

Manchester City FC
City in the Community Foundation

(a company limited by guarantee)

Report and financial statements

Year ended 31 August 2019

Registered number 07447531

Registered charity number 1139229

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

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Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Reference and Administrative Details

Trustees

R K Ballantine
S R Cliff
T A Glick (resigned 29/09/2018)
P J D Loftus
K B Parker
T N Pitchon
S Todd
D Wilson
V Kloss (appointed 10/05/2019)

Secretary

K Parry

Key Management

Head of Foundation	Mike Green
Ambassador	Alex Williams
Finance	Karen Parry
Operations	Lisa McKay
Partnerships	Michael Geary
HR	Natalie Ingham (appointed 29/10/2018)

Registered Office

Etihad Stadium, Etihad Campus, Manchester M11 3FF

Charity number

1139229

Company number

07447531

Bankers

Barclays Bank, Manchester City Office, PO Box 357, 51 Mosley Street, Manchester, M60 2AU

Auditor

BDO LLP, 3 Hardman Street, Spinningfields, Manchester M3 3AT

Solicitors

Gateley LLP, Ship Canal House, 98 King Street, Manchester, M2 4WU

Manchester City FC City in the Community Foundation

Year ended 31 August 2019

Report of the Trustees

The Trustees present their annual report and the financial statements for the year ended 31 August 2019.

Directors and Trustees

The Directors of the Charitable Company are its Trustees for charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who held office during the year were as follows:

City Football Group	Mr Thomas Allen Glick (resigned 29/09/2018)
Chartered Accountant	Mr Patrick Joseph Dominic Loftus
Company Director	Mr Robert Kevin Ballantine
Assistant Chief Executive Manchester City Council	Ms Sara Maria Todd
City Football Group	Mr Thomas Nissim Pitchon
Manchester City FC	Mr Daniel Wilson
City Football Group	Mr Simon Richard Cliff
Company Director	Mr Kevin Barry Parker
City Football Group	Mrs Vicky Kloss (appointed 10/05/2019)

Governing Document

Manchester City FC City in the Community Foundation (CITC) is a recognised charity in England and a company limited by guarantee. It operates under the rules of its memorandum and articles of association dated 22 November 2010. The management of the Charity is the responsibility of the Trustees who meet on a quarterly basis to administer it.

Appointment of Trustees

The existing Trustees select new Trustees, when they consider that a new skill set is needed or when a vacancy has occurred due to resignation or death.

Trustees' Induction and Training

New Trustees undergo an orientation day to brief them on their legal obligations under charity and company law.

Organisation

The Board of Trustees currently has eight Trustees and has the provision to increase or decrease the figure as required.

The Trustees are responsible for the following:

- Setting the vision, mission and values
- Development of the strategy with the Head of Foundation and approval of the business plan
- Approval of the financial plan and annual budget
- Responsible for overseeing the risk management
- Responsible for review, approval and adoption of policies and procedures, unless it is delegated in writing to a particular person, position, or working group, committee or management team

The senior management team are responsible for implementing the above for the Trustees and are responsible for the day-to-day running of the Foundation.

The Charity has a wholly owned subsidiary, Manchester City FC CITC Foundation Trading Company Limited.

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Report of the Trustees (continued)

Pay policy for senior staff

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the period. Details of trustees' expenses and related party transactions are disclosed in note 16 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other local football Foundations of a similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities. If recruitment has proven difficult in the recent past, a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Objectives of the Charity

The objectives of the Charity are:

- To promote any charitable purpose for the benefit of the community in the United Kingdom and overseas for the general purposes of such charitable bodies as the trustees may from time to time decide.
- To relieve poverty and economic deprivation within the community by such means as the Trustees think fit including, (but not by way of limitation) by providing financial and other material assistance to those in need.
- To promote community participation in healthy recreation by providing facilities for the playing of association football and other sports capable of improving 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 due to 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 other persons (including their academic, social and physical education) through such means as the trustees think fit in accordance with the law of charity.

All objectives are set and measured across a three-year period with specific, strategic objectives named above, being broken down into more operational and thus measureable objectives.

Additional to the vision for the next three years, CITC has various core strategic priorities:

1. Communications

Communications is clearly an area requiring development, especially to ensure the CITC strategic vision and objectives are met. Over the last three years, a Communications Executive has been appointed within the CFG Communications team with overarching responsibility for CITC Communications across all programmes. This executive has reported to the Public Affairs Manager who has then engaged directly with the Head of CITC regarding more strategic priorities including Public Affairs developments and relationships.

Although these roles have helped drive CITC Communications forward, it is now seen as an area that needs to improve. Following an audit of Board member skills/knowledge/experience, the Chief Communications Officer (CCO) CFG, Vicky Kloss, was appointed to the Board of Trustees during the CITC AGM in April 2019. Over the coming months, the Head of CITC will work with the CCO to identify areas for development including but not limited to:

- Future dedicated Communications resource for CITC
- Positioning of CITC across CFG
- Positioning of CITC within the MCFC 125th Anniversary Year
- Strategic communications plan to support the 3-year strategy
- Operational communications plan to ensure increased awareness and understanding of CITC across key target engagement areas including MCFC staff, fans, partners and key stakeholders.

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Year Ended 31 August 2019

Report of the Trustees (continued)

- Agreement of Key Performance Indicators (KPI's) to measure improvements in CITC Communications
- Development of case studies to help 'tell the story' of CITC

In addition to this, the Head of CITC has therefore presented an overarching strategy to the CITC Board that builds on this need to prioritise communications which has further led to the development of a short term action plan that includes but is not limited to key messaging, agreement of tactical opportunities and highlighting key stakeholders to target during this review period.

2. Increased financial investment

Strategically CITC believe that sustained investment into all community programmes will create sustained impact. Between September 2018 and August 2019, over £3million was invested into Manchester communities via the direct delivery of a range of community initiatives. This figure demonstrates an increase of over £100,000 from the previous financial year and further demonstrates the commitment CITC and MCFC are making to support communities locally.

Financial investment is also seen as an 'opportunity area' for CITC as a new fundraising strategy is developed to fall in line with MCFC's 125th Anniversary; it is therefore expected that growth will be seen financially with funds generated being unrestricted thus ensuring subsequent investment meets with CITC's strategic areas for development.

Furthermore, CITC aims to attract further investment across a range of sectors additional to new Premier League investment; these include private sector organisations and new charitable partnerships.

Financial sustainability and growth are also key to ensure the retention of current staff and the addition of new staff to meet additional strategic aims listed below. Sustainability will also be driven by the fundraising strategy. Additional investment is also being sought to allow the development of two infrastructure projects associated to recreational football in areas of deprivation; this funding is not sustainable however it is expected that growth in educational programmes will ensure no dip in revenue across future years.

A further £800,000 is committed for investment into charitable projects globally as part of a wider Cityzens Giving campaign. All projects will be run by registered charities, youth led, football led and address a key social issue to fall in line with CITC priorities. This international community footprint has developed over the last two years ensuring a more coordinated approach to curricula development, training and staff CPD has been achieved. CITC staff are now heavily involved in the development of the curricula and take a lead on all training across 20 cities globally. It is expected that this approach will continue over the next three years as CITC continues to develop, learn, reflect and progress during this period.

In summary, it is expected that CITC will generate c£3.2million during the 2019/20 financial year however this is subject to increase if a suitable fundraising strategy is developed pre-August 2019 in support of the Clubs' anniversary and potential investment in community regeneration projects.

3. Increased reach

CITC continue to aim to increase participation levels throughout Manchester. The number of unique users has been less of a priority over the last three years with high quality and reduced risk leading the way however project growth is still expected in the next three years. The number of young people engaged locally is expected to grow from 32,000 in 2018/19 to 40,000 by August 2022. Furthermore, and via the international delivery model highlighted in priority 1, the number of young people engaged globally is expected to reach over 10,000 young lives engaged each year however direct impact is a lot less regular than engagement within Manchester.

Priorities will lie in engaging more 2-11-year olds highlighting prevention as a priority to support later intervention projects. Specific programmes will concentrate on readiness for schools and narrowing the gap for 5-year olds who are deemed not ready to start their educational journey.

The number of sessions delivered across programmes will also increase year on year via the further investment across a range of funders and partners. This will result in the delivery of more contact hours across priority projects leading to better life changes.

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Report of the Trustees (continued)

Additional infrastructure projects namely the Recreational Pitch development will also add to the reach described as CITC looks to create physical sites within communities for residents to meet, socialise, play and learn with each other.

4. Increased outcomes achieved

CITC will continue to improve the quality of all provision delivered via the continuous development and reflection of specific programme curricula. Prior to the 2018/19 season, CITC have already developed over 400 hours of football-led curricula across Physical Activity provision and core Baccalaureate subjects; all curricula meets OFSTED requirements across the various key stages however CITC staff will continue to work with industry experts to ensure all programme content meets specific educational requirements.

All programmes will continue to be monitored via the Substance Views system and the internal outcomes framework however additional systems will be highlighted and implemented that will support the efficiency and effectiveness of the current Views system.

Following the objective to recruit an Insights Manager across the previous three years, an Insights team has now been created taking full ownership for the monitoring and evaluation of all data collected, the analysis of this data and stories the data describes however this team will be reviewed to also ensure its purpose meets with the key aims of the outcomes work ensuring CITC continue to be a positive contributor to local community projects.

5. People Plan

The CITC team has grown significantly in the last three years nearly trebling in size to match the increased revenue generated and subsequent programme growth. During this period, the charity has employed over 70 new staff members with over 105 employees now registered with the charity. As the charity continues to develop and achieve the above three strategic points, it's imperative that all employees are challenged and rewarded via the development and implementation of a robust People Plan.

The People Plan will have a range of priorities that will include but not limited to:

- Robust onboarding process
- Programme of engagement including regular staff voice opportunities via forum groups and annual surveys, staff communications and well-being activations
- Robust Professional Development Review (PDR) process
- Introduction of further social action and volunteering opportunities

During the 2018/19 season, CITC took part in the MCFC Annual Staff Survey highlighting staff engagement and enablement. CITC results were extremely positive with results of 74% and 71% respectively; both areas noted as higher than both wider CFG results and those of a high performing organisation. During the three-year period associated to this business plan, it will be key to ensure both areas measured continue to show more positive messages while staff who feel disengaged are provided with opportunities to further learn and develop.

6. Equality, Diversity and Inclusion

In June 2018, Manchester City were awarded the Advanced Level of the Premier League Equality Standard. The Standard, which was reviewed by the Premier League in 2015 to replace and build on Kick It Out's Equality Standard for Professional Football Clubs was designed to reflect current equality legislation and case law, and provides a framework to guide professional football clubs towards achieving equality, ranking them Preliminary, Intermediate or Advanced.

To achieve the Advanced Level, MCFC underwent an assessment by a panel of independent experts and demonstrated that they are committed to a cycle of continuous improvement with regards to equality, and that it is mainstreamed throughout the organisation. One of only four Premier League Clubs who currently hold the standard, Manchester City were commended by the panel for their palpable enthusiasm and commitment to furthering equality and diversity and noted the close alignment between the Club's philosophy and inclusion.

Bill Bush, Premier League Executive Director further noted "The Standard's assessment process is rigorous and extremely challenging, and the award reflects Manchester City's significant progress, over a period of several years, in promoting and embedding equality and diversity across the whole club."

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Year Ended 31 August 2019

Report of the Trustees (continued)

<https://www.mancity.com/news/club-news/club-news/2018/june/man-city-premier-league-equality-standard-award>

<http://www.kickitout.org/wp-content/uploads/2013/12/Equality-Standard-PDF.pdf>

CITC played an integral role in supporting the Club in achieving the Advanced Standard, largely down to the diverse nature of all CITC programmes and the commitment CITC have in ensuring all programmes provide equal opportunities for young people throughout Manchester no matter of their gender, ethnicity, disability, religious beliefs or any other characteristics associated with the Equality Act 2010.

Following the achievement of the Advanced Standard, CITC and MCFC have committed to work towards five strategic equality areas, highlighted in the diagram below, with further focus on three core areas of the business: Women, BAME and Disability.

Strategically, CITC continue see EDI as a key aim for the charity over the period of this business plan ensuring outcomes of the action plan are embedded throughout the charity.

At CFG inclusion covers staff, fans, players, community participants.

Our 3 current areas of focus are:

- Women
- BAME
- Disability

We will work towards five strategic equality objectives:



Diagram 4: EDI summary highlighting focus areas and objectives

Public Benefit

In shaping our objectives for the period and planning our activities, the Trustees have considered the charity commission's guidance on public benefit. Over the last twelve months, CITC has continued to invest the wider monitoring and evaluation initiative that has been developed over recent years. This project allows the charity to review the impact of all projects on both an outputs and outcomes led framework allowing the charity to highlight the benefit created for those engaged across all community projects. The development of a robust outcomes framework has been instrumental in driving this function of the charity forward while additional resource within this area has been created to support the internal team, as this continues to grow, while ensuring key information is collected, reviewed and were relevant provided to all external partners and associated organisations. It's imperative that constant projects reviews are taking place to allow the charity to continue to learn, develop and progress across all areas.

Furthermore, over the past five years alone, CITC has invested over £10million into local communities within Manchester through key partnerships at both a strategic and operational level. Partnerships have come from a range of sectors namely public, private, charitable and the Premier League. The relationship between the charity and its parent Club, Manchester City FC, continues to flourish and thrive with the Club providing in-kind support across a significant range of functions including but not limited to HR, finance, infrastructure, catering, facilities maintenance. CITC have also invested in back of house resource, namely Safeguarding/IT/HR, to ensure additional support is in place for all outwardly facing staff.

Additional to the above-named support and impact demonstrated, CITC have continued to benefit from the wider CFG investment in facilities in East Manchester with a range of projects being delivered within the City Football Academy. This amounts to approximately 60 hours of football led projects on a weekly basis creating unique opportunities for young people and their families from the local communities to engage in inclusive football-led health and education projects within a world leading facility

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Report of the Trustees (continued)

Related Parties

The Trustees consider that Manchester City Ltd and its subsidiary Manchester City Football Club Ltd are related parties of the Charity by virtue of significant influence.

Investment and Reserves Policy

Total reserves at the end of the reporting period are £637,909. The restricted fund amount is £82,204 and unrestricted (excluding fixed asset) reserves are £555,705.

The Foundation will retain adequate reserves to cover expenditure arising from standard operations.

Reserves will stem from unrestricted funds (i.e. funds that are not earmarked by funders for any specific project or programme and can be deployed at the Trustee's discretion to meet our charitable objectives). Restricted funds (i.e. funds that are earmarked by funders for specific charitable projects or programmes) will thus not count towards the charity's reserves.

As the charity has evolved and developed the existing policy is outdated and does not meet the needs of the charity.

With the evolving complexity of the charity's operations, which now employs in excess of 100 staff and the level of funding being drawn down to be in the region of £3m, it is important that the risk with regards to future expenditure and potential unforeseen emergencies such as an unexpected repair bill or legal costs should be mitigated.

Operational costs are also worth noting, these will be costs such as an additional staff member to cover long-term sick/absence.

It may well be that a source of income i.e. grant is discontinued suddenly and unexpectedly and therefore reserves would be needed to help wind a programme down responsibly or to give the charity some time to find another funder to continue the programme.

There will also be planned commitments that cannot be met by future income alone (e.g. a new programme-requiring match funding or infrastructure required to build the charity's capacity to fundraise and grow over time such as new software and systems).

Reserves can also be used for short-term deficits in the cash flow, e.g. money may need to be spent before a funding grant is received, if funders pay part of their grants retrospectively.

The trustees aim to maintain free reserves in unrestricted (excluding fixed asset) funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

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Report of the Trustees (continued)

Should reserves fall above or below this threshold an explanation will be provided for Trustees and appropriate plans will be presented to bring reserves back within the threshold.

The reserves policy will be reviewed periodically by Trustees to ensure it continues to meet the evolving needs of the charity as it broadens in complexity and reach.

Where fundraising events are held specifically for an existing or new programme it may be required that these funds will be ring-fenced for the following year/s and classed as designated funds in the unrestricted reserves.

In this period £10,500 was raised by the London to Paris Run and donation for Pep's cardigan. The Trustees have designated this amount to be used to feed the participants who attend CITC's soccer schools programme during the school holiday's in 2019/20.

Donated services

The Charity receives financial support from Manchester City Football Club Ltd to the extent that premises and football facilities are provided, also editorial space in match day programmes is granted, free of any charges. There is also support from the various departments within the club to share their expertise with the charity.

In January 2018, Nissan provided 6 minivans to the Foundation for a minimum of a twelve-month period, to be used in the delivery of their programmes throughout Manchester. This period has now been extended and we have been given the use of these vans for a further twenty-four months.

Achievements and Performance:

CITC has developed significantly in the last 12 months, most notably in further clarifying the purpose and strategic direction of the charity to ensure all programmes meet with key aims and objectives. This has allowed the charity to simplify the messaging and direction which in turn has helped in the development of a structured communications plan to align with the wider MCFC communications plan.

Stand out points for the 2018/19 review period include but not limited to:

- Hosted various stakeholder events with Members of Parliament and subsequent select committees namely the committee for Culture, Media and Sport
- CITC participants led the Nike kit launch in 2019, the first time this has ever happened across the Nike brand
- Over 30 staff visited 15 charity projects in cities throughout the World delivering training to Young Leaders in local territories
- The global training led to over 70 young people from these 15 countries spending a week at City Football Academy developing links with each respective organisation
- increased financial growth with CITC achieving a revenue target of over £3million for the first time in the thirty-two, year history of the organisation.
- Increased resource growth with the charity now employing over 100 employees
- Over 17,000 young people engaged across all programmes every week
- Over 300 educational establishments engaged every week
- Youngest participant at 2 years of age with oldest over 82 years of age
- Supported the Club in attaining the Advanced Equality standard from the Premier League
- Supported the Club in delivering the Level Playing Field weeks of action 2019
- Continued to develop football led curricula to support the delivery of projects across the entirety of the CITC Education pathway
- Continued development of the CITC Educational pathway via the launch of the Man City Community degree in partnership with MMU
- Further growth of the CITC Btec provision with three additional sites added to the programme
- Hosted the BBC Live Lesson at the City Football Academy

Overall, a very positive year for the charity which has seen significant financial and operational growth however it very evident that quality assurance and outcomes are the priority as the charity continues to thrive over the coming years.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Report of the Trustees (continued)

Grant making

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

Please see note 3E regarding The Royal Foundation grant and the grant making for the eight organisations who have supported this apprenticeship programme.

Charitable Donations

There have been two charitable donations made in this period.

£4,492 was donated to The Christie Hospital from the London to Paris Run Event, which took place in August 2019.

The second donation was for £951 to the Reddish Supporters club to support some charitable work they do in Sierra Leone.

Financial Review

The financial year runs from 1st September 2018 to 31st August 2019. This period has shown an increase in income from the previous year. This is mainly due to the new BTEC provision at Ashton, Cheadle and Oldham Colleges, there was also the start of the new Degree programme at Manchester Metropolitan University and the growth in our International work.

The Trustees report a net surplus in funds for the period of £86,229 (2018: £54,482). Total income for this period came to £3,112,908 (2018: £3,017,853).

Trading

The Trading Company was formed in April 2012.

The purpose of the Company is to enable the Foundation to sell signed merchandise and to receive Sponsorships from external companies.

The profits from this Company will be gifted to the Foundation.

During the year under review, the Trading Company secured sponsorships from PZ Cussons and Ubtech.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Report of the Trustees (continued)

Fundraising

All Fundraising is carried out internally by two members of staff and supported by the wider team. We have 5 main fundraising events each year and 4 to 5 small events which take place on some of the matchdays. The 5 main events are advertised on Just Giving to enable participants to raise funds on-line. The smaller events are raffle ticket sales at Matchdays. All proceeds of these events are unrestricted funding for the Foundation.

Plans for the Future

City in the Community is in the process of reviewing impact over the last two years and associated strategic priorities for this period. Following the review, the charity will continue to work towards achieving all aims set out in the Community three-year plan launched in September 2016 while working towards the development of a new three-year plan taking the charity forward from August 2019 – September 2022.

The plan will define current thinking and plans for sustainability up to August 2019 while subsequently producing an in-depth plan for the following three-year period. Although quality assurance, risk mitigation and sustainability are key priorities for the charity, it is still expected that the charity will continue to grow in terms of revenue generated through enhancing current partnerships and developing new partnerships and thus subsequent growth will be seen in resource to ensure all expectations are met.

We have also looked at the UK exit from the EU and deem that for the work of this charity it will have minimal financial risk to the charity going forward.

Going Concern

With regards to the recent Covid-19 outbreak we have had to consider the ongoing delivery of our programmes in the community. We have been able to engage remotely with many of our programme participants and have worked closely with our funding partners, in some cases to redirect funding to Covid-19 specific causes. We have also engaged in alternative activities that can be delivered which is more closely linked with government Covid-19 funding.

We have worked on our cashflow forecast and projections which have been revised, to take, into account the effects of Covid-19. We have also subjected the budgets / cash flow forecasts to worst case scenario's to stress test the forecast and assumption in place. We had assumed reduce rates of revenue and in other scenario's we looked at reduced revenues and expenses. The trustees have considered the income and expenses as shown below;

Income

Premier League - Management is expecting the contracted income to be received as planned in the next 12- month period which has been confirmed by the Premier League

Schools Sport Programme and other activities - The charity has been able to provide online activities and items to the various schools in place where possible to continue to deliver their income activities. Trustees are expecting income levels for the 12-month period, to be revised to take into account current and forecasted SLA's signed.

EFSA Linked Grants – Trustees are expecting this income to continue for the 12- month period as these have already been received by the Universities and Colleges and is government backed funding along with the Universities/Colleges continuing their curriculums as planned.

Expenditure

Staff Costs - Trustees expect that the staff levels will be maintained in order to deliver on the planned income generating activities, however these costs will be reviewed to ensure they fall in-line with the income received.

Travel and Vehicle – Trustees have assumed a reduction in this expenditure due to the travel restrictions in place, even when lockdown lifts, and move more toward virtual / online interactions and each coach having single school delivery.

Manchester City FC City in the Community Foundation

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Nevertheless, considering the uncertainties described above, the trustees have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Governance Code

We are looking to adopt the Premier League's Code of Practice Policy and have been working towards this. There are 14 areas this policy covers; Structure, Affiliated Club, Governance & The Board, People, Strategy, Safeguarding, Finance, Equality, Diversity & Inclusion, Data Protection, Risk Management, Health & Safety, Incident Reporting, Impact, Communications.

Both the Trustees and Senior Management Team have been engaged throughout this process and will continue to work closely with the Premier League to further enhance this policy.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Report of the Trustees (continued)

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to finances and working with young people. They are satisfied that systems are in place to anticipate their exposure to major risks

Potential risk	Potential impact	Mitigate risk
Budgetary control and financial reporting	• budget does not match key objectives and priorities	• link budget to business planning and objectives
	• decisions made on inaccurate financial projections or reporting	• monitor and report in a timely and accurate way
	• decisions made based on unreliable costing data or income projections	• use proper costing procedures for product or service delivery
	• inability to meet commitments or key objectives	• ensure adequate skills base to produce and interpret budgetary and financial reports
	• poor credit control	• agree procedures to review and action budget/cash flow variances and monitor and control costs
	• poor cash flow and treasury management	• regularly review reserves and investments
	• ability to function as going concern	
Reserves policies	• lack of funds or liquidity to respond to new needs or requirements	• link reserves policy to business plans, activities and identified financial and operating risk
	• inability to meet commitments or planned objectives	• regularly review reserves policy and reserve levels
	• reputational risks if policy cannot be justified	
Cash flow sensitivities	• inability to meet commitments	• ensure adequate cash flow projections (prudence of assumptions)
	• lack of liquidity to cover variance in costs	• identify major sensitivities
	• impact on operational activities	• ensure adequate information flow from operational managers
		• monitor arrangements and reporting
Dependency on income sources	• cash flow and budget impact of loss of income source	• identify major dependencies
		• implement adequate reserves policy
		• consider diversification plans
Pricing policy	• reliance on subsidy funding	• ensure accurate costing of services and contracts
	• unplanned loss from pricing errors	• compare with other service providers
	• cash flow impact on other activities	• notify and agree price variations with funders
	• loss of contracts if uncompetitive	• monitor funder satisfaction
	• affordability of services to beneficiary class	• develop pricing policy for activities including terms of settlement and discounts
Borrowing	• interest rate movements	• appraise future income streams to service the debt
	• ability to meet repayment schedule	• appraise terms (rates available fixed, capped, variable etc.)
	• security given over assets	• appraise return on borrowing
	• regulatory requirements	• use appropriate professional advice

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Report of the Trustees (continued)

	<ul style="list-style-type: none"> • call made under guarantee 	<ul style="list-style-type: none"> • review approval and authority procedures
	<ul style="list-style-type: none"> • Jack of reserves or liquidity to meet call 	<ul style="list-style-type: none"> • agree procedures to ensure consistency with objects, plans and priorities
	<ul style="list-style-type: none"> • consistency with objects and priorities 	<ul style="list-style-type: none"> • ensure financial reporting of contingency and amendment to reserves policy
Foreign currency	<ul style="list-style-type: none"> • currency exchange losses 	<ul style="list-style-type: none"> • ensure proper cash flow management and reserves policy
	<ul style="list-style-type: none"> • uncertainty over project costs 	<ul style="list-style-type: none"> • use currency matching (cost to charity in home currency)
	<ul style="list-style-type: none"> • cash flow impact on operational activities 	<ul style="list-style-type: none"> • consider forward contracts for operational needs (hedging)
Pension commitments	<ul style="list-style-type: none"> • under-funded defined benefit scheme 	<ul style="list-style-type: none"> • use actuarial valuations
	<ul style="list-style-type: none"> • impact on future cash flows 	<ul style="list-style-type: none"> • review pension scheme arrangements (e.g. money purchase schemes)
	<ul style="list-style-type: none"> • failure to meet due dates of payment 	<ul style="list-style-type: none"> • review procedures for admission to scheme and controls over pension administration
	<ul style="list-style-type: none"> • regulatory action or fines 	
Inappropriate or loss-making non-charitable trading activities	<ul style="list-style-type: none"> • resources withdrawn from key objectives 	<ul style="list-style-type: none"> • monitor and review business performance and return
	<ul style="list-style-type: none"> • resources and energy divelled from profitable fund-raising or core activities 	<ul style="list-style-type: none"> • ensure adequacy of budgeting and financial reporting within the subsidiary or activity budget
	<ul style="list-style-type: none"> • regulatory action, and accountability 	<ul style="list-style-type: none"> • review and agree adequate authorisation procedures for any funding provided by charity (prudence, proper advice, investment criteria)
	<ul style="list-style-type: none"> • reputational risk if publicised 	<ul style="list-style-type: none"> • report funding and performance as part of charity's own financial reporting system
		<ul style="list-style-type: none"> • appraise viability
		<ul style="list-style-type: none"> • consider transfer of undertakings to separate subsidiary
Investment policies	<ul style="list-style-type: none"> • financial loss through inappropriate or speculative investment 	<ul style="list-style-type: none"> • review and agree investment policy
	<ul style="list-style-type: none"> • unforeseen severe adverse investment conditions 	<ul style="list-style-type: none"> • obtain proper investment advice or management
	<ul style="list-style-type: none"> • financial loss through lack of investment advice, lack of diversity 	<ul style="list-style-type: none"> • consider diversity, prudence and liquidity criteria
	<ul style="list-style-type: none"> • cash flow difficulties arising from lack of liquidity 	<ul style="list-style-type: none"> • implement adequate reserves policy
		<ul style="list-style-type: none"> • use regular performance monitoring
Protection of permanent endowment	<ul style="list-style-type: none"> • loss of future income stream or capital values 	<ul style="list-style-type: none"> • review and agree investment policy
	<ul style="list-style-type: none"> • buildings unfit for purpose 	<ul style="list-style-type: none"> • obtain proper investment advice or management
	<ul style="list-style-type: none"> • income streams inappropriate to meet beneficiary needs 	<ul style="list-style-type: none"> • consider diversity, prudence and liquidity criteria
		<ul style="list-style-type: none"> • use regular performance monitoring
		<ul style="list-style-type: none"> • ensure maintenance and surveyor inspection of buildings
		<ul style="list-style-type: none"> • review insurance needs
Compliance with donor imposed restrictions	<ul style="list-style-type: none"> • funds applied outside restriction 	<ul style="list-style-type: none"> • implement systems to identify restricted receipts
	<ul style="list-style-type: none"> • repayment of grant 	<ul style="list-style-type: none"> • agree budget control, monitoring and reporting arrangements

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Report of the Trustees (continued)

Compliance with donor imposed restrictions (<i>continued</i>)	• future relationship with donor and beneficiaries	
	• regulatory action	
Fraud or error	• financial loss	• review financial control procedures
	• reputational risk	• segregate duties
	• loss of staff morale	• set authorisation limits
	• regulatory action	• agree whistle-blowing anti-fraud policy
	• impact on funding	• review security of assets
		• identify insurable risks
Counter party risk	• financial loss	• research counter party's financial sustainability
	• disruption to activities or operations	• contractual agreement
		• consider staged payments
		• agree performance measures
		• monitor and review investments
		• establish monitoring and review arrangements where counter party is the charity's agent ('conduit funding' arrangements)

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This Trustees' Report is signed by P J Loftus on behalf of the Board of Trustees.



P J D Loftus
Director & Trustee

DATE: 29th July 2020

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Trustees' responsibilities in relation to the financial statements

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



P J D Loftus
Director & Trustee

DATE: 29th July 2020

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

INDEPENDENT AUDITOR'S REPORT TO MEMBERS AND TRUSTEES OF MANCHESTER CITY FC CITY IN THE COMMUNITY FOUNDATION

Opinion

We have audited the financial statements of Manchester City FC City in the Community Foundation ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 August 2019 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2019 and of the Group's/its incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the 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.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Trustee's Report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors report or the Trustee's report.

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

- 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
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities in relation to the financial statements, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 the 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 or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Use of our report

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



Hamid Ghafoor (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester
Date: 29 July 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Consolidated Statement of Financial Activities (Including income and expenditure account)

Year ended 31 August 2019		Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
	Note	£	£	£	£
Income from:					
Donations and legacies	2a	673,643	11,224	684,867	672,154
Other trading activities	2b	107,993	-	107,993	144,920
Income from charitable activities	2c	10,680	2,264,780	2,275,460	2,186,717
Other income	2d	44,588	-	44,588	14,062
Total income		836,904	2,276,004	3,112,908	3,017,853
Expenditure:					
Costs of raising funds	3a & 3d	662,796	8,224	671,020	764,481
Expenditure on charitable activities	3b	9,386	2,343,238	2,352,624	2,193,183
Other	3c	3,035	-	3,035	5,707
Total expenditure		675,217	2,351,462	3,026,679	2,963,371
Net income/(expenditure) before transfers		161,687	(75,458)	86,229	54,482
Transfer between funds	4	34,370	(34,370)	-	-
Net income/(expenditure) and net movement in funds for the year		196,057	(109,828)	86,229	54,482
Reconciliation of funds					
Total funds brought forward		359,648	192,032	551,680	497,198
Total funds carried forward	4	555,705	82,204	637,909	551,680

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 21 to 41 form part of these financial statements.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Consolidated and Charity Balance Sheet as at 31 August 2019

Company No: 07447531

		Group 2019	Group 2018	Charity 2019	Charity 2018
	Note	£	£	£	£
Fixed assets					
Tangible assets	8	-	-	-	-
Investments	9	-	-	1	1
Total fixed assets		-	-	1	1
Current assets					
Debtors	10	298,435	102,652	127,002	108,851
Cash at bank		1,010,958	784,361	1,007,269	784,008
Total current assets		1,309,393	887,013	1,134,271	892,859
Creditors					
Amounts falling due within one year	11	(671,484)	(335,333)	(515,564)	(335,473)
Net current assets		637,909	551,680	618,707	557,386
Total assets less current liabilities		637,909	551,680	618,708	557,387
Amounts falling due after one year	12	-	-	-	-
Net assets		637,909	551,680	618,708	557,387
Total funds of the charity					
Unrestricted income funds		555,705	359,648	536,504	365,355
Restricted income funds		82,204	192,032	82,204	192,032
Total charity funds	4, 14	637,909	551,680	618,708	557,387

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of the exemption under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The net movement in funds of the parent Company for the year was £61,321 (2018: £60,188).

The notes on pages 21 to 41 form part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees and were signed on its behalf on 29th July 2020



P J D Loftus
Director & Trustee

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Manchester City FC City in the Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary Manchester City FC CITC Foundation Trading Company Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Going Concern Policy

We have worked on our cashflow forecast and projections which have been revised, to take into account the effects of Covid-19. The revised forecasts and cash flow projections indicate that the Charity shall be able to generate sufficient funding for the 12-month period from signing of the financial statements based on estimated income levels.

We have also performed a reverse stress test exercise which has indicated that the funds currently in place at the point of signing, namely, £1.3 million would provide the charity with sufficient funds until February 2020 if no further funding was received. But as forecasted we have contracts in place to receive further funding from September 2020 to the value of £1.6m with an additional £1.1m which we are still awaiting confirmation at the point of signing.

Nevertheless, considering the uncertainty described above, the trustees have an expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

Income shown in the Statement of Financial Activities represent amounts receivable in relation to donations, coaching fees, contributions, subscriptions and grants. The income is recognised when we have entitlement of funds and performance conditions are met as set out in the relevant contract or service level agreement. Such income is only deferred when the donor specifies that the grant or donation must be used in future accounting periods or the donor has imposed conditions that must be met before the Charity has unconditional entitlement. Amounts received with such conditions are included within deferred income and released to income in the relevant year.

Donated services

The Charity does not include donated services and facilities in the Statement of Financial Activities as the Charity is unable to reasonably quantify or measure the value of these services. See note 2A for explanation of the type of services and facilities donated.

Expenditure

All expenditure is accounted for on the accruals basis and is recognised when incurred. In particular
a) the costs of raising funds represent a proportion of the Executive Manager's salary;

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

- b) the expenditure of charitable activities represent all costs of the Charity except those apportioned to governance and generating voluntary income;
- c) the costs of governance (included within expenditure on charitable activities) represents a proportion of the Executive Manager's salary and audit fees; and
- d) other expenditure represents those items not falling into any other heading.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

1 Accounting policies (continued)

Grant making

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

Please see note 3E regarding The Royal Foundation grant and the grant making for the seven organisations who have supported this apprenticeship programme.

Charitable Donations

Donations paid to charities principally represent donations by donor clients and are charged to the Statement of Financial Activities (SOFA) when both the Group and beneficiary charities are notified in the normal course of business of an unconditional obligation to transfer funds. Amounts to be paid at a future date are included in creditors. Grants payable are payments where the beneficiary charity has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grant awards that are subject to the recipient fulfilling performance conditions are accrued when any remaining unfulfilled conditions attaching to that grant are outside of the control of the Group.

There have been three charitable donations made in this period.

£ 15,000 DC Scores USA	Non-profit organisation in Washington, D.C., United States of America DC SCORES goes where kids in need are and creates neighbourhood teams that give kids the confidence and skills to succeed on the playing field, in the classroom, and in life.
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£4,492 was donated to The Christie Hospital from the London to Paris Run Event, which took place in August 2019.

The third donation was for £951 to the Reddish Supporters club to support some charitable work they do in Sierra Leone.

Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated as set out in the funding application across all programmes. The support costs for this year have been calculated at 9% for restricted costs and 6% unrestricted costs.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. This will only apply to items of a greater net value of £1,000. The estimated useful lives range as follows:

Computer equipment	25% per annum
Vehicles	20% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

Investments

Investments in unlisted company shares, which have been classified as fixed asset investments as the company intends to hold them on a continuing basis, are recognised at cost, with an impairment review done at each balance sheet date. Gains and losses on re-measurement are recognised in profit or loss for the period.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due

Fund structure

Unrestricted funds are funds that can be used in accordance with the charitable objects of the charity at the discretion of the trustees.

Designated funds form part of the charity's unrestricted funds but have been earmarked by the charity for a particular purpose.

The Charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular programme or purpose. All other funds are unrestricted income funds.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

1 Accounting policies (continued)

Pensions

The Charity operates a defined contribution scheme for employees. The cost of pensions is accounted for when expended.

Operating lease commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instruments contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

If a transaction constitutes a financing transaction it is measured at the present value of the future payments discounted at a market rate of interest, except where loans are received from a person who is within a director's group of close family members and that group contains a shareholder of the company, then these are initially recorded at transaction price, and subsequently at amortised cost using the interest rate implicit in the contract.

Investments in unlisted company shares (financial asset) are carried in the statement of financial position at fair value with changes in fair value recognised in profit or loss if their fair value can be measured reliably. Otherwise, they are carried as cost less impairment.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement that has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Taxation and Deferred Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. Profit from the trading entity, Manchester City FC CITC Foundation Trading Company Limited, are gift aided and as such the group does not attract a tax charge.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

1 Accounting policies (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Determine whether leases entered into by the Group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis

Other key sources of estimation uncertainty

Tangible fixed assets (see note 8) - Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

2 Income

2A – Donations and legacies	2019 £	2018 £
Unrestricted		
Donations and sponsorship	507,393	457,510
Grants – Premier League	100,000	100,000
Grants – Other	66,250	114,644
	673,643	672,154

2A – Donations and legacies	2019 £	2018 £
Restricted		
Donations and sponsorship	11,224	-
Grants – Premier League	-	-
Grants – Other	-	-
	11,224	-

2B – Other trading activities	2019 £	2018 £
Unrestricted		
Fund raising events	107,993	144,920
	107,993	144,920

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

2 Income (continued)

2C–Income from charitable activities

	Premier League Grant £	Royal Foundation Grant £	Big Lottery Grant £	ESFA Grant £	Other sources £	2019 £	2018 £
Restricted							
Kicks	140,000				74,309	214,309	195,792
Grassroots Soccer	20,000					20,000	-
Ashton College BTEC				35,715		35,715	-
Cheadle College BTEC				41,110		41,110	-
Oldham College BTEC				30,400		30,400	-
MMU Degree				108,390		108,390	-
Cityzens Giving Project					62,647	62,647	86,560
PL Disability Project	100,000				69,564	169,564	94,330
Enterprise City – Built for Business	45,000					45,000	45,000
Connell College BTEC				173,290		173,290	307,116
Learning Thru Football (Works)	37,500					37,500	37,500
Pitches Project						-	10,200
Ubtech ICT Project						-	40,000
PL CIF	90,000					90,000	47,239
Women's Football	25,000					25,000	37,833
School Sports Programme	140,000	10,172			567,953	718,125	698,130
PL Princes Trust Pilot	30,000					30,000	-
Royal Foundation – Coach Core		23,056				23,056	49,725
City Futures						-	50,000
LTSB					11,571	11,571	11,200
City Play	250,000				27,270	277,270	273,834
City Lifestyles			88,456			88,456	88,456
Literacy	20,000				25,000	45,000	45,000
Other	10,717				7,660	18,377	53,138
	908,217	33,228	88,456	388,905	845,974	2,264,780	2,171,053

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued) – previous year

	Premier League Grant	Royal Foundation Grant	Big Lottery Grant	ESFA Grant	Other sources	2018 £	2017 £
Restricted							
Kicks	140,000	-	-	-	55,792	195,792	133,343
Hopwood Hall	-	-	-	-	-	-	180,250
PL4Sport	-	-	-	-	-	-	75,000
Children's Obesity Programme	-	-	-	-	-	-	231,250
Cityzens Giving Project	-	-	-	-	86,560	86,560	-
PL Disability Project	100,000	-	-	-	(5,670)	94,330	156,883
Enterprise City – Built for Business	45,000	-	-	-	-	45,000	46,000
Connell College BTEC	-	-	-	301,716	5,400	307,116	-
Learning Thru Football (Works)	37,500	-	-	-	-	37,500	37,500
Pitches Project	-	-	-	-	10,200	10,200	-
Ubtech ICT Project	-	-	-	-	40,000	40,000	-
PL CIF	47,239	-	-	-	-	47,239	-
Women's Football	25,000	-	-	-	12,833	37,833	34,879
School Sports Programme	140,000	11,775	-	-	546,355	698,130	358,261
Eurofit	-	-	-	-	-	-	6,500
Royal Foundation – Coach Core	-	49,725	-	-	-	49,725	91,000
City Futures	50,000	-	-	-	-	50,000	59,850
LTSB	-	-	-	-	11,200	11,200	11,315
City Play	250,000	-	-	-	23,834	273,834	250,000
City Lifestyles	-	-	88,456	-	-	88,456	85,666
Literacy	20,000	-	-	-	25,000	45,000	70,025
Other	-	-	-	-	53,138	53,138	-
	854,739	61,500	88,456	301,716	864,642	2,171,053	1,827,722

'Other Sources' includes various income from various schools and other small grants.

Government grants – ESFA is a form of government grant, granted to enable the charity to provide support and training to provide a BTEC course in partnership with Connell, Cheadle, Ashton & Oldham Colleges

2D– Other income	2019 £	2018 £
Unrestricted		
Other income	44,588	14,062
Total	44,588	14,062

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

3 Expenditure - Group

3A – Costs of raising funds	Unrestricted £	Restricted £	2019 £	2018 £
Staff costs	388,015	-	388,015	466,109
Travel & vehicle	133,566	-	133,566	124,883
Printing, postage and stationery	5,137	-	5,137	5,556
Facility hire	18,878	-	18,878	9,747
Catering	6,305	-	6,305	18,924
Equipment	13,768	-	13,768	2,502
Promotional Material	5,717	-	5,717	27,433
Professional Fees	5,782	8,224	14,006	2,954
Utilities	20,451	-	20,451	10,207
Depreciation	-	-	-	22,564
Sundries	47,799	-	47,799	50,019
Charitable donations	17,378	-	17,378	23,583
Total	662,796	8,224	671,020	764,481
2018	764,481	-	764,481	744,458

Charitable donations includes monies raised by Manchester City FC City in the Community Foundation, payable to:
£ 15,000 DC Scores USA Non-profit organisation in Washington, D.C., United States of America
DC SCORES goes where kids in need are and creates neighbourhood teams that give kids the confidence and skills to succeed on the playing field, in the classroom, and in life.

£4,492 was donated to The Christie Hospital from the London to Paris Run Event, which took place in August 2019.

The second donation was for £951 to the Reddish Supporters club to support some charitable work they do in Sierra Leone.

3A – Costs of raising funds – previous year	Unrestricted £	Restricted £	2018 £	2017 £
Staff costs	466,109	-	466,109	550,779
Travel & vehicle	124,883	-	124,883	56,063
Printing, postage and stationery	5,556	-	5,556	11,101
Facility hire	9,747	-	9,747	11,664
Catering	18,924	-	18,924	11,778
Equipment	2,502	-	2,502	9,984
Promotional Material	27,433	-	27,433	10,564
Professional Fees	2,954	-	2,954	3,435
Utilities	10,207	-	10,207	6,616
Depreciation	22,564	-	22,564	8,621
Sundries	50,019	-	50,019	41,785
Charitable donations	23,583	-	23,583	22,068
Total	764,481	-	764,481	744,458
2017	744,458	-	744,458	

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

3B – Charitable activities	Unrestricted £	Restricted £	2019 £	2018 £
Staff costs	8,769	2,080,941	2,089,710	1,989,278
Travel & vehicle costs	16	34,883	34,899	33,312
Printing, postage and stationery	60	8,567	8,627	8,154
Equipment	-	78,856	78,856	67,609
Utilities	-	2,880	2,880	17,787
Professional Fees	-	2,489	2,489	2,817
Catering	262	6,305	6,567	4,600
Venue costs	-	46,270	46,270	10,589
Promotional Material	-	591	591	1,134
Sundries	279	43,436	43,715	17,147
Grants payable (see note 3E)	-	38,020	38,020	40,756
Total	9,386	2,343,238	2,352,624	2,193,183
2018			2,193,183	1,925,205

3B – Charitable activities – previous year	Unrestricted £	Restricted £	2018 £	2017 £
Staff costs	20,172	1,969,106	1,989,278	1,593,194
Travel & vehicle costs	30	33,282	33,312	31,407
Printing, postage and stationery	540	7,614	8,154	7,260
Equipment	140	67,469	67,609	136,333
Utilities	-	17,787	17,787	14,795
Professional Fees	-	2,817	2,817	945
Catering	134	4,466	4,600	8,959
Venue costs	1,235	9,354	10,589	49,284
Promotional Material	-	1,134	1,134	5,064
Sundries	837	16,310	17,147	19,552
Royal Foundation – grants payable (see note 3E)	-	40,756	40,756	58,412
Total	23,088	2,170,095	2,193,183	1,925,205
2017	13,483	1,911,722	1,925,205	

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

3 Expenditure – Group (continued)

3C– Other costs	2019 £	2018 £
Unrestricted		
Travel and vehicle costs	-	-
Sundry	3,035	5,707
Total other costs	3,035	5,707

The total amount of support costs incurred in the year was £244,155 (2018 - £221,834). The amount of support costs allocated to raising funds is £48,818 (2018 - £34,470) and the amount allocated to charitable activities is £195,337 (2018 - £187,364).

3D– Governance costs	2019 £	2018 £
Unrestricted		
Audit and Accounting	7,800	7,560
Staff costs	7,435	7,218
Total governance costs	15,235	14,778

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

3 Expenditure – Group (continued)

3E – Grant Making	Grants to institutions £	Grants to individuals £	Support costs £	Total £
Coach Core	18,020		2,625	20,645
Grassroots Soccer	20,000		-	20,000
Total costs	38,020		2,625	40,645
2018	40,756		3,750	44,506

Manchester City FC City in the Community Foundation was awarded funding in the year from The Royal Foundation to fund a Coach Core programme.

Coach Core is an apprenticeship programme that enhances the lives of up to 20 young people (16-24) so as to provide them with the qualifications and experiences that assist them to go onto further education or employment.

Manchester City FC City in the Community Foundation employ 5 out of the max of 14 apprentices under the scheme. The remaining grant received is then distributed by Manchester City FC City in the Community Foundation to other institutions. The Royal Foundation has agreed some of the total grant is to fund Manchester City FC City in the Community Foundation additional administrator costs such as training and travel.

Institutions who received grants to fund apprentices include:

	2019 £	2018 £
Diane Modahl Sports Foundation	2,445	4,325
Eastlands Trust	-	3,145
Lancashire County Cricket Club Foundation	2,445	6,205
Manchester Metropolitan University	-	3,760
Manchester United Foundation.	-	1,265
Sale Sharks in the Community Trust	1,957	6,206
Rochdale Hornets	2,182	2,182
Link4Life Rochdale	2,182	2,182
Bolton Wanderers	-	2,182
Life Leisure	2,182	2,182
Street League Manchester	2,182	2,182
Sports Group Limited	2,445	4,940
	18,020	40,756

CITC were also awarded a grant of £20,000 from the Premier League as an international development fund to work in Partnership with Grassroots Soccer based in Capetown, South Africa

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

4 Funds reconciliation

	Balance b/f £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance c/f £
Unrestricted funds	299,648	826,404	(645,217)	34,370	515,205
Designated Funds	60,000	10,500	(30,000)		40,500
Total unrestricted funds	359,648	836,904	(675,217)	34,370	555,705
Restricted funds					
Kicks	7,721	214,309	(203,727)		18,303
Disability Project	58,602	169,564	(189,217)		38,949
Learning Thru Football	9,140	37,500	(37,151)		9,489
Cityzens Giving Project	769	62,647	(62,410)		1,006
BTEC Ashton College	-	35,715	(42,438)	6,723	-
Primary Stars	728	718,125	(753,676)	34,823	-
Women's Football	7,553	25,000	(25,037)		7,516
PL CIF	-	90,000	(89,751)		249
BTEC Connell College	22,831	173,290	(151,174)	(44,947)	-
BTEC Oldham College	-	30,400	(42,669)	12,269	-
Enterprise/Built	-	45,000	(44,815)	(185)	-
Royal Foundation	2,776	23,056	(22,811)	(3,021)	-
Pitches Programme	-	8,224	(8,224)	-	-
City Play	-	277,270	(327,967)	50,697	-
City Lifestyles	-	88,456	(87,720)		736
Literacy	-	45,000	(45,584)	584	-
BTEC Cheadle	-	41,110	(40,284)	(826)	-
Grassroots Soccer	-	20,000	(20,000)	-	-
MMU Degree	-	108,390	(102,255)	(6,135)	-
PL Prince's Trust Pilot	-	30,000	(29,370)		630
PL Pitches Project	-	21,377	(16,051)		5,326
Other restricted funding	81,912	11,571	(9,131)	(84,352)	-
Total restricted funds	192,032	2,276,004	(2,351,462)	(34,370)	82,204
Total funds	551,680	3,112,908	(3,026,679)	-	637,909

Transfer between funds - Negative restricted fund balances are supported by the unrestricted funds.

Designated funds

Where fundraising events are held specifically for an existing or new programme it may be required that these funds will be ring-fenced for the following year/s and classed as designated funds in the unrestricted reserves.

In this period £10,500 was raised by the London to Paris Run and the auction of Pep's cardigan, which he kindly donated to the Foundation. These funds will be used to buy food for the soccer school participants in 2019/20 school holidays.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

4 Funds reconciliation

Funds reconciliation – previous year

	Balance b/f £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance c/f £
Unrestricted funds	343,690	786,800	(793,276)	(37,566)	299,648
Designated Funds	-	60,000	-	-	60,000
Total unrestricted funds	343,690	846,800	(793,276)	(37,566)	359,648
Restricted funds					
Kicks	-	195,791	(188,070)	-	7,721
Disability Project	57,436	147,468	(146,302)	-	58,602
Learning Thru Football	7,034	37,500	(35,394)	-	9,140
Cityzens Giving Project	-	86,560	(85,791)	-	769
PL4Sport	728	-	-	-	728
Primary Stars	-	698,130	(707,144)	9,014	-
Women's Football	-	37,833	(30,280)	-	7,553
PL CIF	-	47,239	(50,369)	3,130	-
BTEC Connell College	-	307,116	(284,285)	-	22,831
Enterprise/Built	-	45,000	(47,031)	2,031	-
Royal Foundation	3,735	49,725	(50,684)	-	2,776
City Futures	486	50,000	(55,694)	5,208	-
City Play	2,315	273,835	(292,147)	15,997	-
City Lifestyles	840	88,456	(90,850)	1,554	-
Literacy	-	45,000	(45,632)	632	-
Ubtech	-	40,000	(39,480)	-	520
Other restricted funding	80,934	21,400	(20,942)	-	81,392
Total restricted funds	153,508	2,171,053	(2,170,095)	37,566	192,032
Total funds	497,198	3,017,853	(2,963,371)	-	551,680

Negative restricted fund balances are supported by the unrestricted funds.

Restricted funds

Kicks - To create a strong, safe and more respectful community by developing young people's potential through the power of sport.

Disability Project - To provide a range of sporting opportunities for young people with disabilities in school and out of school to include football, rugby, athletics & netball.

Learning Thru Football - Barclays Works - Barclays Premier League Works project is an employability skills programme aimed at 16-24year old and is designed to provide opportunities and upskill participants whilst enhancing their CV and motivating a Futsal - The futsal/education course aimed to get NEETS aged 16-24 on the correct path to employment using futsal as the driver

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

4 Funds reconciliation (continued)

Restricted funds (continued)

Cityzens Giving – is a project working with Women & Girls in the local area giving them opportunities to take part in sport. The project is voted for by the fans of Manchester City Football Club and will be a three year project.

Primary Stars - The Premier League Schools Sport Programme is a high quality series of bespoke programmes that meet individual needs and requirements of Primary Schools in Manchester

Continuous Improvement Fund – The Premier League supporting the infrastructure of the Foundation to either bring in additional talent that might be required or equipment to enable to Foundation to develop and grow.

Women's Football - The Premier League Girls Football Project is funded by the FA and the Premier League Charitable Fund. Its aims are to increase the amount of women and girls taking part in the sport. Last year we worked with over 250 girls on the project.

Connell College (BTEC) - A two-year B-Tec course in partnership with Connell College, a Level 3 Extended Diploma in Sport for 16-19 year olds.

Oldham College (BTEC) - A two-year B-Tec course in partnership with Oldham College, a Level 3 Extended Diploma in Sport for 16-19 year olds.

Cheadle College (BTEC) - A two-year B-Tec course in partnership with Cheadle College, a Level 3 Extended Diploma in Sport for 16-19 year olds.

Ashton College (BTEC) - A two-year B-Tec course in partnership with Ashton College, a Level 3 Extended Diploma in Sport for 16-19 year olds.

Enterprise City/Built for Business - Using MCFC as an example of a business providing young people with an OCR accredited Entry Level 3 Business & Enterprise qualification. 21 hours' project delivery per cohort of students using a flexible delivery model at schools or the Etihad stadium.

Royal Foundation - Coach Core is an apprenticeship programme that enhances the lives of up to 20 young people (16-24) so as to provide them with the qualifications and experiences that assist them to go onto further education or employment

City Play - The programme covers the EYFS curriculum delivered for all sessions. Sessions to include physical development, communication and language, personal, social and emotional development and links to cross curricular such as shape space and measure and phonetical sounds. Cover key elements of the prime areas of the EYFS National curriculum:

City Lifestyles - The City Futures programme has been designed to break the cycle of youth violence, this is achieved by taking the participants (12-16yrs) through a twelve-week bespoke programme that includes; gun/knife crime, gang cultures, sexual exploitation, drugs, and many other things.

Literacy - The project aims to raise the Literacy levels of Year 5 pupils in Manchester, which are currently under the national average and works to support the National Literacy Forum's Vision for Literacy 2025, which is to ensure every 11-year-old has Literacy skills they need to fulfil their potential in secondary school. Each lesson is structured with an energiser activity, objective, main activity and some contain extension activities, with the goal to improve children's reading and writing attainment, enjoyment, attitudes and confidence

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

5 Net movement in funds

This is stated after charging:

	2019 £	2018 £
Remuneration of Auditor	7,800	7,560
Remuneration of Auditor – Other	-	-
Hire of Assets – operating leases	15,039	15,239
Depreciation of tangible fixed assets:		
Owned	-	22,564

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The average number of full-time persons employed by the Charity (including Trustees) during the financial period was 83 (2018: 70). An average of 22 part-time/casual staff (2018: 32) were also employed during the period.

There were no staff employed by the Trading Company.

The aggregate payroll costs of these persons were as follows:

Group and Charity

	2019 £	2018 £
Wages and salaries	2,135,578	2,134,546
Social security costs	181,384	154,852
Other pension costs	141,997	113,984
	2,458,959	2,403,382

Include in wages and salaries is:

Consultancy and sessional costs	29,675	486,390
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The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2018: £nil) neither were they reimbursed expenses during the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Two employees received emoluments for the period in excess of £60,000 (2018: £60,000). Pension contributions were made to the employees during the period of £5,810 (2018: £5,546).

Salary Band	No. of Employees FY 2019	No. of Employees FY 2018
90,001 - 100,000	1	-
80,001 - 90,000	-	1
70,001 - 80,000	-	-
60,001 - 70,000	1	1

The key management personnel of the parent charity, the Trust, comprise the trustees, the Chief Executive Officer, Finance Director, Head of Operations, Ambassador and Partnerships Manager of Manchester City FC City in the Community Foundation. The total employee benefits of the key management personnel of the Trust were £318,615 (2018: £304,988) and pension costs of £14,039.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

7 Taxation

The Charity raises and utilises funds, subscriptions and donations to meet its charitable objectives promoting youth football and educational facilities. The Charity does not trade for profit. As stipulated in the Charity's articles the assets remaining on the winding up or dissolution would not be distributed to members but given to another charitable institution with similar objectives, consequently, any operating surpluses are considered exempt from corporation tax. The Charity enjoys charitable status and so is not liable to UK corporation tax on bank interest received.

8 Tangible Fixed Assets

Group and Charity	Other equipment £	Computer equipment £	Total £
Cost			
As at 1 September 2018	7,920	43,211	51,131
Additions	-	-	-
As at 31 August 2019	7,920	43,211	51,131
Depreciation			
As at 1 September 2018	7,920	43,211	51,131
Provision for the year	-	-	-
As at 31 August 2019	-	-	-
Net Book Value			
As at 31 August 2019	-	-	-
As at 31 August 2018	-	-	-

9 Investments – Charity

	2019 £	2018 £
Investments – subsidiary	1	1

The company owns 100% of the shares of its subsidiary company Manchester City FC CITC Foundation Trading Company Limited, a Company incorporated in England & Wales, with the same registered office as its parent, registration number 08037713. At the year-end, the company had net assets of £19,201 (2018: net liabilities £5,707). For the period ended 31st August 2019 the company had turnover of £67,848 (2018: £nil) and made a profit of £63,195 (2018: loss £1,563). The principal activity of the company is to receive sponsorships from external companies.

10 Debtors: due less than one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade debtors	225,466	8,141	54,033	8,140
Prepayments	-	6,510	-	6,510
Amounts owed by group	-	-	-	6,200
Amounts owed by related parties	42,006	32,053	42,006	32,053
Accrued income	30,963	55,948	30,963	55,948
	298,435	102,652	127,002	108,851

Amounts owed from group and related parties are interest free and repayable on demand.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

11 Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	10,253	12,670	10,253	12,670
Taxes and social security	44,222	38,206	40,652	38,346
Accruals	212,436	87,952	110,086	87,952
Deferred income (note 13)	404,573	196,505	354,573	196,505
	671,484	335,333	515,564	335,473

There were no secured balances included in creditors.

12 Creditors: amounts falling due after one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Deferred income (note 13)	-	-	-	-
	-	-	-	-

There were no secured balances included in creditors.

13 Deferred income

Deferred income represents sponsorship/grant income received in advance from various sponsors/funders and is outside the control of the charity.

Group and Charity	£
Balance as at 1 September 2018	196,505
Amount received and deferred in the year	291,812
Amounts released to incoming resources	(83,744)
Balance as at 31 August 2019	404,573

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

14 Analysis of total funds - Group

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fixed assets	-	-	-	-
Current assets	613,309	696,084	1,309,393	887,013
Creditors falling due within one year	(57,604)	(613,880)	(671,484)	(335,333)
Creditors falling due after more than one year	-	-	-	-
	555,705	82,204	637,909	551,680

Analysis of total funds – Group (prior year)

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Fixed assets	-	-	-	22,564
Current assets	405,496	481,517	887,013	679,985
Creditors falling due within one year	(45,848)	(289,485)	(335,333)	(199,518)
Creditors falling due after more than one year	-	-	-	(5,833)
	359,648	192,032	551,680	497,198

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account. The surplus for the period dealt with in the accounts of the charity is £61,321 (2018: £60,189).

15 Operating Lease Commitments – Group and Charity

At 31 August 2019 the charity had annual commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
Other:		
Amounts due within one year	14,796	14,796
Amounts due between one and five years	-	14,795

2018 - There are no other commitments at the current and prior year end

Manchester City FC City in the Community Foundation

Year Ended 31 August 2019

Notes to the financial statements (continued)

16 Related party transactions

The Trustees consider that Manchester City Ltd and its subsidiaries Manchester City Football Club Ltd and City Football Group are related parties of the Charity by virtue of significant influence.

The Charity receives financial support from Manchester City Football Club Ltd and City Football Group to the extent that premises and use of the football pitches at the CFA site are provided and editorial space in match day programmes granted, free of any charges. There has also been a contribution to the Foundation in the sum of £275,721. £100,000 is for a new pitch project in Manchester, £100,000 is for overseas support activities, £62,647 for the Manchester Cityzens Giving Project as voted for by the fans and the balance is for support towards the delivery of programmes and reimbursement of costs. In addition, the football club incurs costs of printing, entertaining, advertising, catering and other similar costs that are recharged to the Charity. The costs incurred for this financial period are £41,352 (2018: £10,881). At 31 August 2019 (£41,701) was owed by the Foundation (2018: £31,984).

The Gift Aid amount transferred from Manchester City FC CITC Foundation Trading Company Limited to Manchester City FC City in the Community Foundation was £38,287(2018: £0)

One of the Trustees, Kevin Parker has a related party, OSC's which have made a donation to the Foundation in this period, of £41,684.

See note 6 for details of remuneration paid to trustees.

17 Control

The Charity is limited by guarantee and therefore does not have any share capital. Any liability of its members is restricted to £10 per member.