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#### P **NUAL REPORT** AND AL F Ι NTS **STATEME** YEAR ENDED 30 JUNE 2023 Ь



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# CHAIR'S REVIEW For the year ended 30 June 2023

The reason I value our Annual Report is because it gives everyone interested and involved in Manchester United Foundation the opportunity to celebrate and reflect on the achievements of the last 12 months.

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However, there is a special group of people who always struggle to take a moment, and that's the 200 full-time and casual staff members who work for our charity based on Sir Matt Busby Way.

When you operate day and night, 48 weeks of the year, in communities that continue to be adversely impacted by social and economic challenges, you don't give yourself time to pause and truly appreciate the impact of your work. I therefore thank the Foundation's amazing workforce and hope that through this report they also look back and feel very proud.

Quite simply, it's been a record-breaking year...

It has been a year that has seen a 36% increment in delivery, resulting in over 30,000 sessions being delivered to children and young people across Greater Manchester and beyond – this has led to participant aggregate attendances reaching just short of half a million.

These sessions cover a range of activities and initiatives – from football and physical development

to programmes that support mental wellbeing or promote employment opportunities. The area in which I have seen real expansion and innovation is the delivery of social action projects, such as participant-led sustainability and environmental groups. Not only do these groups give young people a platform to be heard and make a difference, but they help them build a connection with their peer groups and community.

Reading about the journeys of Sidney, Fayyaz and Ella in this report not only inspires, but perfectly demonstrates the purpose and commitment behind the Foundation's work.

To sustain this level of commitment to the young people we serve and increase the number of participants with whom we work (nearly 19% increment from last season) it is vital that we continue to explore new and innovative ways of fundraising. I'd therefore like to take this opportunity to thank all the partners, key stakeholders and fans that have contributed to the Foundation's fundraising efforts this season.

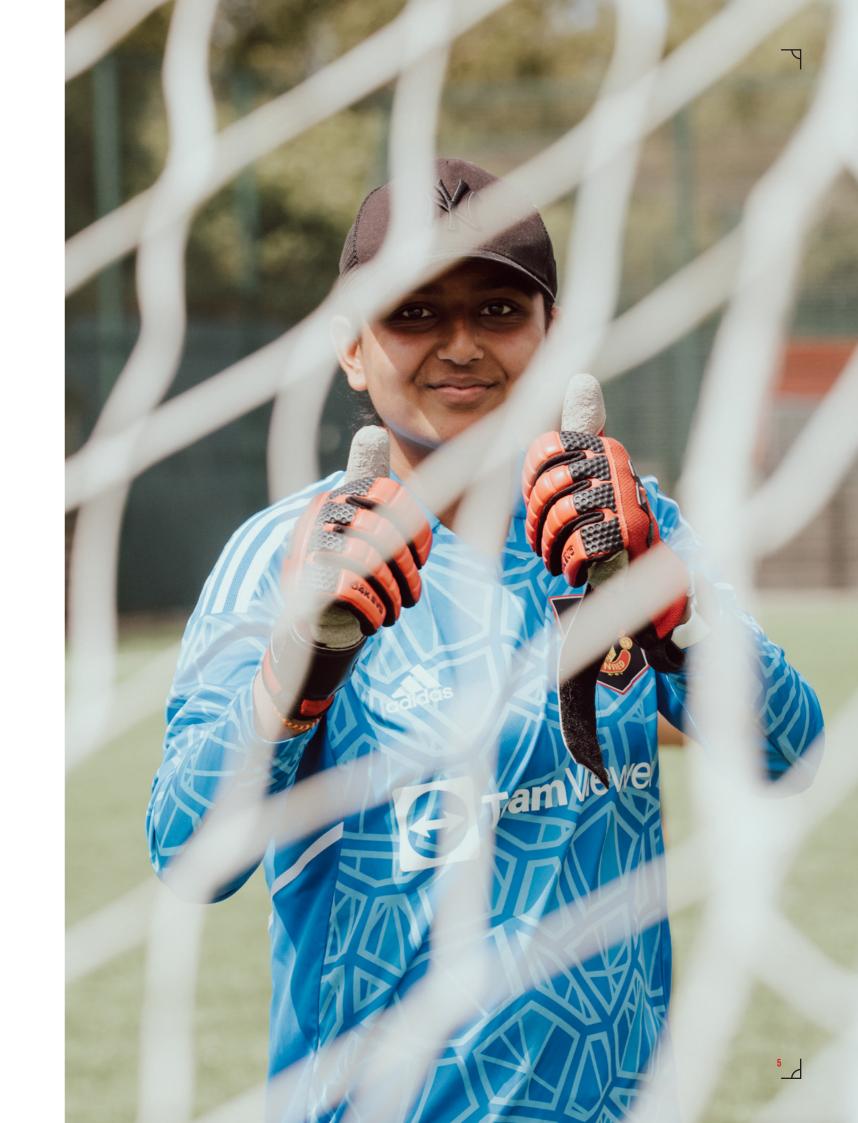
I have two personal highlights: firstly, the launch of DXC as the Foundation's Presenting Partner. Not only does this innovative four-year collaboration bring a considerable financial investment to the charity, but it will provide our young people with key digital and social skills, shaping a future generation of leaders.

I also give special reference to Manchester United's season ticket holders and members who took part in the match ticket donation scheme or rounded up at online checkouts – this helped us raise over £677,000. It's a phenomenal amount of money going straight back into the local community and it's all down to Manchester United supporters connecting with their Foundation.

We now look forward and make plans for the year ahead. Once again, and with your support, I'm confident we'll be breaking more records.



**Collette Roche** Chair of Trustees March 2024



# **YEAR IN NUMBERS**

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**1,574** Qualifications achieved









Raised by season ticket holders\*

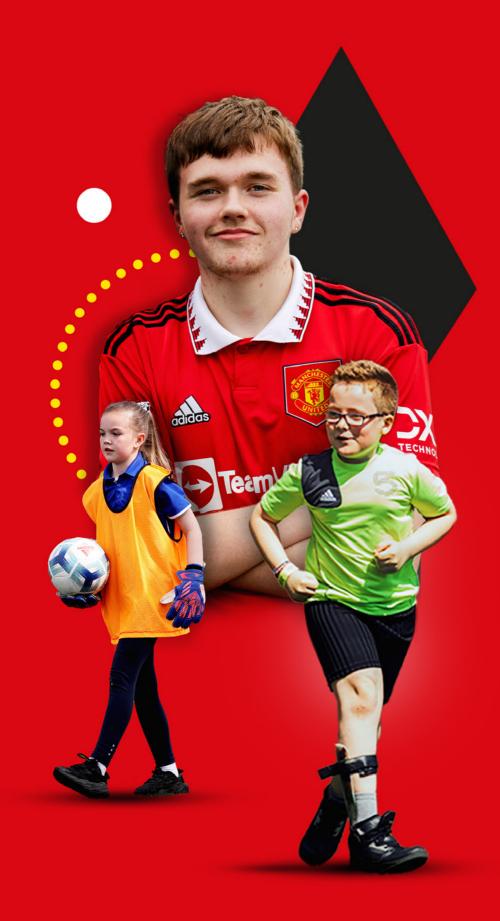




Raised through matchday lottery

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# **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2023** (Incorporating the strategic report)

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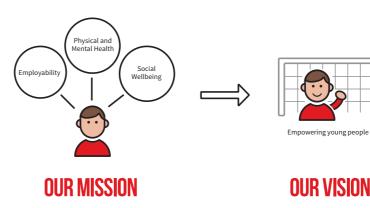
The Trustees present their report and audited consolidated financial statements of Manchester United Foundation (the "Charity" or the "Company" or "MUF" or "Foundation") and its subsidiary, Manchester United Foundation (Trading) Limited (the "Trading Subsidiary" or "MUFT") (together "the Group") for the year ended 30 June 2023. The financial statements

# **OBJECTS AND PUBLIC BENEFIT**

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).

## **OUR MISSION, VISION AND VALUES**

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



We use the power of football

and Manchester United to

help young people make positive

choices in their lives



## **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.





OBJECTS AND PUBLIC BENEFIT









A future where all young people are empowered to achieve their goals



Improved communities



UNITE Recognising the power of football across the world

#### NURTURE

Growing the potential of every young person

#### **NVEST**

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



## WHAT WE DO

Manchester United Foundation was formed as a lasting legacy to the Busby Babes and the Club's time-honoured tradition of celebrating and believing in the potential of youth.

The Foundation delivers 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.



**EMPLOYABILITY** 

By improving educational and employment outcomes.

## **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.

OBJECTS AND PUBLIC BENEFIT (CONTINUED)



#### SOCIAL WELLBEING

By giving young people a sense of belonging in their community.

# ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

For many young people, the world that they know can be a daunting, unwelcoming and unequal place. This is especially true if you live in poverty or lack support.

Manchester United Foundation therefore uses football to engage and inspire young people to build a better life for themselves and unite the communities in which they live. Throughout 2022/23 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 enhancing:

- Physical health
- Mental wellbeing
- Belonging
- Employability

Throughout 2022/23, over 25,500 participants were uniquely engaged by Manchester United Foundation.

#### Key participant data (sourced from participant database):



26	6	Q	7
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Unique participants



at sessions/events

94 / 40%

Number of girls engaged

/% of total



Total hours of delivery



Number of disabled participants / % of total



Number of sessions/events



<mark>8,158</mark> / 32%

Number of participants from ethnic minority groups /% of total



Number of qualifications achieved

## SOCIAL RETURN ON INVESTMENT

To calculate the health and social value cost savings associated with Manchester United Foundation's work, data evaluation organisation Substance 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 conditions, such as poor mental health, modelling, and where possible, measuring the amount of protection that specific projects provide against such conditions. Whilst some of the figures presented here are

#### OUTCOME

#### 1. Healthy

1.1 Improved physical activity levels

1.2 Improved physical literacy

#### 2. Happy

2.1 Improved confidence / self esteem

2.2 Improved happiness / life satisfaction

2.3 Increased resilience / mental wellbeing

2.4 Increased motivation and aspirations

3. Connected

3.2 Improved social engagement and sense of belonging

#### 4. Skilled

4.1 Improved positive engagement with education, employment a

4.2 Improved attainment

4.3 Improved knowledge/skills

4.4 Progression into new education, training or employment path

Grand Total

\*Impact calculated using 2022/23 academic year figures



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.

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

	SOCIAL IMPACT £000*
	3,322
	2,399
	923
	16,072
	8,631
	895
	1,862
	4,684
	7,692
	7,692
	18,748
and training	9,491
	1,228
	6,875
nways	1,154
	45,834

# **SPOTLIGHT ON Fay yaz**

Fayyaz, a student on our BTEC programme at Eccles Sixth Form College, is an example of how Manchester United Foundation is supporting young people into employment. Fayyaz, aged 20, moved from Iran to Manchester when he was 13 years old and didn't speak any English.

After leaving high school, he wanted to follow his passion for football and met Foundation Education and Employability Manager Ciaran at a college open day. Fayyaz enrolled on the course, which enabled him to develop his skills as he worked towards becoming a coach.

Through 100 hours of volunteering, Fayyaz earned his FA Level 1 badge and he has also taken advantage of the opportunities on offer through the Foundation on a matchday, working as a waiter in the hospitality suites at Old Trafford – he now speaks English fluently.

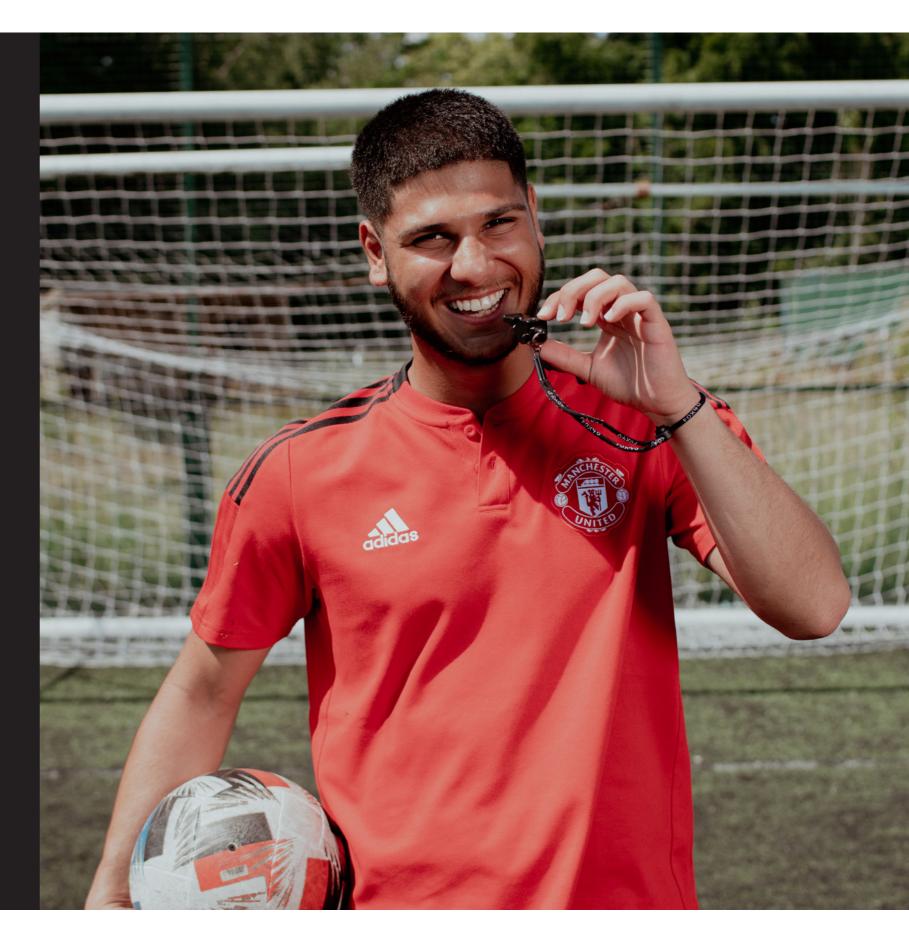


# 6677

When I moved here, I couldn't even say hello.

The Foundation has helped me develop so much as a person, a player and a coach. The opportunities I've had have been amazing.

– Fayyaz



## **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:



## **PRIMARY SCHOOLS**





#### **SECONDARY SCHOOLS**



## **POST-16 PROVISION**

#### PARTNER PRIMARY SCHOOLS

Over the course of the year, the Primary Reds department has partnered with 20 primary schools, all of which have a dedicated delivery officer in their school for at least one day a week throughout the full school year.

Primary Reds, powered by the Premier League Primary Stars programme, aims to develop and improve the wellbeing and life skills of children aged 5-11. In line with the National Curriculum, the Foundation addresses physical literacy, healthy lifestyles, and the broader curriculum. The focus of the sessions is on delivering high-quality PE as well as supporting and upskilling the class teacher.

#### Primary Stars impact data:





of students surveyed had improved their physical wellbeing



of students surveyed participate more in competitive sport and physical literacy





of students surveyed have developed their skills and knowledge





of individual student assessments recorded an improvement in their physical and healthy literacy related to the scheme of work they focused on

Number of disabled participants / % of total

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ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE (CONTINUED)





Number of sessions and events



Total attendances at sessions and events







Number of participants from ethnic minority groups /% of total



## **EDUCATION PROGRAMMES CONT.**

#### PARTNER SECONDARY SCHOOLS

In partnership with 34 high schools and eight special schools, Manchester United Foundation has engaged, inspired and empowered 11-16-year-olds to make a better start in life. This was achieved by:

- Delivering engaging and effective educational and personal wellbeing programmes
- Developing partnerships with external businesses and organisations that provide students with life skills
- Leveraging the additional benefits of Manchester United Foundation to broaden horizons and provide outstanding opportunities and experiences

Within each of the partner high schools, the full-time officers have delivered a combination of:

- Curriculum lessons
- Leadership programmes
- Competitions
- Extra-curricular activities • Individualised and group mentoring programmes
- Careers events
- Qualifications
- Enrichment
- Social action
- Volunteering
- Access to basic needs such as food

#### Manchester United Foundation delivered:









Total attendances at sessions/events

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3.550 / 31%



4.696 / 41%

Number of girls engaged /% of total

environmental activity, and youth employment with the Growth Company.

The programme works with a variety of

its provision. This season has seen the

growth of the Premier League Inspires

programme, RISE, Planet League

partners and programmes to complement



Number of participants from ethnic minority groups /% of total



ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

21

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## **EDUCATION PROGRAMMES CONT.**

#### **INCLUSION PROGRAMMES**

To ensure that all programmes that Manchester United Foundation delivers are equitable, the inclusion team:

- Provide equal opportunities for targeted cohorts (disabled, girls, ethnically diverse, LGBT+) to engage with Manchester United Foundation
- Embed inclusive practice into Manchester United Foundation and its partners' mainstream work

A key focus this season was to engage more disabled young people (5-25 years) in sport throughout Greater Manchester. To achieve this, we provided the following opportunities to participate, support and volunteer in sport and physical activity, with the focus being fun and inclusivity.

Inclusive Reds is Manchester United Foundation's disability and inclusion programme, which aims for equal sport and physical activity opportunities for disabled people, their friends and family. We are proud to be one of the largest disability providers in the Football League and this season the programme won the North West Football Award for Promoting Inclusion in Association with Kick It Out.

The number of partner special schools has increased this year to eight schools. Our partner special schools are located across Greater Manchester and a full-time officer works for the entire year within each school like the partner school model.

Ability Counts, supported by MUDSA, has continued to grow in numbers and reputation. This weekly PAN-disability football programme is held at the iconic Cliff Training Ground and has seen an expansion in both male and female teams with the girls' team winning the league in their first season.

This season was the second season of the FA Para Talent Hub for young players who are deaf or hard of hearing, blind or partially sighted, or have cerebral palsy. The Para Hub offers budding footballers the chance to embark upon an international pathway.

In partnership with MUDSA, Manchester United Foundation coordinated and delivered the annual MUDSA Cup, an annual PAN-disability football tournament for disability teams from across the country. The tournament took place at the Manchester United training ground and engaged a record number of teams and players.



The Foundation has delivered the following outputs to disabled participants:





Number of sessions and events







Total attendances at sessions and events





Number of participants from ethnic minority groups / % of total



# SPOTLIGHT ON Sidney

Partner school pupil Sidney is happier, more confident and inspired, thanks to his involvement in our programmes. Sid has Poland Syndrome and Von Willebrand disease, a congenital condition which sometimes prevents him from playing sport. Our primary delivery team developed a plan for Sid to remain involved in physical activity when he's unable to play.

Sid embraced any role he was given. He took every opportunity to help coach and encourage classmates, taking part in our primary leadership academy. He's now also a regular at our PAN-disability football sessions.

Sid even had the opportunity to take a penalty on the pitch at an Old Trafford matchday, which he described as "the best moment of my life." of participants surveyed showed improved physical activity levels

# 6699

He's a much happier boy with a more positive outlook. Regardless of his disability, he truly believes that he can achieve whatever he sets out to in life. The Foundation has been a catalyst of getting him to where he is now.

- Jo, Sid's mum.



## **EDUCATION PROGRAMMES** CONT.

#### **POST-16 PROVISION**

Using the medium of Manchester United and hook of the brand, Foundation staff engage, inspire and progress 16-21-year-olds closer to employment. This is achieved by:

- Engaging young people with a range of bespoke training programmes that enhance their skills and personal attributes
- Partnering with education providers to deliver inspirational Manchester United Foundation programmes
- Provide information, positive experiences, and employment opportunities for young people

Within the higher education setting Manchester United Foundation has continued to evolve its relationship with Ulster University in Northern Ireland. A full-time manager leads on developing a place-based approach where they deliver educational programmes and activities that engage and inspire 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.

This year has seen Manchester United Foundation develop a formal partnership with Manchester Metropolitan University (MMU) and launch the BSc Sports and Youth Leadership Degree. The first cohort of students started the course in September 2023.

Manchester United Foundation has maintained its provision in the further education setting and continued its relationship with Salford City College. Located at the Eccles Sixth Form College site Manchester United staff support the BTEC Sport course by providing a high-quality football programme, which complements the education programme and motivates and rewards the students.

#### Overall, the post-16 teams have engaged with:



578 Unique participants



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Total attendances at sessions/events



Number of girls engaged / % of total



Number of disabled participants / % of total





143 / 25%

Number of participants from ethnic minority groups /% of total



ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

## COMMUNITY ENGAGEMENT PROGRAMMES





Manchester United Foundation believes the most effective way to engage communities and ensure our interventions enhance the quality of young people's lives 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.



- Operating in the areas of highest social deprivation, Manchester United Foundation focuses on:
- Creating an inclusive and accessible social football offering
- Providing targeted activities that support a young person's development

#### STREET REDS

Street Reds, a flagship social football offering powered by the Premier League Kicks programme, uses the power of Manchester United and football to give young people an opportunity to pursue their interest in playing, leading, coaching and participating in football. Over the last 12 months, the programme has continued to grow with 18 sites operating Monday to Friday. With the expansion into Bury, all ten boroughs in Greater Manchester now have at least one Street Reds site and the first site outside of Greater Manchester was set up in Carlisle.

Street Reds provides a unique environment to work with the most vulnerable young people who need the most support. This season has

seen us continue individual support and mentoring to identified young people in partnership with the Violence **Reduction Unit, Greater Manchester** Police, housing associations and school head teachers.

A new development has been the partnerships with Trafford, Rochdale and Bury councils, through which Manchester United Foundation has coordinated and delivered the Holiday Activities and Food programme, offering young people a space during the holiday periods to socialise, take part in physical activity and receive a free meal.

During this period, the Foundation has delivered the following on the Street Reds programme:



Unique participants

Total attendances





Total hours of delivery

283 / 4%

Number of disabled participants / % of total









Number of girls engaged / of total





Number of sessions/events



Number of participants from ethnic minority groups / of total

# SPOTLIGHT ON Ella

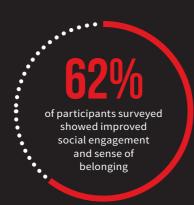
Across Greater Manchester, many young people do not feel safe in - or connected to - their local communities. Through the work at our partner school Dixons Brooklands Academy, 15-year-old Ella has a life-changing story as a result of her support from the Foundation.

Previously, Ella had been struggling with her mental health, with low confidence and low self-esteem leading to her being withdrawn and not having a voice in school.

By offering support, guidance and direction with the Foundation, Ella has been able to develop social, employability and life skills that are not only helping her now but will also provide strong foundations for the future.

Ella was part of a special Premier League Inspires celebration event where she joined a group of classmates to present a social-action project on sustainability and the environment. This is something that Ella could not have imagined doing, even as recently as two years ago.

"Since primary school I've been a very anxious person," Ella says. "I didn't really like speaking to people or putting myself out there, but I have, with the help of some amazing people."



# 66 <del>7</del>7

Working with the Foundation and on the Premier League Inspires challenge has given me so many opportunities to come out of my shell and try to fight a lot of the anxiety that I'd usually face.

– Ella





REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2023 (INCORPORATING THE STRATEGIC REPORT)

## **TALENT PATHWAY**



Manchester United Foundation managed the Girls' Regional Talent Club (RTC) and Emerging Talent Centre (ETC) on behalf of Manchester United Football Club. These programmes strive to nurture young girls by providing holistic development, life skills and opportunities. Each player's development is based on their individual needs and aligned to the individual, positional and team-specific parameters of the Clubs Redprint. The RTC operated six age groups (U10, U11, U12, U13, U14 and U16) and worked with 97 registered players consistently throughout the season.

The ETC operated four age groups (U9, U11, U13, U15) and worked with 75 registered players.

Key highlights have been:





Academy graduates in the Lionesses squad

Academy graduates in the women's first-team squad



**2ND** most youth graduates in the top two tiers of

club ever to appear in all three FA Cup finals in the same season (U16s, U21s, first team)



Unique participants

women's football

✓85

Average attendances at sessions/events



Number of participants from ethnic minority groups (% of total)

32









of match time played by Academy graduates (highest in the WSL)



youth players represented their country (England and Wales) at U15 and U17 level





Average hours of attendance







# **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 as of the date of this report (unless otherwise stated) is: Virginia Buckley, Michael Edelson, David Maples,

## FUNDRAISING

We continue to be grateful to all those that share our vision and mission by supporting our fundraising campaigns and objectives.

#### MATCHDAY LOTTERY

Operating under gambling legislation and reporting to the Gambling Commission, the Charity operates, through its trading arm, a matchday executive lottery for the men's first-team games at Old Trafford to generate income to support its charitable objects.

In the 2022/23 season 33 home games generated a revenue of £397,309 (2022: £301,097).

During the season, we recruited 10 additional matchday lottery staff and have a pool of 29 casual matchday lottery staff in preparation for the new season.

#### AWAY LEGENDS MATCH

In September 2022 the return leg of the Legends of the North campaign took place at Anfield between Manchester United Legends and Liverpool Legends. Following the event, match-worn shirts from the game were auctioned via the MatchwornShirt platform and raised £18,893 for the Charity.



Alan Dawson MBE (resigned 27th March 2023), Nicholas Booth MVO, Philip Lynch, Kevin Cahill, Tanja Hettel.

The board meetings are held quarterly.

#### **CHALLENGE EVENTS**

#### Old Trafford stadium sleepout 2022

On 2nd December 2022 we held our inaugural sleepout event in the Munich Tunnel at Old Trafford, in association with the homeless charity Centrepoint UK. Over 70 supporters and Manchester United staff took part in the event, which also received support from Club partners DXC, Sportsbreaks and Chivas. Over £30,000 was raised for Manchester United Foundation and Centrepoint UK, to help tackle poverty and homelessness over winter.

#### Manchester Marathon 2023

In April 2023 we were an associate charity partner of the Manchester Marathon and event organiser Human Race. As a result, we received guaranteed places for runners and branding at the event and on the website. Club partner adidas were the headline sponsor of the event and supplied vests for our runners. Eight Manchester United staff and two supporters took part and raised nearly £2,000 for the Foundation.

#### **EXECUTIVE CLUB DINNER**

On 10th May 2023, executive club members were invited to a Q&A event with Club legends Bryan Robson, Louis Saha and Wes Brown as a thank you for their support over the season. We held a silent auction hosted by Superstars and raised £22,963.

#### **GOLF DAY**

Club Director, Michael Edelson once again generously donated all proceeds from his annual golf day at Dunham Forest Golf and Country Club. Joined by Manchester United Legends such as Lee Sharpe, Bryan Robson, Wes Brown, Andrew Cole and David May, 16 corporate teams enjoyed an unforgettable golf experience. Nearly £27,000 was raised through the golf day and live auction at the club house.



## FUNDRAISING CONT.

#### PLAYER OF THE YEAR AWARDS 2023

At the Player of the Year event at Old Trafford on 29th May 2023, we held a live auction, silent auction hosted by Superstars, and a football table raffle, which raised a total of £134,140.

We will ensure all prize delivery is actioned where possible in a timely manner.

#### **MATCH-WORN SHIRTS**

In partnership with MatchwornShirt, we held seven online auctions throughout the season with a total revenue of £251,592 (2022: £83,619). These auctions included matchworn and match-issued shirts from Manchester United men's and women's team fixtures, plus an auction following our game versus Liverpool Legends in September 2022 and a mascot place for the EFL Final 2023.

#### **LEGACY GIVING**

We have been contacted by the executor of a will, to inform us that we have been awarded £10,000 as a legacy gift. We are one of a number of charities named in the will. This gift was received in September 2023 but is not yet recognised in these statements.

During Remember a Charity Week in September 2022, we supported the Remember a Charity organisation and communicated to fans to consider leaving a gift to Manchester United Foundation in their will. As part of our marketing campaign, we obtained the support from legends and fans.

#### **OTHER NOTABLE DONATIONS**

We have received £15,691 (2022: £4,352) from Charities Trust, which relates to payroll giving from Club staff from their Christmas bonus.

## **ADDITIONAL ACTIVITIES**

#### SUPPORTERS' CLUBS

Fans from global Manchester United Supporters' Clubs were invited to two warm-up events prior to a home game at Old Trafford, including a Q&A with a legend. We held a raffle to win signed memorabilia and raised nearly £10,000 across the two events. We also held a previous raffle at the Supporters' Club dinner in October 2022 and over the three events raised £15,266.

The Club wish to hold 10 similar events during the 2023/24 season and have asked for us to support with a raffle.

#### **CLUB PARTNERS**

We are grateful to the following Manchester United Football Club partners that supported the Charity and Trading Subsidiary over the 2022/23 season through the donation of funds, goods, tickets or auction prizes:

- DXC Technology became the Foundation's Presenting Partner at the start of the 2022/23 season. In addition to an annual investment, they have invested time, resource and expertise into the development and delivery of a four-year technology and skills programme to support 50 students through the 'Digital Futures Academy'. In addition, they continue to support on wider initiatives across the Foundation, with guest speakers, matchday hospitality and tickets, and utilisation of their club rights to the Foundation.
- adidas has continued to donate products and match tickets to the Foundation, which are distributed by coaches and staff at projects. They have also continued to support on Foundation-led projects, such as International Women's Day, with staff time and expertise, as well as donating a number of their club rights, including an end-of-season pitch day for the Foundation to provide 130 young girls the opportunity to play on the pitch at Old Trafford, as well as an opportunity to watch the first team train. These products, opportunities and support have been vital for us to engage and inspire the children and young people with whom we work.

All the support that we have received has allowed us to fund current and future projects and provide once-in-a-lifetime experiences for our young people.

#### **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 £173,681 (2022: £168,214), 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.

We work closely with the Club Contact Centre to align any charity response requests. 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. Both charities complement the work of Manchester United Foundation by supporting the most disadvantaged and vulnerable children throughout the world.

#### MASCOTS

Over the season we have delivered many opportunities for children from our Ability Counts, Primary Reds and Street Reds projects to be mascots at Manchester United matches. We have utilised 16 mascot places at MUFC home games, eight mascot places at Wembley for men's and women's team final and semi-final fixtures, and four mascot places for the England game at Old Trafford in June 2023.

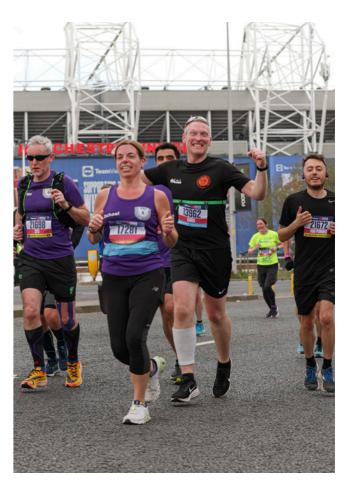
#### **CHARITY TICKETS**

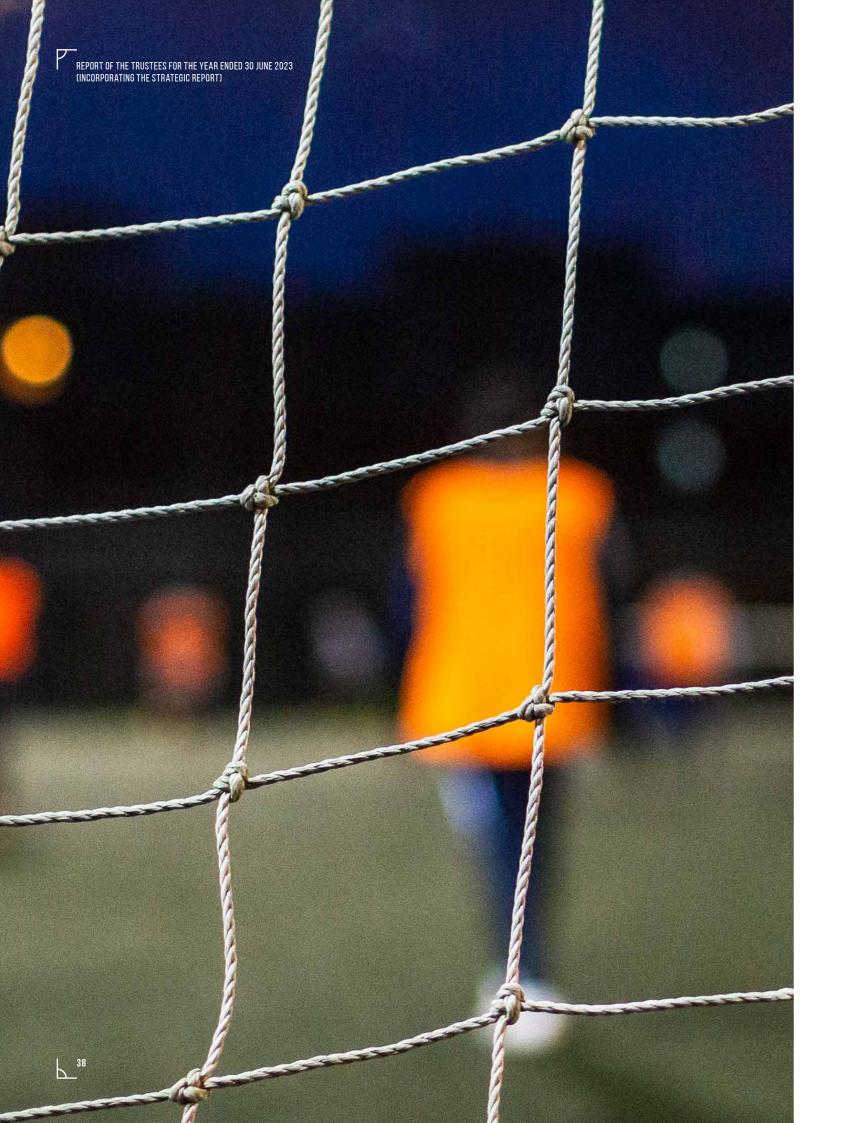
We have distributed over 8,000 charity tickets to young people from our partner schools and projects as well as fans who have been going through a difficult time. We have also received hospitality opportunities donated by executive club members that have been utilised in the same way.

#### **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 of 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 2022/23 we received no complaints relating to our fundraising.





# FINANCIAL Review

The overall position for Manchester United Foundation for the year is a surplus of £1,332,487 (2022: £381,985) which leaves reserves of £7,121,757 (2022: £5,789,270). This includes a profit before tax from its trading subsidiary of £495,610 (2022: £957,321). 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 and a discretionary staff bonus. This equates to an estimated monetary value of £665,639 (2022: £893,221). The decrease in value in kind has been driven by the free use of the stadium for the Legends match in the prior year.

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 and have secured a principal partner for a four-year period until May 2026. 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 Trustees 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

## 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-onyear. The Trustees make the commitment FINANCIAL REVIEW

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 2023, 77p in the pound of charitable and net trading income was spent on charitable activities (2022: 91p in the pound). The decrease in charitable activities spend in 2023 is a result of a significant increase in donations, not anticipated in the budget, and received at the end of the financial year to fund future programmes.

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.

that at any time the reserves will aim to be between approximately six and 12 months of anticipated operating costs.

Our reserves remain in a strong position and represent 12 months of anticipated operating costs, which is within our target of between six and 12 months. Although our reserves look high, we do this to satisfy the contractual commitments within our charitable delivery. At the end of 2022/23, our average outstanding contract was over 13 months (2022: 12 months), and our reserves and ongoing partnership funding allows us to meet the commitments on these agreements.



# 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.

#### SPECIFIC TARGETS WITHIN THE THREE-YEAR ACTION PLAN ARE:

Partner	Integration into communities	<ul> <li>100% of partner schools within two miles of a partner high school</li> </ul>
primary schools	Increase programme audience	<ul><li> 40 partner schools</li><li> 8,000 unique participants</li></ul>
	Demonstrate value and impact	<ul> <li>90% NPS Rating – schools</li> </ul>
Partner	Integration into communities	<ul><li>17 Hub areas</li><li>4 United Hubs</li></ul>
schools	Increase programme audience	<ul><li>52 partner schools (12 special)</li><li>10,000 unique participants</li></ul>
	Demonstrate value and impact	• 90% NPS Rating - schools
	Integration into communities	• 75% pupils from highest 20% deprivation areas
Employability programmes	Increase programme audience	• 1,000 unique participants
	Demonstrate value and impact	• 90% NPS Rating
	Integration into communities	• 75% pupils from highest 20% deprivation areas
Community programmes	Increase programme audience	<ul><li> 2,800 unique SR participants</li><li> 14 Ability Counts Teams</li></ul>
	Demonstrate value and impact	• 90% NPS Rating
	Integration into communities	• 35% players from highest 20% deprivation areas
Talent programmes	Increase programme audience	<ul> <li>200 talented players engaged</li> </ul>
	Demonstrate value and impact	• 7 youth internationals

## **CHARITY**

- To continue to distribute items signed by the Manchester United men and women's first team, in response to requests from individuals fundraising for the Foundation and thirdparty charities.
- To continue to support children with life-limiting or life-threatening illnesses, and their families, through the organisation of dream days, hospital visits, mascot experiences, match ticket donations and ad hoc 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, particularly through the matchday 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 its fundraising needs by improving fundraising communications and working closely with Manchester United Football Club to promote activities.
- To engage with supporters of Manchester United, through supporter groups and fundraising activities eg. stadium sleepout.

#### PLANS FOR THE FUTURE

# 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 2023 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 19 July 2023. The Charity is 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 their 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 annual general meeting, 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 not carried out during the year, but training is planned for our three new trustees who joined the Foundation in October 2023.

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

## **ORGANISATION**

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

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 thirdparty 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, signed merchandise requests and the Girls' Regional Talent Club and Emerging Talent Centre, generating a total income of £342,873 (2022: £324,975).





## **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 relationships 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.
- 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 that we will be unable to continue 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 these sources 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 Trustees 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 procedures to ensure all risk areas are covered.

## **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 judgements 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.

## 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 reappointed as auditors to the Charity for the financial year ended 30 June 2024.

On behalf of the Trustees

Collette Roche Trustee March 2024

Manchester United Foundation (A Company Limited by Guarantee)

Charity Number: 1118310 Company Number: 05845172 STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

# **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, One Express, 1 George Leigh Street, Ancoats, Manchester M4 5DL

#### Bankers:

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

#### Solicitors:

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

Chief Executive: John Shiels MBE is Chief Executive for the Foundation.

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## **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 resigned from his trustee role on 21 June 2023. The Trustees thank Richard for his invaluable contributions during his term.

Collette Roche is the new Chair of Trustees of the Foundation following her appointment on 21 June 2023.

#### Trustees:

- John Arnold (Independent)
- Tom Bloxham MBE (Independent)
- Virginia Buckley (Independent)
- Michael Edelson
- Eamonn Holmes OBE (Independent)
- Tarun Kapur CBE (Independent)
- David Maples (Independent)
- Lottie Birdsall Strong (appointed 1 October 2023) (Independent) Christopher Saad (appointed 1 October 2023) (Independent)
- Monica Shafaq (appointed 1 October 2023) (Independent)



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MANCHESTER UNITED FOUNDATION

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# **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 2023 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 2023 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

- We have nothing to report to you in respect of the following matters in relation to which the ISA's (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified uncertainties that may cast significant doubt about the charitable company's ability to continue as a going concern to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

## **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.

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 44 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

#### **ABILITY TO DETECT IRREGULARITIES**

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:

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 noncompliance 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 fundraising 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:

(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.

- 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 noncompliance 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.

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.

Maria Hallows BA FCA DCha (Senior Statutory Auditor) for and on behalf of Beever & Struthers Chartered Accountants and Statutory Auditors, One Express 1 George Leigh Street Ancoats Manchester M4 5DL March 2024

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# FINANCIAL Statements

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# **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2023**

		Unrestricted	Restricted	Total	Total
		funds	funds	Total	rotar
	Note	2023	2023	2023	2022
		£	£	£	£
Income and endowments from:					
- Donation and legacies	2	2,792,848	-	2,792,848	1,204,601
- Charitable activities	3	194,441	2,604,568	2,799,009	2,493,154
- Other trading activities	4	830,824	426,876	1,257,700	2,195,283
- Investments	5	75,145	-	75,145	6,638
Total		3,893,258	3,031,444	6,924,702	5,899,676
Expenditure on:					
Raising funds	6	(750,838)	(427,085)	(1,177,923)	(1,572,811)
Charitable activities	7	(435,920)	(3,978,322)	(4,414,242)	(3,944,693)
Total		(1,186,758)	(4,405,407)	(5,592,165)	(5,517,504)
Net income / (expenditure) before tax	9	2,706,500	(1,373,963)	1,332,537	382,172
Taxation	9	(50)	-	(50)	(187)
Net income / (expenditure) after tax		2,706,450	(1,373,963)	1,332,487	381,985
Transfers between funds		(1,373,963)	1,373,963	-	-
Net movement in funds	18	1,332,487	-	1,332,487	381,985
Reconciliation of Funds					
Total funds brought forward at 1 July		5,789,270	-	5,789,270	5,407,285
Total funds carried forward at 30 June		7,121,757	-	7,121,757	5,789,270
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All incoming resources and resources expended are derived from continuing activities in the current and prior year. The notes on pages 64 to 82 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.

# **CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2023**

#### **CURRENT ASSETS**

Debtors Cash and cash equivalents TOTAL CURRENT ASSETS

#### **CREDITORS: AMOUNTS FALLING DUE WITHIN ON**

NET CURRENT ASSETS

NET ASSETS

THE FUNDS OF THE CHARITY Restricted income funds Unrestricted funds: Designated funds General unrestricted funds TOTAL CHARITY FUNDS

The notes on pages 64 to 82 form part of these financial statements.

The financial statements on pages 56 to 82 were approved by the Board of Trustees on xxx 2024 and signed on its behalf by:

**Collette Roche Chair of Trustees** March 2024

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

	Note	At 30 June 2023 £	At 30 June 2022 £
	13	611,870 9,227,479 9,839,349	2,010,673 6,673,500 8,684,173
IE YEAR	14/15	(2,717,592)	(2,894,903)
		7,121,757	5,789,270
		7,121,757	5,789,270
	18	-	-
	22 18 18	49,491 7,072,266 7,121,757	139,295 5,649,975 5,789,270

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# **CHARITABLE COMPANY BALANCE SHEET AS AT 30 JUNE 2023**

	Note	At 30 June 2023 £	At 30 June 2022 £
FIXED ASSETS			
Investments	12	1	1
CURRENT ASSETS			
Debtors	13	1,219,828	1,959,978
Cash and cash equivalents		8,468,115	6,187,735
TOTAL CURRENT ASSETS		9,687,943	8,147,713
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14/15	(2,567,356)	(2,359,460)
NET CURRENT ASSETS		7,120,587	5,788,253
NET ASSETS		7,120,588	5,788,254
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted funds:			
Designated funds	22	49,491	139,295
General unrestricted funds	18	7,071,097	5,648,959
TOTAL CHARITY FUNDS	18	7,120,588	5,788,254

The notes on pages 64 to 82 form part of these financial statements.

The financial statements on pages 56 to 82 were approved by the Board of Trustees on xxx 2024 and signed on its behalf by:

Collette Roche Chair of Trustees March 2024

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

# **CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 £	2022 £
Net income for the reporting year (as per the consolidated statement of financial activities including an Income and Expenditure Account)		1,332,487	381,985
Adjustments for:			
Dividends, interest from investments		(75,145)	(6,638)
Decrease / (increase) in debtors		1,398,803	(1,573,208)
(Decrease) / Increase in creditors		(177,311)	1,405,222
Net cash generated from operating activities		2,478,834	207,361
		2023 £	2022 £
Cash flows from operating activities Net cash generated from operating activities		2,478,834	207,361
Cash flow from investing activities			
Dividends and interest from investments	5	75,145	6,638
Net cash generated from investing activities		75,145	6,638
Net increase in cash and cash equivalents		2,553,979	213,999
Cash and cash equivalents at the beginning of the reporting year		6,673,500	6,459,501
Cash and cash equivalents at the end of the reporting year		9,227,479	6,673,500

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# CHARITABLE COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	2023 £	2022 £
Net income / (expenditure) for the reporting year (as per the statement of financial activities)	1,332,334	381,424
Adjustments for:		
Dividends, interest from investments	(6,704)	(128
Decrease / (increase) in debtors	740,151	(1,331,900
Increase in creditors	207,895	1,078,215
Net cash generated from operating activities	2,273,676	127,611
	2023	2022
	£	£
Cash flows from operating activities		
	2,273,676	127,611
Net cash generated from operating activities	2,273,676	127,611
Net cash generated from operating activities Cash flow from investing activities	2,273,676 6,704	,
Net cash generated from operating activities Cash flow from investing activities Dividends and interest from investments		128
Net cash generated from operating activities Cash flow from investing activities Dividends and interest from investments Net cash generated from investing activities	6,704	128 128
Cash flows from operating activities Net cash generated from operating activities Cash flow from investing activities Dividends and interest from investments Net cash generated from investing activities Net increase in cash and cash equivalents Cash and cash equivalents at the beginning of the reporting year	6,704 6,704	127,611 128 128 127,739 6,059,996





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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# **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 £5,552,040 (2022: £3,453,598) and the result of the Company is a surplus for the financial year of £836,925 (2022: £575,146 deficit), determined in accordance with the Act. This result is before tax and gift aid.

## **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 Charity's 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.

## **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 with 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, and other short-term highly liquid investments with original maturities of three months or less.

## **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.

## 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.

# **2. INCOME AND ENDOWMENTS FROM: DONATION AND LEGACIES**

Sponsorship

Manchester United donations (including Community Other charitable donations received Gifts in kind

Donation and legacies are wholly unrestricted and include gifts in kind from Manchester United of £665,639 (2022: £893,221).

# **3. INCOME AND ENDOWMENTS FROM: CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Year to	Year to
	funds	funds	30-Jun-23	30-Jun-22
	£	£	£	£
Football	983	91,288	92,271	114,164
Community Engagement	-	281,369	281,369	226,775
High School Delivery	-	1,273,634	1,273,634	1,125,236
Primary School Delivery	-	344,410	344,410	307,431
Education – Other	176,656	80,741	257,397	237,139
Disability Schools Delivery	-	187,233	187,233	120,157
Other grants and income	16,802	345,893	362,695	362,252
	194,441	2,604,568	2,799,009	2,493,154

	Year to	Year to
	30-Jun-23	30-Jun-22
	£	£
	1,000,000	-
Shield)	968,092	96,729
	159,117	214,651
	665,639	893,221
	2,792,848	1,204,601

# **4. INCOME AND ENDOWMENTS FROM: OTHER TRADING ACTIVITIES**

	Year to	Year to
	30-Jun-23	30-Jun-22
	£	£
Lotteries	397,309	301,097
Charity partner management	173,681	168,214
Home legends matches	888	1,446,500
FA Girls' Regional Talent Club & Emerging Talent Centre	224,003	189,820
Fundraising Auctions	385,732	-
Other activities	76,087	89,652
	1,257,700	2,195,283

Charity partner management income of £173,681 (2022: £168,214), payable by Manchester United Football Club Limited, are restricted funds relating to management of the Club's charity partners. £29,192 (2022: £27,761) 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 Manchester United Football Club.

# **5. INCOME AND ENDOWMENTS FROM: INVESTMENTS**

	Year to	Year to
	30-Jun-23	30-Jun-22
	£	£
Investment income received on cash deposits	75,145	6,638

Investment income is wholly unrestricted.

# **6. EXPENDITURE ON: RAISING FUNDS**

	Unrestricted funds £	Restricted funds £	Year to 30-Jun-23 £	Year to 30-Jun-22 £
Staff costs	183,327	48,681	232,008	339,495
Group overhead apportionment Fundraising events	363,232 75,605	69,485 -	432,717 75,605	208,805 482,424
Departmental overheads FA Girls' Regional Talent Club & Emerging	79,858	14,582	94,440	70,791
Talent Centre Gifts in kind	- 48.816	200,251 94.086	200,251 142.902	162,895 308.401
	40,010	94,000	142,902	300,401
	750,838	427,085	1,177,923	1,572,811

# **7. EXPENDITURE ON: CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-23 £	Year to 30-Jun-22 £
Football	74,331	287,656	361,987	293,515
Community Engagement	-	508,536	508,536	425,985
High school delivery	-	2,049,342	2,049,342	1,769,673
Primary school delivery	-	449,353	449,353	404,787
Disability schools delivery	-	292,204	292,204	208,762
Education – other	246,739	158,891	405,630	453,529
Covid-19 response activities	66,925	-	66,925	62,442
Other community delivery	47,925	232,340	280,265	326,000
	435,920	3,978,322	4,414,242	3,944,693

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 and goods consumed in each area.

# **8. GOVERNANCE COSTS**

	Year to 30-Jun-23 £	Year to 30-Jun-22 £
Audit fees	11,330	10,300
Taxation services	1,890	1,775
Trustees indemnity insurance	5,376	5,376
	18,596	17,451

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 higher than (2022: same as) that resulting from applying the standard effective rate of corporation tax in the UK for the year ended 30 June 2023 of 20.5% (2022: 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	187	(101,539)	101,589	237
-	187	(101,539)	101,589	237

# 9. TAXATION CONT

#### Current tax:

UK Corporation tax on income and expenditure for the Less: Gift Aid **Total current tax** 

#### Deferred tax:

Origination and reversal of timing differences Adjustment in respect of previous periods Effect of changes in tax rates

#### Total tax per income and expenditure account

Net income before tax

Add: Charitable exceptions

#### Taxable income

Tax on profit at standard UK tax rate of 20.5% (2022: 19%) Effects of:

Tax rate changes

Effect of Gift Aid

Total tax charge for the year

The prior year figures in the tables above have been amended to reflect the correct final tax figures used in the 2022 statutory accounts.

#### Deferred tax (assets):

Provision at start of year Adjustment in respect of prior years Deferred tax charge to income statement in the year Provision at end of year

The standard rate of corporation tax rate for the year ended 30 June 2023 was 20.5% (2022: 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 became effective on 1 April 2023. As this change has been enacted at the balance sheet date it has been recognised in these financial statements.

	Year to 30-Jun- 23 £	Year to 30-Jun- 22 £
year	101,539	181,748
	(101,539)	(181,748)
		-
	41	142
	-	- 4 E
	<u> </u>	<u>45</u> 187
		107
	50	187
	Year to	Year to
	30-Jun-23	30-Jun-22
	£	£
	1,332,537	382,172
	(836,927)	575,149
	495,610	957,321
	101,580	181,891
	9	45
	(101,539)	(181,749)
	50	187

2023	2022
£	£
(539)	(726)
-	-
50	187
(489)	(539)

# **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 £185,024 (2022: £160,800) 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-23 £	Year to 30-Jun-22 £
Wages and salaries	3,547,518	3,074,147
Social security costs	324,814	270,939
Other pension costs (note 20)	260,356	215,612
	4,132,688	3,560,698

Wages and salaries above, in the prior year, include termination payments of £27,300 (including ex-gratia payments of £12,000).

Monthly average number of employees in the year:	2023 Number	2022 Number
Operational employees	100	87

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

#### **KEY MANAGEMENT COMPENSATION**

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

	Year to 30-Jun-23 £	Year to 30-Jun-22 £
Salaries and other short-term benefits	544,101 544,101	517,509 517,509

Included within the compensation figures above, for the prior year, are termination payments of £27,300 (including ex-gratia payments of £12,000). There were no termination payments made during the year.

# **10. TOTAL WAGES AND SALARIES CONT**

The number of higher paid employees was:

Total pension contribution for the members of staff earning in excess of £60,000 was £33,072 (2022: £31,059).

# **11. TRUSTEES' EXPENSES**

The total expenses of the Trustees were £240 (2022: £840). None of the Trustees received any remuneration during the year (2022: none). One (2022: 3) trustee/s were reimbursed travel expenses to attend Trustees' meetings. Meetings were held both in person and virtually during the year.

2023	2022
Number	Number
-	1
1	1
1	-
-	1
1	-



# **12. INVESTMENTS**

	As at 30 June 2023	As at 30 June 2022
	£	£
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 matchday lotteries, a service contract managing charity and trading activities for Manchester United Football Club Limited and various fundraising projects eg. Legends matches, auctions.

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

	As at 30	As at 30
	June	June
	2023	2022
	£	£
Total assets	773,491	1,875,538
Total liabilities	(772,322)	(1,874,520)
Net assets	1,169	1,018
	Year to 30-Jun-23	Year to 30-Jun-22
	£	£
Turnover	1,372,662	2,469,540
Expenditure	(877,052)	(1,512,219)
Profit on ordinary activities (before taxation		
	495,610	957,321

# **13. DEBTORS**

	Group		Charity						
	As at 30	As at 30	As at 30	As at 30	As at 30	<b>As at 30</b> As at 30	As at 30 As at 30 As at 3	As at 30	As at 30
	June	June	June	June					
	2023	2022	2023	2022					
	£	£	£	£					
Trade debtors	249,626	451,164	241,642	440,500					
Deferred tax	489	539	-	-					
Amount owed by group undertakings	-	-	622,086	1,339,078					
Other debtors	361,755	1,558,970	356,100	180,400					
	611,870	2,010,673	1,219,828	1,959,978					

The trade debtor balance owing by Manchester United Football Club Limited at 30 June 2023 was £4,756 (2022: £476). 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	Group	Charity	Charity
	As at 30	As at 30	As at 30	As at 30
	June 2023	June 2022	June 2023	June 2022
	£	£	£	£
Trade creditors	79,556	3,536	2,131	2,377
Corporation tax	-	-	-	-
Other creditors	540,346	366,952	525,529	356,654
	619,902	370,488	527,660	359,031

The amount owing to Manchester United Football Club Limited at 30 June 2023, of £352,197 (2022: £283,052) 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.

# **15. ACCRUALS AND DEFERRED INCOME**

	Group	Group	Charity	Charity
	As at 30	As at 30	As at 30	As at 30
	June 2023	June 2022	June 2023	June 2022
	£	£	£	£
Deferred income				
School / college delivery	644,197	473,821	644,197	473,821
Community Engagement	28,126	17,871	28,126	17,871
Sponsorship	1,000,000	1,000,000	1,000,000	1,000,000
Inclusion programme	6,944	48,611	6,944	48,611
MUDSA programme	40,000	40,000	40,000	40,000
Rise programme	-	61,700	-	61,700
Other deferred income	168,692	193,630	162,259	192,866
	1,887,959	1,835,633	1,881,526	1,834,869
Accruals	209,731	688,782	158,170	165,560
	2,097,690	2,524,415	2,039,696	2,000,429
	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Deferred Income at the beginning of the year	1,835,633	872,708	1,834,869	840,280
Amounts released from previous years	(1,828,689)	(784,097)	(1,827,925)	(751,669)
Incoming resources deferred in the current year	1,881,015	1,747,022	1,874,582	1,746,258
Deferred Income at the end of the year	1,887,959	1,835,633	1,881,526	1,834,869

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 As at 30 June 2023 £	<b>Group</b> As at 30 June 2022 £	Charity As at 30 June 2023 £	<b>Charity</b> As at 30 June 2022 £
Financial assets that are debt instruments measured at amortised cost:				
Trade debtors	249,626	451,164	241,642	440,500
Other debtors	361,755	1,558,970	356,100	180,400
Amounts owed by group undertakings	-	-	622,086	1,339,078
Cash at bank and in hand	9,227,479	6,673,500	8,468,115	6,187,735
	9,838,860	8,683,634	9,687,943	8,147,713

	Group As at 30 June 2023 £	<b>Group</b> As at 30 June 2022 £	Charity As at 30 June 2023 £	<b>Charity</b> As at 30 June 2022 £
Financial liabilities measured at amortised cost				
Trade creditors	79,556	3,536	2,131	2,377
Other creditors	540,346	366,952	525,529	356,654
Accruals	209,731	688,782	158,170	165,560
	829,633	1,059,270	685,830	524,591

# **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

 $\nabla$ 

The Charity is a company limited by guarantee and has no share ca guarantee to not more than £1.

# **18. NET MOVEMENT IN FUNDS**

	Unrestricted income funds	Restricted income funds	Total Charity Funds
	£	£	£
Group			
Total funds brought forward at 1 July 2022	5,789,270	-	5,789,270
Net incoming/(outgoing) resources before transfers	2,706,450	(1,373,963)	1,332,487
Gross transfers between funds	(1,373,963)	1,373,963	-
Total funds carried forward at 30 June 2023	7,121,757	-	7,121,757
	Unrestricted income funds	Restricted income funds	Total Charity Funds
	_	c	£
	£	£	2
Charity	£	£	L
-	££	£	
<b>Charity</b> Total funds brought forward at 1 July 2022 Net incoming/(outgoing) resources before transfers		(1,373,963)	5,788,254 1,332,334
Total funds brought forward at 1 July 2022	5,788,254	-	5,788,254

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 £260,356 (2022: £215,612). The amounts outstanding at the year-end are £23,502 (2022: £18,538).

# **21. ANALYSIS OF NET ASSETS**

<b>Group</b> Fund balan	ces at 30 June 2023 are represented by:
Current ass	ets
Creditors: a	mounts falling due within one year

Charity Fund balances at 30 June 2023 are represented by:

Current assets Creditors: amounts falling due within one year

# **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 30 June	Incoming	Resources	Transfers	Balance at 30 June
	2022	Resources	expended		2023
	£	£	£	£	£
Covid-19 Response Fund	101,243	-	(80,053)	-	21,190
Santa's Red Helpers	18,162	-	(4,890)	-	13,272
Mini Medics	18,895	-	(3,866)	-	15,029
Inclusive Climbing	995	-	(995)	-	-
	139,295	-	(89,804)	-	49,491

Unrestricted £	Restricted £	Total £
9,591,078	248,271	9,839,349
(1,680,972)	(1,036,620)	(2,717,592)
7,910,106	(788,349)	7,121,757

Unrestricted	Restricted	Total
£	£	£
9,439,672	248,271	9,687,943
(1,570,975)	(996,381)	(2,567,356)
7,868,697	(748,110)	7,120,587



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# **23. 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 the Club's brand, and also certain rights to use the Club's ground at Old Trafford. During the year, the Club provided the following services to the Charity:

- The Club processed the Charity's payroll for the year for a total value of £4,017,958 (2022: £3,536,804) which the Charity repays in full to the Club with the exception of a discretionary bonus of £185,024 (2022: £160,800) which is included in the gifts in kind figure disclosed in note 10. No service charge or mark-up fee was paid to the Club by the Charity for the provision of this service. The amount owing to the Club by the Charity in relation to payroll repayments at year end was £352,197 (2022: £283,052).
- Other payments made by the Charity to the Club during the year amounted to £67,437 (2022: £41,152) relating to recharge of costs incurred on the Charity's behalf and services delivered by the Club. The amount owing to the Club by the Charity in relation to these payments at year end was £nil, (2022: £nil).

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- Other payments made by the Club to the Charity amounted to £415,740 (2022: £291,309), principally in relation to charity and trading services provided to the Club. The amount owing by the Club to the Charity at the year-end was £4,756 (2022: £1,103,265).
- The Charity paid MU RAML Limited £4,568 during the year (2022: £1,628), principally in relation to branded kit and merchandise.
- The Charity received £6,913 (2022: £188,661) from MU RAML Limited principally in respect of monies raised for the Charity through fundraising.
- The Charity provided football related services to the value of £4,920 (2022: £100) to Manchester United Women's Football Club Limited during the year. The amount outstanding at the yearend was £1,294 (2022: £100).
- The Charity received £nil (2022: £2,000) in donations from MUTV Limited during the year.

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 the Chair of Trustees for the Foundation and Chief Operating Officer of 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 £964 (2022: £25,211) during the year in respect of legal and company secretarial services.

Tarun Kapur CBE is a trustee of the Foundation and 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. The payment made by all four schools during the year was £168,390 (2022: £60,688).

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

Manchester United Foundation (Trading) Limited, the trading subsidiary of Manchester United Foundation, made a gift aid payment of £495,409 (2022: £956,571) relating to the 2022/23 financial year.





# **ACKNOWLEDGEMENTS**

## **KEY PARTNERS**



#### PARTNER SECONDARY SCHOOLS

Bolton St. Catherine's Academy Buile Hill Academy City Heights E-Act Academy Coop Academy North Manchester Coop Academy Swinton Copley Academy Dixons Brooklands Academy Dean Trust Ardwick Dean Trust Broadoak School Dean Trust Rose Bridge Dean Trust Wigan ESSA Academy Great Academy Ashton Glossopdale Irlam and Cadishead Academy Kingsway Park High School Levenshulme High School for Girls Loreto High School Manchester Academy Manchester Enterprise Academy Manchester Enterprise Academy Central Middleton Technology School Oakgrove Integrated Academy Philips High School Richard Rose Central Academy Royton and Crompton Academy St Cuthbert's RC High School Stockport Academy Stretford High School The East Manchester Academy The Oldham Academy North Waterhead Academy Werneth High School Whalley Range High School for Girls



#### **PARTNER PRIMARY SCHOOLS**

Alice Ingham RC Primary School Arden Primary School Bredbury Green Primary School Bredbury St Mark's CE Primary School **Clifton Primary School** Divine Mercy RC Primary School ESSA Primary Academy Hamilton Davies Trust Haslam Park Primary School Holden Clough Community Primary School Medlock Primary School Our Lady & St Paul's RC Primary School Parklee Community Primary School Primrose Hill Primary School **Ringway Primary School** St Alphonsus RC Primary School St Bernadette's RC Primary School St Gabriel's RC Primary School St Philip's C of E Primary School Vale View Primary School



#### PARTNER SPECIAL SCHOOLS

Brentwood High School and Community College Chatsworth High School and Community College Inscape House School Kingfisher Special School Manchester Hospital School Pioneer House High School Seashell Trust The Orchards School





#### ALSO THANKS TO

adidas Bury MBC Greater Sport Manchester FA Michael Carrick Foundation MUDSA Ordsall and Langworthy Partnership Salford City College Stockport Youth Offending Service StreetGames Substance The FA The Growth Company The Schmidt Family Foundation Trafford MBC Ulster University Wayne Rooney Foundation

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#### **Manchester United Foundation**

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

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