



Foundation

Manchester United Foundation
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 30 June 2019

Charity Number: 1118310

Company Number: 05845172

Manchester United Foundation (A Company Limited by Guarantee)

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Manchester United Foundation (A Company Limited by Guarantee)

Chairman's Review for the year ended 30 June 2019

Each day I look out from my office at Old Trafford and see a Manchester skyline of cranes and new-builds that are constantly changing that view. The Greater Manchester region continues to develop and expand at break-neck speed and with it the social challenges facing young people from this community continue to grow. What has remained steadfast and focused, however, is the work of Manchester United Foundation.

In the last 12 months our team of dedicated staff and coaches has worked with nearly 22,000 participants. The time spent with these young people equates to nearly 275,000 contact hours. To put this into football terms, the time the Foundation spent working in the Greater Manchester community last year equates to watching over 182,000 football matches back-to-back.

Why do we do this? We do it because we believe that quality delivery and constancy make a lasting impact on the life of a young person; by working together as a 'United team' they will be empowered to achieve a better future for themselves.

In May we had the privilege of attending the Treble Reunion legends match. It was a privilege in so many ways: as Chair of Trustees for Manchester United Foundation we had the opportunity to not only watch an incredible celebration match (led by Sir Alex Ferguson), but we were also able to experience the most successful fundraising event in the Foundation's history - making a profit of £1.9million.

In addition to witnessing the players of 1999 roll back the years, we were also privileged to meet three former participants at the event. Kile, Danny and Zainab articulated perfectly their journeys with Manchester United Foundation, the skills they have developed and the opportunities they have relished. What struck me in particular was how much they have already given back to their programmes and communities, either through volunteering or now paid work. These three young people epitomise what our Foundation is about: Manchester's infrastructure and skyline may be rapidly changing, but it is our young people who will truly define and shape the future of this region.

I find myself in the unusual and unfortunate position of writing an epilogue to this Chairman's Review.

In response to the Covid-19 pandemic, I wish to acknowledge the commitment and dedication of the Foundation staff members who continue to support participants and partners within the community. Strong leadership, governance and healthy financial reserves give me the utmost confidence in our organisation meeting the challenges ahead.



Richard Arnold
Chair of Trustees
March 2020

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019

The Trustees present their report and audited consolidated financial statements of Manchester United Foundation (the “Charity” or the “Company” or “MUF”) and its subsidiary, Manchester United Foundation (Trading) Limited (the “Trading Subsidiary”) (together “the Group”) for the year ended 30 June 2019. This report has been prepared in accordance with the special provisions relating to small companies within Section 415a of the Companies Act 2006. The Company has also taken advantage of the small companies’ exemption in section 414b of the Companies Act 2006 from preparing a Strategic Report.

Objects and Public Benefit

Objects

The objects of the Charity are:

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

Our vision, mission and values

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

Vision

To educate, motivate and inspire future generations to build better communities for all.

Mission

To channel the worldwide passion for Manchester United to influence positive change within communities by:

- Developing unique and relevant partnerships
- Empowering young people through the delivery of innovative and educational programmes
- Developing greater understanding of social issues through education

Values

- | | |
|---------------|--|
| • Responsible | Harnessing a responsibility for our communities |
| • Respect | Nurturing the unique worth of every individual |
| • Achievement | Providing opportunities for individuals to achieve |
| • Excellence | Building on the traditions of Manchester United |
| • Investment | Ensuring our investment has maximum impact |
| • Passion | Embedding passion in all that we deliver |

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.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Activities, Achievements and Performance

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

Every single child and young person who participates in a Foundation programme does so free of charge. Aimed at 5 -18 year olds, its delivery programmes are centred around education, community engagement, girls' development, employability and football. Over the 2018/19 season the Foundation engaged with nearly 22,000 participants through these areas of delivery. There are also plans to develop internationally.

Further key achievements from 2018/19 are detailed below:

Premier League Charitable Fund Audits

As part of the Premier League Charitable Fund's ("PLCF"s) Capability Status requirements, the Foundation was subject to a short notice audit by Barnado's to determine its compliance with the Premier League's safeguarding standards. The Barnado's report confirmed that "the Foundation demonstrated a high level of compliance with many of the achievement indicators and meets each of the standards."

In the 2018/19 season, the PLCF introduced the Capability Code of Practice ("CCOP") to help professional football club community organisations ("CCO"s) achieve a positive impact in the communities in which they operate and the lives of those that access their services. Manchester United Foundation has demonstrated the highest level of compliance across all areas of the CCOP and achieved an overall compliance grade of 'Good'.

Department for Digital, Culture, Media & Sport event

Manchester United Foundation hosted an event for the Department for Digital, Culture, Media & Sport ("DCMS"), at which young people, who have made the transition from participants to paid members of staff with the Foundation, were invited to speak.

Cross-party delegates from the DCMS select committee attended the event at Old Trafford, at which the agenda was to discuss the Impact and Social Value of Sport. They were also joined by key stakeholders of the Foundation, including representatives from partner schools, councils, the police and community organisations, plus Foundation staff and participants.

North West Football Award for Promoting Inclusion

The Foundation was awarded the award for Promoting Inclusion in association with Kick it Out at the 2018 North West Football Awards for its innovative UnitedandMe campaign. UnitedandMe gives young people from across the Foundation's fully inclusive programmes the opportunity to share their story of how the Charity has impacted them. Participants who featured in the campaign attended the ceremony to receive the award.

The strategies adopted by the Charity, together with the activities and achievements within each area of delivery, are outlined below.

Education

High school delivery

Manchester United Foundation has partnerships with 22 high schools with a presence in nine out of ten boroughs of Greater Manchester. Full-time officers are based in high schools in targeted areas to work with the students, the feeder primary schools and within the local community to build lasting relationships and provide a variety of development opportunities for young people. We engaged with 7,018 young people during the 2018/19 season.

Manchester United Foundation

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Report of the Trustees for the year ended 30 June 2019 (continued)

Education (continued)

In March 2019, Manchester United Women's goalkeeper Siobhan Chamberlain visited Foundation partner school Dean Trust Wigan to inspire a group of year 7 footballers. The Reds keeper took part in a communications workshop, a Q&A session and also made time for a kick about with the students. Siobhan, who is one of the most experienced players within the women's team, also shared her experiences and gave a detailed insight into life as MU Women's number one.

Primary school delivery

The Foundation's partner primary school programme aims to develop and improve the life skills of children aged 5-11. In line with the national curriculum, the Foundation addresses physical literacy, healthy eating, reading attainment, business enterprise and disability awareness in association with the national Premier League Primary Stars initiative. We engaged with 6,284 children during the 2018/19 season.

In March 2019, in celebration of National School Sport Week, children from the Foundation's partner primary schools were invited to United's Aon Training Complex to take part in some football activities, but little did they know a group of first-team players would be joining them for some 'sports day' fun.

The nine- and 10-year-olds delighted in challenging Luke Shaw, Andreas Pereira, Diogo Dalot, Sergio Romero, Matteo Darmian and Marcos Rojo to sack races, egg and spoon races and parachute games. The children also got the opportunity to take penalties and ask their footballing heroes questions about their careers.

Employability and Skills

Developing the employability prospects of young people is a core focus of the Foundation. Through various partnerships we help young people with the transition from education to employment by ensuring they have improved awareness, raised aspirations and a realistic pathway, including advice and opportunities surrounding apprenticeships, further education and work experience. We engaged with 2,054 participants across these programmes in the 2018/19 season.

In March 2019, pupils from Foundation partner school ESSA Academy in Bolton were invited to Old Trafford to take part in a team-building exercise with Manchester United players.

United stars Diogo Dalot, Andreas Pereira and former club captain Antonio Valencia took the time to meet excited year 10 students, who were participating in the Employability and Skills programme. The trio took part in several activities aimed at teaching teamwork, strategy and communication skills such as cup-stacking, blindfolded tower-building and card challenges.

BTEC Sport

Delivered in partnership with Salford City College, the BTEC Sport programme is designed to develop leaders of the future. It allows students the opportunity to gain qualifications and valuable work experience and an insight into the coaching philosophies of Manchester United. Participation in the BTEC Sport has led to careers in coaching, personal training, teaching, physiotherapy and sports therapy. Over the 2018/19 season, 111 students completed the BTEC Sport course.

In May 2019, Manchester United goalkeepers Sergio Romero and Lee Grant, and former coach Emilio Álvarez, put young keepers from the BTEC and other Foundation projects through a masterclass session at the Aon Training Complex.

The 15 young players were delighted to attend the workshop as they worked their way through footwork, handling and diving techniques. They each have an aspiration to be goalkeepers themselves, therefore relishing the opportunity to train with the world-renowned players and coach.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Community Engagement

During the 2018/19 season, we engaged with 2,946 participants across the Community Engagement programmes.

Street Reds

Part of the national Premier League Kicks initiative, Street Reds uses the hook of Manchester United to inspire young people of all backgrounds and abilities to achieve their potential and improve their wellbeing. Running for 48 weeks of the year these free sessions aim to provide a positive influence in high-need areas across Greater Manchester, and build safer and more inclusive communities through football. The programme engaged with 1,842 participants during the 2018/19 season.

In September 2018, a group of Street Reds participants were delighted when Sergio Romero, Victor Lindelof and former Reds Ander Herrera, Matteo Darmian and Marouane Fellaini joined their training session.

The United stars enjoyed a kick about before giving advice about their experiences of breaking through to the professional game and having a career at Manchester United.

Volunteer Ninety Nine

Volunteer Ninety Nine provides training, qualifications and work experience for 16-21 year-olds who are interested in pursuing a career in sport. With a set of personal objectives, Foundation coaches mentor the volunteers as they are encouraged to achieve milestones of 33, 66 and 99 hours of volunteering at various Foundation projects.

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

The G.O.A.L. programme was developed in partnership with Greater Manchester Police in response to a rise in youth crime and a lack of support for those who received a Threats To Life warning notice.

With opportunities to develop soft skills, gain mentoring, qualifications and work experience, and give back to their communities, G.O.A.L. aims to provide young people with the tools to improve their lifestyles and build positive futures.

Carrick's Street Reds

The Michael Carrick Foundation continues to fund the Old Trafford site under the name Carrick's Street Reds and the partnership is going from strength-to-strength with various opportunities arising for participants over the 2018/19 season.

Carrick's Street Reds participants have been selected to represent the Foundation at the National Premier League Kicks Cup where they competed against clubs from across the country, and a member of the session also sits on the youth voice panel for the Street Reds programme.

Manchester United Foundation supported the Michael Carrick Foundation with the launch of their Carrick's Boot Room initiative, which saw hundreds of boots donated by the public to Street Reds participants. Michael attended a mass giveaway event at Stretford Sports Village, which kicked off a number of similar events at other Street Reds sites.

Over 200 participants were engaged by Carrick's Street Reds in the 2018/19 season and look forward to further opportunities.

Inclusive Reds

Inclusive Reds is the Foundation's disability sport initiative, which aims for equal sport and physical activity opportunities for disabled people, their friends and family.

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Inclusive Reds (continued)

Last season we engaged with 1,104 disabled participants (including 377 through football).

The Foundation also has partnerships with two special schools in Greater Manchester: Brentwood School and Community College and Kingfisher Special School. At each school a member of the Inclusive Reds team is based full-time to work with the pupils, deliver engaging and inclusive programmes, and build lasting relationships.

In April 2019, Wes Brown swapped his boots for wheels as he joined the Manchester United powerchair session ahead of his return for the Treble Reunion match. Powerchair football consists of a team of four players using specialised electric wheelchairs with a large front bumper to control and hit an oversized heavy football to score goals.

The team runs in partnership with Sale United Powerchair Club, and there are often opportunities for the team to compete against other clubs, including the Muscular Dystrophy National Leagues, which are run by the Wheelchair Football Association.

Female engagement

Girls' Development

As part of our grassroots delivery the Foundation provides girls-only, curriculum-time sessions, and lunchtime and after-school clubs, which aim to break down social and cultural barriers, provide opportunities to help girls develop stronger employability skills and educate about the importance of leading a healthy lifestyle.

Manchester United FA Girls' Regional Talent Club

The Foundation manages the Manchester United FA Girls' Regional Talent Club ("RTC") through Manchester United Foundation (Trading) Limited ("MUFT") on behalf of the club. The RTC is an elite programme for players aged 9-16 that provides opportunities for girls to play football at the highest level, with the aim of developing them into international players.

This season the RTC became the first and only girls' academy to be awarded Tier One Plus Status by the FA. This was in recognition of 'Exceptional and consistent delivery and performance over the last two consecutive seasons.'

The level of training, games programme and coaching are the foundations of the RTC and this consistent level of high quality delivery has produced the following results:

- 20 players were selected to attend a session within the international pathway (61% of our U14 and U16 squads have trained with England or Wales youth team squads).
- Seven members of the MU Women's squad are RTC graduates.
- 90% of the development team that reached the FA Academy Cup Final were RTC graduates.

Last season we engaged with 3,522 on our girls' development programmes. 86 of these were through the RTC. The participation of girls across all Foundation programmes was 52%.

In May 2019, Ole Gunnar Solskjaer took time out of his role as Manchester United manager to join in a girls' football session, surprising a group of aspiring female footballers at The East Manchester Academy. The young players train weekly with the Foundation girls' development coaches and the Reds legend joined in with some skills and drills, stepping into his coaching role, offering key advice and tips.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Female engagement (continued)

South Manchester Girls' Football League

In 2018/19 Manchester United Foundation invested £10,000 in strategic support to the South Manchester Girls' Football League ("SMGFL") to help to grow the game and provide ongoing opportunities for girls to play. This is the first partnership between a professional club and grassroots league in the country and in the last 12 months we have achieved the following results:

- Delivered development workshops to 15 coaches who volunteer and run their own girls' team in the league.
- Delivered 2,182 girls-only sessions within primary schools with the aim of promoting school-club links to clubs in the SMGFL.
- Delivered open sessions for all players in the SMGFL to participate in a session at the FA Girls' Regional Talent Club. In total 226 girls attended.
- Delivered position-specific sessions with the goalkeeper clinic being the highlight.
- Hosted the annual presentation evening at Old Trafford for the whole league.
- Currently the league has 1,855 registered players.

Generating Funds

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

Virginia Buckley
Michael Edelson
David Maples
Alan Dawson MBE
Nicholas Booth MVO
Sean Jefferson
Philip Lynch

The board meetings are held quarterly.

Fundraising

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

Our fundraising team continues to build long-standing relationships with potential supporters, which is essential in helping us to achieve our long-term aims. 2018/19 saw a significant investment within our fundraising team with the introduction of a new Director of Development. We also recruited a new Head of High Value Relationships to implement a new major donor strategy which will focus on supporting and engaging with our high value supporters.

The main highlight for the Charity in 2018/19 was the Treble Reunion Legends Match between Manchester United and Bayern Munich, which raised £1.9m and had an attendance of 62,000. The Charity is grateful for the ex-gratis support that it received from Manchester United Football Club Limited ("MUFC"/"Club") in the organisation of the event – this included use of the stadium and availability of MUFC staff to undertake various aspects of the organisation of the event.

Thank you to all who helped to make the event a huge success:

Rachel Riley, Alan Keegan, Russell Watson, Owl Live, MUTV, BT Sport, Chivas, Virgin Money, the legends' medical and support staff, Manchester United Football Club and Foundation partners and projects.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Fundraising (continued)

Manchester United '99 Legends

Manager: Sir Alex Ferguson

Assistant managers: Steve McClaren, Jim Ryan

Head coach: Bryan Robson

Peter Schmeichel
Raimond van der Gouw
Kevin Pilkington
Gary Neville
Denis Irwin
David May
Ronny Johnsen
Jaap Stam
Henning Berg
Wes Brown
Mikael Silvestre
David Beckham
Nicky Butt
Karel Poborsky
Jesper Blomqvist
Paul Scholes
Jonathan Greening
Andy Cole
Louis Saha
Teddy Sheringham
Dwight Yorke
Ole Gunnar Solskjaer

FC Bayern Legends

Player managers: Markus Babbel, Klaus Augenthaler

Bernd Dreher
Hans-Jorg Butt
Markus Babbel
Hans Pfluger
Sammy Kuffour
Klaus Augenthaler
Daniel van Buyten
Martin Demichelis
Christian Nerlinger
Michael Sternkopf
Markus Schupp
Lothar Matthaus
Stefan Effenberg
Ze Roberto
Andreas Ottl
Marcel Witeczek
Thorsten Fink
Luca Toni
Giovane Elber
Roy Makaay
Ivica Olic
Paulo Sergio
Carsten Lakies
Carsten Jancker

Match officials

Referee: Tim Robinson

Assistant referees: Dan Cook, Mark Scholes

Fourth official: Jez Simpson

In May 2019, Manchester United Football Club Limited held an auction for Manchester United Foundation at the Player of the Year Awards which raised £93,337 (2018: £123,500).

We continue to be grateful to all those who raise funds for the Charity through events or collections. This includes the annual golf day that was organised by Ryan Giggs and MUF Trustee Michael Edelson and, this year, raised £35,000 (2018: £27,500).

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Fundraising (continued)

An executive lottery continues to operate in hospitality suites on a match day under gambling legislation and reporting to the Gambling Commission. In the 2018/19 season the lottery achieved a profit of £225,322 (2018: £233,814). This reduction being due to fewer home games played.

We are grateful to the following MUFC partners that supported the Charity and Trading Subsidiary over 2018/19 season through the donation of funds, goods or auction prizes:

- Since 2013, Manchester United Foundation has worked closely with principal partner Aon to deliver a range of programmes to improve the lives of young people in Greater Manchester. We continue to be appreciative of their ongoing support.
- Adidas has continued to donate products to the Foundation, which our coaches and staff use at Foundation projects. These products have been vital for us to engage and inspire the children and young people with whom we work.
- Chivas has also raised funds for the Foundation through their own auctions and donated prizes for charity auctions at Old Trafford.
- We continue to be grateful to Virgin Money who, once again, donated London Marathon places to the Foundation. These places raised vital funds for the Foundation in 2018/19.
- Thank you to Marriott Hotels who also donated a prize for one of our auctions during 2018/19. This prize enabled us to raise substantial funds.

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

Charity Services

Charity work has always been an intrinsic element of life at Manchester United. Manchester United Foundation (Trading) Limited has a service level agreement with Manchester United Football Club Limited whereby, in return for fees of £163,096 (2018: £158,346), 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 and projects and deserving fans in need of support at a difficult time.

In 2018/19 the management service covered the distribution, free of charge, of 2,350 (2018: 2,150) signed items including balls, shirts, pennants and photographs in response to requests from individuals undertaking fundraising activities for third party charities. This also included the amount of items that we gave to the Foundation lottery winners and children during Dream Days and Hospital Visits.

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

Our fundraising approach

We understand how important it is to maintain the trust and support of our donors. The Foundation voluntarily registers with the Fundraising Regulator, which holds the Code of Fundraising Practice for the UK. We ensure that we comply with the standards and principles as set out in the Code across all our activities. We do not engage with any third party fundraisers. We regularly review our fundraising activity in order to ensure that we are adhering to best fundraising practices. During 2018/19, we received no complaints relating to our fundraising.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Financial Review

The overall position for Manchester United Foundation for the year is a surplus of £1,984,409 (2018: £600,733) which leaves reserves £5,748,145 (2018: £3,763,736). This includes a profit before tax from its trading subsidiary of £1,849,779 (2018: £405,606). Profits from its trading subsidiary are wholly gift aided to the Charity.

The Trustees are grateful to Manchester United Football Club Limited for Gifts in Kind for the services provided in relation to human resources, information technology, payroll and maintenance, together with the provision of kit and equipment, use of the stadium for the Legends match and a discretionary staff bonus. This equates to an estimated monetary value of £743,285 (2018: £708,523).

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

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

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

For the year ended 30 June 2019, 57p in the pound of charitable and net trading income was spent on charitable activities (2018: 83p in the pound). The decrease in 2019 reflects the significant increase in trading income from the Legends match in May 2019 where funds were not received until later in the year. These funds will be used to support charitable activities going forwards. If we exclude this exceptional fundraising event, the p in the pound figure would be 79p.

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

Investment powers and policy

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

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Reserves Policy

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

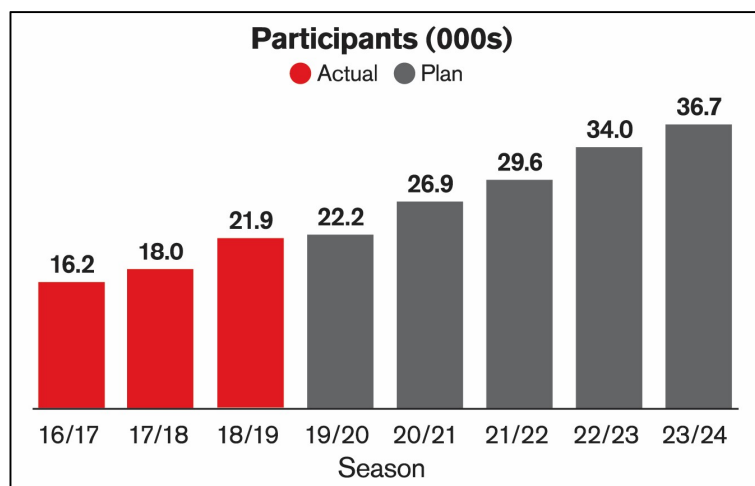
The Trustees have sought to establish new funding streams for the coming financial year to ensure that reserves remain intact. As the Charity's activities grow, and operational costs increase, the Trustees will make the appropriate decisions to alter the reserves year on year. The Trustees make the commitment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

Over the past three years our reserves have increased by 111% to £5.75m; this has been achieved by a series of successful fundraising activities, culminating in the historic Treble Reunion match on 26th May 2019. As a result, we have set ourselves an ambitious growth plan that we will carry out in the next five years.

Our reserves currently represent 15 months of anticipated operating costs, which is higher than our target level of between 6 and 12 months. Our growth plan over the next five years will see these reserves fall by 28%, with a reserve cover of 7.5 months of anticipated costs in five years' time.

Although our reserves look high, we do this to satisfy the contractual commitments in our charitable delivery. At the end of 2018/19 our average outstanding contract length was 20 months and our reserves and ongoing partnership funding allow us to meet the commitments on these agreements.

Over the past three years the number of participants we have worked with has increased by 35% to 21,935. In the next five years we are projecting a further 67% increase to 36,670 (representing 126% over the eight years). Our projects will nearly double over the next five years from 68 to 131.



In order to deliver our ambitious growth, we will see increases in our charitable spend, which will double over the next five years to over £5.4m per annum. This will be achieved through use of existing reserves, further fundraising and the establishment of key partner contracts.

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Report of the Trustees for the year ended 30 June 2019 (continued)

Plans for the Future

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

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

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

Education

Secondary Partner Schools

- Sustain and expand our partner school model in the next five years by doubling the number of Foundation partner schools.
- Continue to target schools based in areas of higher deprivation across the ten boroughs of Greater Manchester.
- Expand the model beyond Greater Manchester - including the pilot and evaluation of a partner school project in Carlisle.
- Investigation phase and development of accredited teenage mental health programme.

Primary Schools

- Provide a greater focus on delivering physical education and PHSE (Personal, Social, Health and Economic) related programmes and activities.
- Develop young leaders through the Leadership Academy programme (in partnership with Trafford School Sport Partnership and Manchester PE Association). In the 2019/20 season we will aim to include approximately 200 children from 50 local schools.

Community Engagement

- Double the Street Reds sites across Greater Manchester and develop education, employment and sporting pathways.
- Deliver girls- only and disability sessions.
- Inclusive Reds will continue to develop and roll out its disability and inclusive programmes/activities through:
 - SEN (Special Educational Needs) schools
 - Targeted sports clubs (Pan and specific disabilities)
 - Partnerships. E.g., MUDSA (Manchester United Disabled Supporters Association), Special Olympics and Mencap.
- We have secured funding from the Wayne Rooney Foundation that will support an inclusive football initiative. Through this partnership we aim to influence mind-set change in communities.

Female Engagement

Girls' Development

- Engage 5,500 girls each year by 2024, doubling our impact from previous years.
- Provide qualifications, work experience and social action/volunteering projects for girls.
- Continue to provide pathways to grassroots football, bringing greater opportunities for playing, coaching and volunteering.

Manchester United FA Girls' Regional Talent Club

MUFT will continue (in the 2019/20 season) to operate the FA Girl's Regional Talent Club, on behalf of Manchester United. This forms part of the service level agreement with the Club and a fee for this delivery will be charged to the Club.

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Female Engagement (continued)

The RTC is committed to improving and developing the experience for female players. In 2019/20 the focus will be to:

- Enhance the Sports Science programme with additional resources and expertise going into the medical team, appointment of a Welfare Officer, links to the women's team match analysis and using data to inform delivery.
- Re-vamp the games programme so competition is more varied, such as entry into national festivals, futsal matches, mixed boys' and girls' games and internal 'unsighted' matches.
- Closer partnership with the Football Association with 'guest sessions' from national team coaches.
- Access to the women's team, with players acting as positive role models and attending RTC training every two weeks.

South Manchester Girls' Football League

In 2019/20 we aim to support the SMGFL to continue to grow and will deliver a greater focus on supporting the girls who play in the league. Planned activities include:

- Open evenings at the RTC.
- Player and coach workshops focusing on futsal, different playing positions and refereeing (14+).
- Club tournaments and holiday activities such as girls-only camps.
- Connect with the Manchester United Women's team by giving out 50 complimentary tickets per game to the league.

Employability and Skills

- Begin delivery of the new Premier League Inspires programme. This will consist of a range of employability-based programmes in partner schools and community provision. These will include school delivery, employment opportunities, social action initiative, one-to-one mentoring and the inaugural Premier League Inspires Challenge.
- Continue to expand our calendar of Next Move events and programmes with new and existing partners. Next Move is based on fun, engaging and interactive events that increase participant awareness and understanding of careers and pathways for the future. Our employability and STEM activities are all aligned to Gatsby Benchmarking and take place at Old Trafford stadium and in partner schools.
- Following the successful creation of the My First Job programme in 2018/19, we will look to expand this programme by working with the Club to give Foundation participants opportunities to successfully gain matchday employment at Manchester United.

Football

- Enrich our long-term partnership with a further education college through football education.
- Work across all Foundation departments to oversee and ensure all football provision continues to be delivered to the highest standard.
- Continue to provide industry specific courses to enable participants from across the Foundation to gain nationally recognised qualifications and increase their employability.
- Develop existing opportunities for our participants to gain valuable hands-on practical experience, which will enhance our programmes, their knowledge along with their CVs.

Charity

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Fundraising

- To grow income by engaging with an exclusive group of high value supporters who are keen to further the work of the Foundation.
- To continue to develop strong and enduring relationships with Manchester United Football Club Limited sponsors.
- To raise awareness of the Foundation and our fundraising needs by improving our fundraising communications and case for support.
- To develop current and new revenue streams through the Trading Subsidiary, in particular through the match day executive lottery and overseas legends matches.
- To engage with supporters of Manchester United, through supporter groups and fundraising activities.

Structure, Governance and Management

Introduction

Manchester United Foundation was incorporated on 13 June 2006 and obtained charitable status on 9 March 2007. The following report covers the year ended 30 June 2019 for the Foundation operating with charitable status.

Governing Document

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

Appointment of Trustees

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

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

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

Trustee Induction and Training

Trustees undergo training led by specialist charity lawyers to brief them on their legal obligations under Charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes. The next Trustee training session is planned for March 2020.

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

Organisation

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

Related Parties

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Related Parties (continued)

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

- MUFC processed the Charity's payroll for the year for a total value of £2,638,723 (2018: £2,337,213) which the Charity repays in full to MUFC with the exception of a discretionary bonus of £132,206 (2018: £125,253) which is included in the Gifts in Kind figure disclosed in note 10. No service charge or mark-up fee was paid to MUFC by the Charity for the provision of this service. The amount owing to MUFC by the Charity in relation to payroll repayments at year end was £209,169 (2018: £180,993).
- Other payments made by the Charity to MUFC during the year amounted to £149,810 (2018: £173,407) relating to recharge of costs incurred on the Charity's behalf. The amount owing to MUFC by the Charity in relation to these payments at year end was £4,295 (2018: £433).
- Other payments made by MUFC to the Charity amounted to £752,456 (2018: £254,091). The amount owing by MUFC to the Charity at the year end was £9,505 (2018: £29,842).
- The Charity paid MU RAML Limited £1,173 during the year (2018: £1,436), principally in relation to branded kit and merchandise. The Charity received £27,173 (2018: £600) from MU RAML Limited principally in respect of monies raised for the Charity through fundraising.
- Richard Arnold is a Trustee of the Foundation, and a director of Manchester United Football Club Limited, MUTV Limited, MU Commercial Holdings Limited, MU Commercial Holdings Junior Limited, Manchester United plc and MU RAML Limited.
- Michael Edelson is a Trustee of the Foundation, a director of Manchester United Foundation (Trading) Limited and a director of Manchester United Football Club Limited.
- Collette Roche is a Trustee of the Foundation and Chief Operating Officer at Manchester United Football Club Limited.

David Maples is a trustee of the Foundation, a director of Manchester United Foundation (Trading) Limited and a senior equity partner at Brabners LLP, the Foundation's solicitors. The Charity paid Brabners LLP £1,235 (2018: £1,475) during the year in respect of legal and company secretarial services.

Tarun Kapur CBE is a trustee of the Foundation, the Chief Executive Officer of four schools, Dean Trust Ardwick, Dean Trust Wigan, Forest Gate Academy and Partington Central Academy, in which the Foundation works and Chairman of the Football Association/Premier League Facilities Grant Funding Panel. The payment made by all four schools during the year was £65,745 (2018: £56,995).

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

None of the Trustees receive any remuneration.

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

The Charity, through its Trading Subsidiary, continues to manage the Club's charitable partnerships and signed merchandise requests, generating income of £163,096 (2018: £158,346).

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Risk Management

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

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

Principal Risks and Uncertainties

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

Covid-19

We are living in uncertain times with a crisis that is affecting our lives in a manner none of us have experienced before. We continue to govern with calmness and clarity, ensuring that as the Covid-19 pandemic develops we continue to adapt and evolve our response. We have received confirmation from our largest single funder, the Premier League Charitable Fund, that grants will be maintained at levels originally agreed for 2019/20. Our reserves position is healthy and allows for a 17-month cover of our cost base.

In a fast-moving scenario MUF adheres to all the latest government advice to protect our colleagues, participants and communities. And Trustees remain satisfied that the business is capable of meeting the challenges this situation has presented to us.

Our commitment to supporting the young people we serve is resolute. By supporting our partners on the ground, or by using technology to work remotely we are determined to remain ever present in the lives of those who need us most.

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (continued)

Statement of Trustees' responsibilities (continued)

expenditure, of the charitable company/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 (2015).
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping 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 so far as the Trustees are aware:

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

Independent Auditors

A resolution has been proposed at the Annual General Meeting that PricewaterhouseCoopers LLP be re-appointed as auditors to the Charity for the financial year ended 30 June 2020.

On behalf of the Trustees



Richard Arnold
Chair of Trustees
26 March 2020

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

Manchester United Foundation (A Company Limited by Guarantee)

Report of the Trustees for the year ended 30 June 2019 (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: PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors, 1 Hardman Square, Manchester M3 3EB

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

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

Directors and Trustees:

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

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

Chair of Trustees:

Richard Arnold is the Chair of Trustees for the Foundation

Trustees:

John Arnold	(Independent)
Tom Bloxham MBE	(Independent)
Virginia Buckley	(Independent)
Michael Edelson	
Eamonn Holmes OBE	(Independent)
Tarun Kapur CBE	(Independent)
David Maples	(Independent)
Collette Marie Roche	(Appointed 28 March 2019)

Chief Executive:

John Shiels is Chief Executive for the Foundation.

Manchester United Foundation (A Company Limited by Guarantee)

Independent auditors' report to the members of Manchester United Foundation

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2019 and of its incoming resources and application of resources, including its income and expenditure, and of the group's and parent charitable company's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Charitable Company Balance sheets as at 30 June 2019; the Consolidated Statement of Financial Activities including an Income and Expenditure Account, and the Consolidated and Charitable Company Statements of Cash flows for the year then ended; and the notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms of the United Kingdom's withdrawal from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Manchester United Foundation (A Company Limited by Guarantee)

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

Report of the Trustees

In our opinion, based on the work undertaken in the course of the audit the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Report of the Trustees have been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Manchester United Foundation (A Company Limited by Guarantee)

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

Responsibilities for the financial statements and the audit (continued)

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to: prepare financial statements in accordance with the small companies' regime; take advantage of the small companies' exemption in preparing the Trustees' Report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Nicholas Boden (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
26 March 2020

Manchester United Foundation

(A Company Limited by Guarantee)

Consolidated Statement of Financial Activities including an Income and Expenditure Account for the year ended 30 June 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Income and endowments from:					
- Donation and legacies	2	1,405,918	-	1,405,918	1,545,149
- Charitable activities	3	248,800	1,525,443	1,774,243	1,780,733
- Other trading activities	4	3,108,665	394,029	3,502,694	1,581,096
- Investments	5	13,731	-	13,731	4,704
Total		4,777,114	1,919,472	6,696,586	4,911,682
Expenditure on:					
Raising funds	6	(1,735,339)	(330,623)	(2,065,962)	(1,422,973)
Charitable activities	7	(225,799)	(2,420,405)	(2,646,204)	(2,886,990)
Total		(1,961,138)	(2,751,028)	(4,712,166)	(4,309,963)
Net income / (expenditure) before tax	9	2,815,976	(831,556)	1,984,420	601,719
Taxation	9	(11)	-	(11)	(986)
Net income / (expenditure) after tax		2,815,965	(831,556)	1,984,409	600,733
Transfers between funds		(831,556)	831,556	-	-
Net movement in funds	18	1,984,409	-	1,984,409	600,733
Reconciliation of Funds					
Total funds brought forward at 1 July		3,763,736	-	3,763,736	3,163,003
Total funds carried forward at 30 June		5,748,145	-	5,748,145	3,763,736

All incoming resources and resources expended are derived from continuing activities in the current and prior year. The notes on pages 29 to 44 form part of these financial statements.

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

Manchester United Foundation (A Company Limited by Guarantee)

Consolidated Balance Sheet as at 30 June 2019

	Note	At 30 June 2019 £	At 30 June 2018 £
CURRENT ASSETS			
Debtors	13	2,943,468	724,136
Cash and cash equivalents		5,255,783	4,402,982
TOTAL CURRENT ASSETS		8,199,251	5,127,118
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14/15	(2,451,106)	(1,363,382)
NET CURRENT ASSETS		5,748,145	3,763,736
NET ASSETS		5,748,145	3,763,736
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted income funds	18	5,748,145	3,763,736
TOTAL CHARITY FUNDS	18	5,748,145	3,763,736

The notes on pages 29 to 44 form part of these financial statements.

The Financial Statements on pages 23 to 43 were approved by the Board of Trustees on 8 March 2020 and signed on its behalf by:



Richard Arnold
Chair of Trustees
26 March 2020

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

Manchester United Foundation (A Company Limited by Guarantee)

Charitable Company Balance Sheet as at 30 June 2019

	Note	At 30 June 2019 £	At 30 June 2018 £
FIXED ASSETS			
Investments	12	<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors	13	2,763,163	1,329,521
Cash and cash equivalents		4,495,344	3,681,612
TOTAL CURRENT ASSETS		<u>7,258,507</u>	<u>5,011,133</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14/15	<u>(1,510,363)</u>	<u>(1,247,398)</u>
NET CURRENT ASSETS		5,748,144	3,763,735
NET ASSETS		<u>5,748,145</u>	<u>3,763,736</u>
THE FUNDS OF THE CHARITY			
Restricted income funds	18	-	-
Unrestricted income funds - current year	18	1,984,409	600,733
Unrestricted income funds - brought forward	18	3,763,736	3,163,003
Total charity funds	18	<u>5,748,145</u>	<u>3,763,736</u>

The notes on pages 29 to 44 form part of these financial statements.

The Financial Statements on pages 23 to 43 were approved by the Board of Trustees on 8 March 2020 and signed on its behalf by:



Richard Arnold
Chair of Trustees
26 March 2020

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

Manchester United Foundation

(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows for the year ended 30 June 2019

	Note	2019 £	2018 £
Net income for the reporting year (as per the consolidated statement of financial activities including an Income & Expenditure Account)		1,984,409	600,733
Adjustments for:			
Dividends, interest from investments		(13,731)	(4,704)
(Increase) in debtors		(2,219,332)	(235,022)
Increase/(decrease) in creditors		1,087,724	(407,226)
Net cash generated from / (used in) operating activities		839,070	(46,219)
		2019 £	2018 £
Cash flows from operating activities			
Net cash generated / (used in) from operating activities		839,070	(46,219)
Cash flow from investing activities			
Dividends and interest from investments	5	13,731	4,704
Net cash generated from investing activities		13,731	4,704
Net increase / (decrease) in cash and cash equivalents		852,801	(41,515)
Cash and cash equivalents at the beginning of the reporting year		4,402,982	4,444,497
Cash and cash equivalents at the end of the reporting year		5,255,783	4,402,982

Manchester United Foundation

(A Company Limited by Guarantee)

Charitable Company Statement of Cash Flows for the year ended 30 June 2019

	2019 £	2018 £
Net income for the reporting year (as per the statement of financial activities)	1,984,409	600,733
Adjustments for:		
Dividends, interest from investments	(11,325)	(3,933)
Increase in debtors	(1,433,642)	(165,691)
Increase/(decrease) in creditors	262,965	(323,407)
Net cash generated from operating activities	802,407	107,702
	2019 £	2018 £
Cash flows from operating activities		
Net cash generated from operating activities	802,407	107,702
Cash flow from investing activities		
Dividends and interest from investments	11,325	3,933
Net cash generated from investing activities	11,325	3,933
Net increase in cash and cash equivalents	813,732	111,635
Cash and cash equivalents at the beginning of the reporting year	3,681,612	3,569,977
Cash and cash equivalents at the end of the reporting year	4,495,344	3,681,612

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019

1. ACCOUNTING POLICIES

General information

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

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

Statement of compliance

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

Summary of significant accounting policies

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

Basis of preparation

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

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

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

Going concern

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

Basis of consolidation

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

No profit and loss account is presented for Manchester United Foundation, as provided by section 408 of the Companies Act 2006. The gross income/turnover of the Company is £3,190,897 (2018: £3,118,720) and the result of the Company is a profit for the financial year of £134,641 (2018: £196,114), determined in accordance with the Act. This result is before tax and gift aid.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

1. ACCOUNTING POLICIES (continued)

Income recognition

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

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

Donations Received

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

Sponsorship income

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

Grants and payment for services

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

Bank Interest

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

Income from Fundraising Activities

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

Tax exemption

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

Resources Expended

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

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

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

1. ACCOUNTING POLICIES (continued)

Gifts in Kind

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

Restricted Funds

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

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

Unrestricted Funds

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

Employee benefits

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

Short-term benefits

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

Defined contribution pension plans

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

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

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

Investments - company

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

Cash and cash equivalents

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

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

1. ACCOUNTING POLICIES (continued)

Financial instruments

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

Financial assets

Basic financial assets, including trade and other debtors and cash and cash equivalents are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest

Such assets are subsequently carried at amortised cost using the effective interest method.

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

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

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

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

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

The Company does not hold or issue derivatives financial instruments.

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

1. ACCOUNTING POLICIES (continued)

Related party transactions

The Charity has taken exemption under paragraph 33.1A of FRS 102 from disclosing transaction with wholly owned entities.

Critical accounting judgements and key source of estimation uncertainty

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

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

Manchester United Foundation (A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

2. INCOME AND ENDOWMENTS FROM: DONATION AND LEGACIES

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Sponsorship	470,000	400,000
Community Shield	2,000	-
Other charitable donations received	190,633	436,626
Gifts in kind	743,285	708,523
	1,405,918	1,545,149

Donation and legacies are wholly unrestricted and include gifts in kind from MUFC of £743,285 (2018: £708,523).

3. INCOME AND ENDOWMENTS FROM: CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Football	-	133,774	133,774	196,405
Community Engagement	-	167,116	167,116	160,187
High School Delivery	-	708,075	708,075	686,727
Primary School Delivery	-	244,835	244,835	229,098
Education – Other	134,000	117,476	251,476	254,101
Disability Schools Delivery	-	40,167	40,167	-
Other grants and income	114,800	114,000	228,800	254,215
	248,800	1,525,443	1,774,243	1,780,733

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

4. INCOME AND ENDOWMENTS FROM: OTHER TRADING ACTIVITIES

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Lotteries	285,167	293,130
Auction proceeds	-	123,500
Treks	-	3,413
Charity partner management	163,096	158,346
Home legends matches	2,790,538	917,215
Overseas legends matches	-	-
FA Girls' Regional Talent Club	180,961	-
Other activities	82,932	85,492
	3,502,694	1,581,096

Charity partner management income of £163,096 (2018: £158,346), payable by Manchester United Football Club Limited, are restricted funds relating to management of the Club's Charity partners. A further £15,000 from Football Aid (2018: £10,000) and £26,912 (2018: £24,617) for Disability Services to Club within 'Other activities' are also treated as restricted funds. Following the launch of the Manchester United Women's Team, the FA Girls' Regional Talent Club is now managed by the trading company and is fully-funded by MUFC.

5. INCOME AND ENDOWMENTS FROM: INVESTMENTS

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Investment income received on cash deposits	13,731	4,704

Investment income is wholly unrestricted.

6. EXPENDITURE ON: RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Staff costs	325,501	181,109	506,610	252,419
Group overhead apportionment	285,540	36,193	321,733	288,941
Fundraising events	743,071	69,961	813,032	488,661
Departmental overheads	25,400	-	25,400	25,193
Gifts in Kind	355,827	43,360	399,187	367,759
	1,735,339	330,623	2,065,962	1,422,973

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

7. EXPENDITURE ON: CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Football	-	244,960	244,960	429,947
Community Engagement	-	335,070	335,070	366,566
High School Delivery	-	1,123,701	1,123,701	1,166,378
Primary School Delivery	-	343,893	343,893	348,395
Disability Schools Delivery	-	78,402	78,402	-
Education – Other	156,848	198,183	355,031	382,488
Other community delivery	68,951	96,196	165,147	193,216
	225,799	2,420,405	2,646,204	2,886,990

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

8. GOVERNANCE COSTS

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Audit fees	9,700	9,200
Taxation services	4,500	4,350
Trustees indemnity insurance	4,070	638
	18,270	14,188

9. TAXATION

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

The tax assessed for the year is the same as (2018: lower than) that resulting from applying the standard effective rate of corporation tax in the UK for the year ended 30 June 2019 of 19% (2018: 19%).

	B/f per financial statements £	Credited to Equity £	Charged to I&E £	C/f per financial statements £
Current tax:				
Corporation tax payable	-	(351,456)	351,543	87
Current year	-	(351,456)	351,543	87

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

9. TAXATION (continued)

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Current tax:		
UK Corporation tax on income and expenditure for the year	351,543	75,964
Less: Gift Aid	(351,456)	(75,964)
Total current tax	87	-
Deferred tax:		
Origination and reversal of timing differences	(85)	1,101
Adjustment in respect of previous periods	-	-
Effect of changes in tax rates	9	(115)
	(76)	986
Total tax per income and expenditure account	11	986

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Net income/expenditure before tax	1,984,420	601,719
Less: Charitable exceptions	(134,641)	(196,113)
Taxable income	1,849,779	405,606
Tax on profit at standard UK tax rate of 19% (2018: 19%)	351,458	77,065
Effects of:		
Tax rate changes	9	(115)
Effect of gift aid	(351,456)	(75,964)
Total tax charge for the year	11	986

	2019 £	2018 £
Deferred tax (assets):		
Provision at start of year	(640)	(1,626)
Adjustment in respect of prior years	-	-
Deferred tax charge to income statement in the period	(76)	986
Provision at end of year	(716)	(640)

Changes to the UK corporation tax rates have been enacted. These include reductions to the main rate to reduce the rate to 19% from 1 April 2019. It is expected to stay at this rate for the foreseeable future.

Manchester United Foundation

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Notes to the financial statements for the year ended 30 June 2019 (continued)

10. TOTAL WAGES AND SALARIES

The following staff costs are included within Expenditure on the Income and Expenditure Account. A bonus (included within 'Wages and salaries' below) of £132,206 (2018: £125,253) 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-19 £	Year to 30-Jun-18 £
Wages and salaries	2,394,890	2,152,868
Social security costs	198,832	189,602
Other pension costs (note 20)	156,871	140,637
	2,750,593	2,483,107

Monthly average number of employees in the year:

	2019 Number	2018 Number
Operational Employees	67	62

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

Manchester United Foundation

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Notes to the financial statements for the year ended 30 June 2019 (continued)

10. TOTAL WAGES AND SALARIES (continued)

Key management compensation

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

	Year to 30-Jun-19 £	Year to 30-Jun-18 £
Salaries and other short-term benefits	462,014	417,547
	462,014	417,547

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

The number of higher paid employees was:

	2019 Number	2018 Number
£70,000 - £80,000	1	1
£110,000 - £120,000	1	1

Total pension contribution for the members of staff earning in excess of £60,000 was £26,237 (2018: £23,113).

11. TRUSTEES' EXPENSES

The total expenses of the Trustees were £1,478 (2018: £1,339). None of the Trustees received any remuneration during the year (2018: none). Three (2018: three) Trustees were reimbursed travel expenses to attend Trustees' meetings.

Manchester United Foundation

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Notes to the financial statements for the year ended 30 June 2019 (continued)

12. INVESTMENTS

	As at 30 June 2019	As at 30 June 2018
	£	£
Charity		
Investment in subsidiary	1	1

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

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

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

	As at 30 June 2019	As at 30 June 2018
	£	£
Total assets	3,486,175	743,088
Total liabilities	(3,486,174)	(743,087)
Net assets	1	1

	Year to 30-Jun-19	Year to 30-Jun-18
	£	£
Turnover	3,872,157	1,792,961
Expenditure	(2,022,378)	(1,387,355)
Profit on ordinary activities (before taxation and Gift Aid donation to the Charity)	1,849,779	405,606

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

13. DEBTORS

	Group		Charity	
	As at 30 June 2019 £	As at 30 June 2018 £	As at 30 June 2019 £	As at 30 June 2018 £
Trade debtors	371,790	354,560	94,000	353,568
Deferred tax	716	640	-	-
Amount owed by group undertakings	-	-	2,545,433	627,103
Other debtors	2,570,962	368,936	123,730	348,850
	2,943,468	724,136	2,763,163	1,329,521

The trade debtor balance owing by Manchester United Football Club Limited at 30 June 2019 was £18,301 (2018: £29,842). Within other debtors is accrued income of £2,470,675 (2018: £323,244) in respect of income from the Legends Match and a donation from the Player of the Year Awards, not yet paid by Manchester United Football Club Limited. The amounts owed by group undertakings are unsecured, interest free, and repayable on demand. The Trustees consider the carrying value of trade and other debtors to be the same as the book value due to their short term nature. Deferred tax relates to plant pool assets.

14. TRADE AND OTHER CREDITORS

	Group		Charity	
	As at 30 June 2019 £	As at 30 June 2018 £	As at 30 June 2019 £	As at 30 June 2018 £
Trade creditors	38,198	8,389	8,330	1,500
Corporation tax	-	-	-	-
Other creditors	245,704	187,939	225,390	180,288
	283,902	196,328	233,720	181,788

The trade creditors balance payable to Manchester United Football Club Limited at 30 June 2019 was £4,295 (2018: £433). The Trustees consider the carrying value of trade and other creditors to be the same as the book value due to their short-term nature.

Manchester United Foundation

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Notes to the financial statements for the year ended 30 June 2019 (continued)

15. ACCRUALS AND DEFERRED INCOME

	Group		Charity	
	As at 30 June 2019	As at 30 June 2018	As at 30 June 2019	As at 30 June 2018
	£	£	£	£
Deferred Income				
High School Delivery	273,079	244,008	273,079	244,008
Community Engagement	41,735	40,133	41,735	40,133
Sponsorship	490,000	470,000	490,000	470,000
Inclusion Programme	250,000	-	250,000	-
Other Deferred Income	40,082	70,807	40,082	70,807
	1,094,896	824,948	1,094,896	824,948
Accruals	1,072,308	342,106	181,747	240,662
	2,167,204	1,167,054	1,276,643	1,065,610

Deferred Income Movements:

	Group		Charity	
	As at 30 June 2019	As at 30 June 2018	As at 30 June 2019	As at 30 June 2018
	£	£	£	£
Deferred Income at the beginning of the year	824,948	714,171	824,948	714,171
Amounts released from previous years	(824,948)	(714,171)	(824,948)	(714,171)
Incoming resources deferred in the current year	1,094,896	824,948	1,094,896	824,948
Deferred Income at the end of the year	1,094,896	824,948	1,094,896	824,948

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

16. FINANCIAL INSTRUMENTS

	Group		Charity	
	As at 30 June 2019	As at 30 June 2018	As at 30 June 2019	As at 30 June 2018
	£	£	£	£
Financial assets that are debt instruments measured at amortised cost:				
Trade debtors	371,790	354,560	94,000	353,568
Other debtors	2,570,962	368,936	123,730	348,850
Amounts owed by group undertakings	-	-	2,545,433	627,103
Cash at bank and in hand	5,255,783	4,402,982	4,495,345	3,681,613
	8,198,535	5,126,478	7,258,508	5,011,134

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

16. FINANCIAL INSTRUMENTS (continued)

	Group		Charity	
	As at 30 June 2019	As at 30 June 2018	As at 30 June 2019	As at 30 June 2018
	£	£	£	£
Financial liabilities measured at amortised cost				
Trade creditors	38,198	8,389	8,330	1,500
Other creditors	245,704	187,939	225,389	180,288
Accruals	1,072,308	342,106	181,747	240,662
	1,356,210	538,434	415,466	422,450

17. STATUS OF THE GUARANTEE

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

18. NET MOVEMENT IN FUNDS

	Unrestricted income funds	Restricted income funds	Total Charity Funds
	£	£	£
Group and Charity			
Total funds brought forward at 1 July 2018	3,763,736	-	3,763,736
Net incoming/(outgoing) resources before transfers	2,815,965	(831,556)	1,984,409
Gross transfers between funds	(831,556)	831,556	-
Total funds carried forward at 30 June 2019	5,748,145	-	5,748,145

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 £156,871 (2018: £140,637). The amounts outstanding at the year-end are £13,809 (2018: £11,679).

Manchester United Foundation

(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 30 June 2019 (continued)

21. RELATED PARTY TRANSACTIONS

The Charity has taken the exemption under paragraph 33.1A of FRS 102 from disclosing transaction with wholly owned entities.

Refer to the Report of the Trustees for transactions with other related parties.

22. ANALYSIS OF NET ASSETS

Group

Fund balances at 30 June 2019 are represented by:

	Unrestricted £	Restricted £	Total £
Current Assets	8,081,302	117,949	8,199,251
Creditors: amounts falling due within one year	(1,211,852)	(1,239,254)	(2,451,106)
	6,869,450	(1,121,305)	5,748,145

Charity

Fund balances at 30 June 2019 are represented by:

	Unrestricted £	Restricted £	Total £
Current Assets	7,155,560	102,947	7,258,507
Creditors: amounts falling due within one year	(747,354)	(763,009)	(1,510,363)
	6,408,206	(660,062)	5,748,144