The total expenses of the Trustees were a credit of £396 (2020: £1,111 debit). Expected expenses in the prior year were lower than expected due to the cancellation of trustee meetings following Covid-19 lockdown measures. None of the Trustees received any remuneration during the year (2020: none). No (2020: three) Trustees were reimbursed travel expenses to attend Trustees' meetings as most meetings were held virtually with limited trustees meeting in person.

Manchester United Foundation
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021
(continued)

12. INVESTMENTS

	As at 30 June 2021	As at 30 June 2020
	£	£
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 2021	As at 30 June 2020
	£	£
Total assets	433,480	368,469
Total liabilities	(433,025)	(368,468)
Net assets	455	1

	Year to 30-Jun-21	Year to 30-Jun-20
	£	£
Turnover	484,467	687,168
Expenditure	(381,029)	(565,298)
Profit on ordinary activities (before taxation and Gift Aid donation to the Charity)	103,438	121,870

Manchester United Foundation
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021
(continued)

13. DEBTORS

	Group		Charity	
	As at 30 June 2021	As at 30 June 2020	As at 30 June 2021	As at 30 June 2020
	£	£	£	£
Trade debtors	277,649	656,238	247,649	656,238
Deferred tax	726	618	-	-
Amount owed by group undertakings	-	-	224,589	301,839
Other debtors	159,091	36,052	155,840	30,881
	437,466	692,908	628,078	988,958

The trade debtor balance owing by Manchester United Football Club Limited at 30 June 2021 was £nil (2020: £1,315). Within other debtors is accrued income of £723 (2020: £nil) in respect of vehicle damage costs paid by the Foundation not yet reimbursed 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 2021	As at 30 June 2020	As at 30 June 2021	As at 30 June 2020
	£	£	£	£
Trade creditors	10,857	2,590	10,577	2,590
Corporation tax	-	-	-	-
Other creditors	389,684	216,208	254,828	200,836
	400,541	218,798	265,405	203,426

The amount owing to Manchester United Football Club Limited at 30 June 2021, of £375,911 (2020: £212,769) in respect of payroll and other costs is included within the other creditors balance. 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 2021
(continued)

15. ACCRUALS AND DEFERRED INCOME

	Group		Charity	
	As at 30 June 2021	As at 30 June 2020	As at 30 June 2021	As at 30 June 2020
	£	£	£	£
Deferred Income				
School / College delivery	439,626	355,855	439,626	355,855
Community Engagement	56,755	48,829	56,755	48,829
Sponsorship	-	500,000	-	500,000
Inclusion Programme	97,222	180,556	97,222	180,556
MUDSA Programme	80,000	-	80,000	-
Rise Programme	65,990	-	65,990	-
Other Deferred Income	133,115	129,629	100,687	122,612
	872,708	1,214,869	840,280	1,207,852
Accruals	216,433	590,761	175,560	546,522
	1,089,141	1,805,630	1,015,840	1,754,374
	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Deferred Income at the beginning of the year	1,214,869	1,094,896	1,207,852	1,094,896
Amounts released from previous years	(1,145,425)	(1,025,452)	(1,138,408)	(1,025,452)
Incoming resources deferred in the current year	803,264	1,145,425	770,836	1,138,408
Deferred Income at the end of the year	872,708	1,214,869	840,280	1,207,852

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 2021	As at 30 June 2020	As at 30 June 2021	As at 30 June 2020
	£	£	£	£
Financial assets that are debt instruments measured at amortised cost:				
Trade debtors	277,649	656,238	247,649	656,238
Other debtors	159,091	36,052	155,840	30,881
Amounts owed by group undertakings	-	-	224,589	301,839
Cash at bank and in hand	6,459,501	6,689,453	6,059,996	6,326,773
	6,896,241	7,381,743	6,688,074	7,315,731

Manchester United Foundation (A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021 (continued)

16. FINANCIAL INSTRUMENTS (continued)

	Group		Charity	
	As at 30 June 2021	As at 30 June 2020	As at 30 June 2021	As at 30 June 2020
	£	£	£	£
Financial liabilities measured at amortised cost				
Trade creditors	10,857	2,590	10,577	2,590
Other creditors	389,684	216,208	254,828	200,836
Accruals	216,433	590,761	175,560	546,522
	616,974	809,559	440,965	749,948

17. STATUS OF THE GUARANTEE

The Charity is a company 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 2020	5,357,933	-	5,357,933
Net incoming/(outgoing) resources before transfers	1,110,103	(1,060,751)	49,352
Gross transfers between funds	(1,060,751)	1,060,751	-
Total funds carried forward at 30 June 2021	5,407,285	-	5,407,285

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 £191,794 (2020: £170,053). The amounts outstanding at the year-end are £19,030 (2020: £14,932).

Manchester United Foundation
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2021
(continued)

21. ANALYSIS OF NET ASSETS

Group

Fund balances at 30 June 2021 are represented by:

	Unrestricted	Restricted	Total
	£	£	£
Current Assets	6,617,169	279,798	6,896,967
Creditors: amounts falling due within one year	(505,262)	(984,420)	(1,489,682)
	6,111,907	(704,622)	5,407,285

Charity

Fund balances at 30 June 2021 are represented by:

	Unrestricted	Restricted	Total
	£	£	£
Current Assets	6,438,276	249,798	6,688,074
Creditors: amounts falling due within one year	(349,467)	(931,778)	(1,281,245)
	6,088,809	(681,980)	5,406,829

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 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 June 2021 £
Covid-19 Response Fund	270,041	-	(168,798)	-	101,243
Santa's Red Helper	-	297,340	(227,178)	-	70,162
	270,041	297,340	(395,975)	-	171,406

