

REGISTERED COMPANY NUMBER: 04851552 (England and Wales)
REGISTERED CHARITY NUMBER: 1099366



REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2016
FOR
EVERTON IN THE COMMUNITY

McLintocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

EVERTON IN THE COMMUNITY

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for the Year Ended 31 May 2016**

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EVERTON IN THE COMMUNITY

REPORT OF THE TRUSTEES for the Year Ended 31 May 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and principal activities of the Charity

The charity was incorporated as a company limited by guarantee on 31 July 2003 and registered as a charity on 10 September 2003. It commenced activities on 1 June 2004.

It is governed by its memorandum and articles of association and its objects are to:-

- 1 Further and assist in the education (on a physical and social basis) of children in Merseyside and surrounding areas through the use of the game of football (including its history and rules) and other sporting activities as educational tools in furtherance of that object to provide in Merseyside and surrounding areas, facilities for training, meetings, lectures and classes.
- 2 Provide facilities for recreational and other leisure time occupation of the people of Merseyside irrespective of ethnic origin, gender or religious belief in the interests of social welfare and with the object of improving the conditions of life of the said persons.

The user groups are local schools, colleges and disability organisations.

The day to day business of the charity is conducted under the control of the Chief Executive Officer, who reports to the Board of Trustees at their regular meetings.

Public benefit

The trustees are aware of the Charity Commission's guidance in relation to public benefit. It is the opinion of the trustees, that this report demonstrates how the charity provides public benefit.

EVERTON IN THE COMMUNITY

REPORT OF THE TRUSTEES for the Year Ended 31 May 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The period of June 2015 through to May 2016 has been yet another record-breaking year for Everton in the Community. Another year that we can all reflect on proudly when we think about our successes and the ground we have covered over the course of the last 12 months. To name them all would be in vain, but some particular outstanding highlights relating to each of the charity's pillars are below.

Disability

Our disability programme is one of the largest and most respected in Europe and delivers a number of multi-sport programmes across Merseyside with a view to helping every individual achieve their full potential.

The last year has seen the charity engage with over 100 disabled children through school sports sessions and an additional 100 disabled players have represented Everton in the Community through our 10 disabled football teams. The programme is all-inclusive and there are teams available to those with any disability whether that be learning, physical, reduced stature, autism, cerebral palsy, deaf or partially-sighted.

Our relationship with Alder Hey Children's Hospital has grown from strength-to-strength and the last 12 months has seen us work with over 800 children and their parents and siblings with our day fun activity workshops that we deliver on the wards.

The programme supports disabled people into education, training, employment, volunteering and social opportunities, whilst tackling negative stigma in society and challenging the huge inequalities that still exist. The charity has developed a range of opportunities to empower disabled people and integrate them into everyday mainstream society and last year we supported 21 people into work placements, volunteering opportunities and/or paid employment.

Our disability programme received a welcome boost when Rachel Kearney, the partner of the late David Thomas, generously donated £400,000 to continue our work in the local community.

Employment, Education and Training

Everton in the Community provides local people with routes into various education, employment and training opportunities which are individually tailored to suit their learning needs.

The programmes delivered by the charity aim to improve the motivation, confidence and self-esteem of people on the courses and helps to create life-changing opportunities as they are supported in improving their employability prospects.

The charity's Everton 4 Employment programme delivered pre-employability courses to over 100 individuals with experiences of mental health and/or disabilities and secured a significant contract win in February as part of a consortium bid to deliver a NEET employability programme called Working Futures. The two-year programme is funded by ESF and The Youth Employment Initiative and aims to work with more than 200 NEET's across Merseyside supporting them into positive destinations such as jobs, education, apprenticeships or accredited training.

The last 12 months has seen the charity witness significant growth within this pillar; we received the 'keys' to our brand new Everton Free School on Spellow Lane in April 2015, with its formal opening attended by many notable guests on September 15th 2015 and opened by Roberto Martinez, Manager. The number of young people enrolled in the school has increased month-by-month, providing a much needed 'safety net' for displaced young people in the 14-16 age group. There was further cause for celebration when Knowsley Park School represented the Club in the Premier League Enterprise Challenge, securing second place at the final in March and an opportunity to meet Bill Gates, first team players and even a feature on CBBC!

Strong links have also been established with the recently relaunched Everton Business Club which has seen a number of members supporting our younger participants with mock interviews, site visits, work experience and sector talks. Employer involvement in our E4E programmes continues to grow and is resulting in positive experiences and outcomes for many young people.

EVERTON IN THE COMMUNITY

REPORT OF THE TRUSTEES for the Year Ended 31 May 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity's Apprenticeship programme, formerly in partnership with the City of Liverpool College and now partnered with main delivery partner Riverside College in Widnes, offers opportunities for individuals who would prefer to work, learn and earn within the internal Everton family and across our external partners, as opposed to going down the more academic traditional pathway. The last year has seen 20 apprentices successfully complete their qualifications.

Health and Wellbeing

Everton in the Community is committed to improving the health and wellbeing of the people living on Merseyside and delivers many responsive and multi-dimensional programmes that tackle a range of public health challenges.

Working alongside a number of key regional and national health agencies and partners including Mersey Care NHS Foundation Trust and Edge Hill University; the charity delivers many targeted health-intervention programmes aimed at promoting positive lifestyle choices and promoting the quality of life for some of the most hard-to-reach.

The previous 12-month period has been highly impactful with a significant amount of funding being secured ensuring a range of health and wellbeing programmes continue to flourish across the entire life-course. This has included delivering heart screening programmes at Goodison Park which have now brought the running total to over 400 being screened and 50 previously undiagnosed heart conditions being identified.

The charity has extended its work with both the Merseyside Homeless Football League and the Whitechapel Centre and offers participants advice on changing their lifestyles and access to other EitC projects. We have also developed a relationship with Asylum Link and offer weekly football sessions to refugees as well as access to our Everton 4 Employment programme.

Last summer we launched a programme to tackle social isolation among individuals aged over 75 living in the Everton area. Our 'Stand Together' programme provides four sessions a week of interactive and bespoke activities to those currently experiencing limited social contact and is already supporting people from the L4 ward.

The charity's role in supporting the elderly and socially isolated individuals of Liverpool is rapidly growing and it now attracts 180 people to its monthly Blue Bingo, Dancing the Blues Away tea dances and Pass on the Memories twice weekly sessions. In addition, we accessed funding from Sport England to deliver an 'Active Blues' programme for inactive men aged 35-50.

Neighbourhood

October 2015 saw the club and EitC appoint a Neighbourhood Manager to enable and assist us in becoming a better neighbour to the 10,000+ residents living in the Blue Mile surrounding Goodison Park. A Premier League first, the role supports the award-winning work of Everton in the Community by linking into our core community surrounding the residential stadium area.

This newly created role sees our Neighbourhood Manager act as a visible ambassador for the Blues, establishing clear methods of communication between local residents and businesses.

We now have a database of over 250 neighbours across all ages, who we positively interact and engage with through advice sessions, drop-ins, meeting groups, EitC projects and match day activities. All of the work that the Neighbourhood team does is to benefit our neighbours wants and needs, along with building a legacy and positively impacting Gross Added Value statistics in one of the most deprived wards in the North West.

Soccer Schools

The charity's Soccer Schools have grown from strength-to-strength over the last 12 months and have continue to grow internationally as well as focus on new overseas targets for the next season.

EVERTON IN THE COMMUNITY

REPORT OF THE TRUSTEES for the Year Ended 31 May 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Soccer Schools (continued)

Our international camps give us the opportunity to spread the word of the work of EitC and gives us the chance to convert these children into lifelong Evertonians.

Sports Development

The Sports Development arm of the Club's official charity is responsible for the delivery of a variety of Premier League-funded programmes which engage young children across Merseyside in sporting opportunities including Premier League 4 Sport and the Primary School Programme.

Across our programmes we have delivered to over 4,000 children and young people aged 4-19 and delivered and hosted the prestigious Premier League Schools Tournament and Goodison Park, receiving a letter of thanks from Premier League Executive Chairman Richard Scudamore. Our Sports offering has also seen us deliver 678 qualifications to children aged 11-19.

January 2016 has seen the pillar pilot a new primary model which includes mentoring activities with children to develop their confidence, resilience, communication and teamwork which is followed by high quality PE lessons. The pilot saw us work with 650 children across 323 sessions with two pupils from a partner schools going on to play at Everton Ladies Centre of Excellence.

Youth Engagement

Our award-winning Youth Engagement programmes delivered by Everton in the Community work to empower our young people to tackle current social issues that are prevalent across Merseyside today and also encourage community cohesion.

We work tirelessly to bring groups of young people together from many different backgrounds to learn from each other and inspire individuals to make positive, impactful life choices by steering them into paths of education and employment.

The pioneering programmes extend beyond helping young people take positive alternative routes into education; these programmes also save the taxpayer money by helping to reduce the amount of anti-social and criminal incidents the police and youth justice system deal with across Merseyside.

The last year has been an exciting period for the Youth Engagement pillar; the Kicks programme continues to exceed targets with the impact and success of the project being recognised by the Police Crime Commissioner and the charity's close working relationship with The Prince's Trust has seen us continue to deliver 'Get Into' courses after remodelling the offer to incorporate relevant accredited qualifications.

Our Breathing Space programme works to support young adults who are in, or at risk of entering, the care system and the last year has seen us support over 70 young people. Our work at supporting looked after children and young offenders through our Safe Hands programme has seen our work recognised by Lord Laming in a 'In Care, Out of Trouble' report which cites the importance of working together with statutory agencies to provide the young people with the best support possible.

We were recently gifted a house on Goodison Road by Everton Football Club which will provide a safe and nurturing environment for participants from both our Breathing Space and Safe Hands programmes, enabling them to develop their skills and confidence as well as raising awareness on how to live semi-independently.

The charity secured record multi-million-pound funding to deliver the 'National Citizen Service' programme throughout Merseyside on behalf of Ingeus, thus enabling the charity to continue our ground-breaking work in creating opportunities for young adults. The last 12 months, the charity has engaged with over 40 young people and is now working to extend this provision into more schools as well as piloting an innovative programme that will see the NCS framework included into Everton Free School's curriculum.

Our motivation to make a real difference is what drives the charity forward and as long as the people we serve benefit from our services and go away 'proud to be blue' this is the only motivation we need to continue the work we do on behalf of Everton Football Club.

EVERTON IN THE COMMUNITY

REPORT OF THE TRUSTEES for the Year Ended 31 May 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

It goes without saying that all of the awards and recognition the charity receives would not be possible without the ongoing support from Everton Football Club, the Premier League, our army of loyal Evertonians and our wider range of key partners/funders and of course, not forgetting the commitment of a team of magnificent staff and volunteers who are not only passionate about their work, but act as ambassadors for both the Club and charity, 365 days a year.

Fundraising activities

A whole range of community events took place throughout the 2015/16 season, ranging from car boot sales, pub quiz nights, sportsman's dinners and ladies' lunches. This wide-ranging offering of activities gave us the opportunity to further engage with the loyal Everton fan base and the general public and raise almost £25,000.

Working with the Club's Digital team, the Everton Loyalty Rewards Everton Browser was introduced allowing supporters to shop online whilst gaining rewards and points - a percentage of their online spend was redirected to Everton in the Community.

Every year we encourage fans to get involved with various fundraising challenges including runs and abseils. The 2015.16 season saw 76 individuals fundraise for EitC whilst achieving personal accomplishments, raising over £16,000 in total.

The much anticipated second edition of our 12 Shades of Blue calendar was launched in the run up to Christmas and was sold via a number of different outlets, raising over £10,000 for Everton in the Community.

The 2015-16 season saw the Fundraising team continue to deliver a wide host of match day fundraising activities including mascot packages, lounge raffles, street collections and the sales of discounted tickets with £45,000 raised for the Club's official charity.

The end of the footballing season saw EitC join forces with Wear Your Support to commission the sale of limited edition earphones. Supported by the first team squad and Tony Bellew, the earphones sold almost 1,000 units and were a big hit amongst fans.

FINANCIAL REVIEW

Financial position

Overall income exceeded expenditure by £562,263 (2015 £165,038). Unexpended grants and restricted donations and legacies amounted to £1,091,383 (2015 £616,309) and general reserves amounted to £596,512 (2015 £509,323). The cash and bank balances stood at £1,293,771 (2015 £913,622).

Reserves policy

The trustees have reviewed the charity's requirement for reserves in light of the main risks to the organisation. The trustees have therefore established a policy whereby unrestricted reserves, not committed or invested in fixed assets, should as a minimum equate to three months unrestricted operating expenditure.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Induction and training of new trustees

Trustees are drawn from Everton Football Club and from the wider community. Most trustees are already familiar with the practical work of the Charity when appointed, but new trustees are invited and encouraged to attend short training sessions to familiarise themselves with the charity and the context within which it operates. The Chief Executive Office ensures that the Board of Trustees is kept up to date with any changes in legislation, rules and regulations which may affect the charity.

EVERTON IN THE COMMUNITY

REPORT OF THE TRUSTEES for the Year Ended 31 May 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

The trustees consider the board of trustees and the chief executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration or expenses were paid in the year.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04851552 (England and Wales)

Registered Charity number

1099366

Registered office

Goodison Park
Goodison Road
Liverpool
L4 4EL

Trustees

Sir J F Jones	- resigned 13.12.16
R.C. Elstone	- resigned 13.12.16
Dr P Grey	- resigned 27.7.16
Professor W J Chambers	- resigned 13.12.16
Professor P A Shenton	- resigned 7.7.15
R B Kenyon	
Inspector C Lewis	- resigned 27.7.16
Dr D Barrett-Baxendale	- appointed 14.7.16
A S McTavish	- appointed 14.7.16

Chief Executive Officer

Dr D Barrett-Baxendale

Company Secretary

Ms S Foy

Auditors

McLintocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

Bankers

Bank of China (UK) Limited
67-69 Mosley Street
4 Manchester
M2 3JB

EVERTON IN THE COMMUNITY

**REPORT OF THE TRUSTEES
for the Year Ended 31 May 2016**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Everton in the Community for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, McLintocks Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Dr D Barrett-Baxendale - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EVERTON IN THE COMMUNITY

We have audited the financial statements of Everton in the Community for the year ended 31 May 2016 on pages ten to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
EVERTON IN THE COMMUNITY**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Michael Caputo FCA (Senior Statutory Auditor)
for and on behalf of McLintocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

Date:

EVERTON IN THE COMMUNITY

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 May 2016**

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 funds £	Total 2015 funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	524,445	1,920,574	2,445,019	2,119,486
Charitable activities	5				
Employment education and training		58,012	-	58,012	166,798
Health and well-being		4,694	2,500	7,194	13,406
Sport development		84,711	53,842	138,553	63,749
Youth engagement		197,391	3,520	200,911	35
Administration function		-	-	-	164,475
Other trading activities	3	198,337	13,365	211,702	186,976
Investment income	4	668	-	668	226
Total		1,068,258	1,993,801	3,062,059	2,715,151
EXPENDITURE ON					
Raising funds	6	306,876	-	306,876	129,072
Charitable activities	7				
Employment education and training		132,456	266,601	399,057	897,711
Health and well-being		15,013	325,104	340,117	408,202
Sport development		159,569	478,018	637,587	576,024
Youth engagement		152,258	663,901	816,159	539,104
Total		766,172	1,733,624	2,499,796	2,550,113
NET INCOME		302,086	260,176	562,263	165,038
Transfers between funds	18	(214,897)	214,897	-	-
Net movement in funds		87,189	475,074	562,263	165,038
RECONCILIATION OF FUNDS					
Total funds brought forward		509,323	616,309	1,125,632	960,594
TOTAL FUNDS CARRIED FORWARD		<u>596,512</u>	<u>1,091,383</u>	<u>1,687,895</u>	<u>1,125,632</u>

The notes form part of these financial statements

EVERTON IN THE COMMUNITY

BALANCE SHEET
At 31 May 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Tangible assets	13	104,955	435,748	540,703	200,140
CURRENT ASSETS					
Debtors	14	405,334	415,870	821,204	491,538
Cash at bank and in hand		<u>280,523</u>	<u>1,013,248</u>	<u>1,293,771</u>	<u>913,622</u>
		685,857	1,429,118	2,114,975	1,405,160
CREDITORS					
Amounts falling due within one year	15	(188,700)	(333,985)	(522,685)	(221,117)
		<u>497,157</u>	<u>1,095,133</u>	<u>1,592,290</u>	<u>1,184,043</u>
NET CURRENT ASSETS					
		<u>497,157</u>	<u>1,095,133</u>	<u>1,592,290</u>	<u>1,184,043</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		602,112	1,530,881	2,132,993	1,384,183
ACCRUALS AND DEFERRED INCOME	17	(5,600)	(439,498)	(445,098)	(258,551)
		<u>596,512</u>	<u>1,091,383</u>	<u>1,687,895</u>	<u>1,125,632</u>
NET ASSETS					
		<u>596,512</u>	<u>1,091,383</u>	<u>1,687,895</u>	<u>1,125,632</u>
FUNDS					
	18				
Unrestricted funds				596,512	509,323
Restricted funds				<u>1,091,383</u>	<u>616,309</u>
TOTAL FUNDS				<u>1,687,895</u>	<u>1,125,632</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Dr D Barrett-Baxendale -Trustee

.....
R B Kenyon -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33.33% on cost and 25% on cost

No depreciation has been provided on the leasehold property as at 31 May 2015 the property had not yet been bought into use.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 May 2016

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2016 £	2015 £
Donations	493,372	339,101
Legacies	400,000	140,000
Grants	<u>1,551,647</u>	<u>1,640,385</u>
	<u>2,445,019</u>	<u>2,119,486</u>

Grants received, included in the above, are as follows:

	2016 £	2015 £
The Premier League	333,764	553,504
Children in Need	25,744	18,275
The Princes Trust	13,100	7,770
Other grants	29,317	82,327
Merseyside Police Authority	29,001	30,664
The Big Lottery	317,989	172,184
Mersey Care NHS Trust	158,954	24,244
Catch 22	141,089	184,516
Liverpool PCT	49,219	21,332
Liverpool City Council	47,694	27,867
Liverpool Community College	15,213	63,781
Merseyside Sports Partnership	-	11,800
Medicash	3,646	2,215
The Skills Funding Agency	143,116	439,906
Riverside College	8,010	-
James Greenhop Foundation	10,000	-
Sport England	85,221	-
British Legion	9,741	-
Comic Relief	22,417	-
Knowsley Borough Council	19,000	-
The Football Foundation	82,919	-
Other grants	<u>6,493</u>	<u>-</u>
	<u>1,551,647</u>	<u>1,640,385</u>

3. OTHER TRADING ACTIVITIES

	2016 £	2015 £
Match ticket income	29,051	25,790
Sponsorship income	38,935	79
Specific fund raising	<u>143,716</u>	<u>161,107</u>
	<u>211,702</u>	<u>186,976</u>

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 May 2016

4. INVESTMENT INCOME

	2016 £	2015 £
Deposit account interest	<u>668</u>	<u>226</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2016 £	2015 £
Course fee income	Employment education and training	58,012	139,886
Other income	Employment education and training	-	26,912
Other income	Health and well-being	7,194	13,406
Soccer camps and other activities	Sport development	132,535	58,821
Other income	Sport development	6,018	4,928
National Citizen Service	Youth engagement	197,391	-
Other income	Youth engagement	3,520	35
Contribution received for Office costs	Administration function	-	<u>164,475</u>
		<u>404,670</u>	<u>408,463</u>

6. RAISING FUNDS EXPENDITURE

Raising donations and legacies

	2016 £	2015 £
Staff costs	162,557	19,689
Match day costs	2,900	8,531
Motor and travel expenses	4,095	-
Donations	4,039	-
Venue hire	500	-
Equipment	619	8,381
Other costs	4,721	126
Specific event costs	35,174	29,450
Marketing	14,546	2,378
Healthcare	482	-
Support costs	<u>77,243</u>	<u>60,517</u>
	<u>306,876</u>	<u>129,072</u>

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 May 2016

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Employment education and training	349,382	49,675	399,057
Health and well-being	287,453	52,664	340,117
Sport development	521,727	115,860	637,587
Youth engagement	759,956	56,203	816,159
	<u>1,918,518</u>	<u>274,402</u>	<u>2,192,920</u>

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Costs of generating voluntary income	68,215	9,028	77,243
Employment education and training	45,161	4,514	49,675
Health and well-being	46,509	6,155	52,664
Sport development	102,319	13,541	115,860
Youth engagement	48,406	7,797	56,203
	<u>310,610</u>	<u>41,035</u>	<u>351,645</u>

Support costs, included in the above, are as follows:

	Costs of generating voluntary income	Employment education and training	Health and well-being
	£	£	£
Wages	30,307	15,153	20,663
Social security	778	389	530
Pensions	1,996	998	1,360
Administrative costs	28,054	25,081	19,128
Depreciation of tangible and heritage assets	5,984	2,992	4,081
Interest payable and similar charges	1,096	548	747
Auditors' remuneration	1,100	550	750
Auditors' remuneration for non audit work	4,023	2,012	2,743
Legal and professional fees	3,905	1,952	2,662
	<u>77,243</u>	<u>49,675</u>	<u>52,664</u>

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 May 2016

8. SUPPORT COSTS - continued

	Sport development £	Youth engagement £	2016 Total activities £	2015 Total activities £
Wages	45,459	26,173	137,755	138,709
Social security	1,166	672	3,535	16,023
Pensions	2,992	1,724	9,070	7,955
Administrative costs	42,082	13,722	128,067	226,682
Depreciation of tangible and heritage assets	8,977	5,169	27,203	16,981
Interest payable and similar charges	1,643	946	4,980	-
Auditors' remuneration	1,650	950	5,000	4,800
Auditors' remuneration for non audit work	6,035	3,475	18,288	8,670
Legal and professional fees	<u>5,856</u>	<u>3,372</u>	<u>17,747</u>	<u>-</u>
	<u>115,860</u>	<u>56,203</u>	<u>351,645</u>	<u>419,820</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2016 £	2015 £
Auditors' remuneration	5,000	4,800
Equipment leasing charges	8,383	5,928
Depreciation - owned assets	<u>27,203</u>	<u>16,982</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2016 nor for the year ended 31 May 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2016 nor for the year ended 31 May 2015.

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 May 2016

11. STAFF COSTS

	2016 £	2015 £
Wages and salaries	1,472,734	1,441,142
Social security costs	99,867	107,849
Other pension costs	<u>29,146</u>	<u>20,448</u>
	<u>1,601,747</u>	<u>1,569,439</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Charitable activities	49	88
Fundraising and administration	<u>6</u>	<u>6</u>
	<u>55</u>	<u>94</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016	2015
£60,001 - £70,000	<u>1</u>	<u>1</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	558,465	1,561,021	2,119,486
Charitable activities			
Employment education and training	9,764	157,034	166,798
Health and well-being	-	13,406	13,406
Sport development	48,200	15,549	63,749
Youth engagement	-	35	35
Administration function	164,475	-	164,475
Other trading activities	186,976	-	186,976
Investment income	<u>226</u>	<u>-</u>	<u>226</u>
Total	968,106	1,747,045	2,715,151

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 May 2016

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	129,072	-	129,072
Charitable activities			
Employment education and training	165,719	731,992	897,711
Health and well-being	41,261	366,941	408,202
Sport development	189,593	386,431	576,024
Youth engagement	52,264	486,840	539,104
Total	<u>577,909</u>	<u>1,972,204</u>	<u>2,550,113</u>
NET INCOME	390,197	(225,159)	165,038
Transfers between funds	<u>(98,079)</u>	<u>98,079</u>	<u>-</u>
Net movement in funds	292,118	(127,080)	165,038
RECONCILIATION OF FUNDS			
Total funds brought forward	217,200	743,394	960,594
TOTAL FUNDS CARRIED FORWARD	<u><u>509,318</u></u>	<u><u>616,314</u></u>	<u><u>1,125,632</u></u>

13. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 June 2015	141,513	147,894	289,407
Additions	<u>364,235</u>	<u>3,531</u>	<u>367,766</u>
At 31 May 2016	<u>505,748</u>	<u>151,425</u>	<u>657,173</u>
DEPRECIATION			
At 1 June 2015	-	89,267	89,267
Charge for year	<u>-</u>	<u>27,203</u>	<u>27,203</u>
At 31 May 2016	<u>-</u>	<u>116,470</u>	<u>116,470</u>
NET BOOK VALUE			
At 31 May 2016	<u><u>505,748</u></u>	<u><u>34,955</u></u>	<u><u>540,703</u></u>
At 31 May 2015	<u><u>141,513</u></u>	<u><u>58,627</u></u>	<u><u>200,140</u></u>

EVERTON IN THE COMMUNITY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 May 2016

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	128,165	139,629
Other debtors	<u>693,039</u>	<u>351,909</u>
	<u>821,204</u>	<u>491,538</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts	179,881	-
Trade creditors	219,823	145,744
Taxation and social security	41,151	47,668
Other creditors	<u>81,830</u>	<u>27,705</u>
	<u>522,685</u>	<u>221,117</u>

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2016 £	2015 £
Expiring:		
Within one year	-	2,679
Between one and five years	<u>19,794</u>	<u>-</u>
	<u>19,794</u>	<u>2,679</u>

17. ACCRUALS AND DEFERRED INCOME

	2016 £	2015 £
Accruals and deferred income	<u>445,098</u>	<u>258,551</u>

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 May 2016

18. MOVEMENT IN FUNDS

	At 1.6.15 £	Net movement in funds £	Transfers between funds £	At 31.5.16 £
Unrestricted funds				
General fund	509,323	230,194	(214,897)	524,620
National citizen service	-	71,892	-	71,892
	<u>509,323</u>	<u>302,086</u>	<u>(214,897)</u>	<u>596,512</u>
Restricted funds				
Mental Health Project	44,624	11,463	-	56,087
Disability	-	388,617	11,383	400,000
Health Improvement Project	179,286	16,089	-	195,375
Premier League 4 Sport	27,450	24,715	-	52,165
Women & Girls	38,131	1,244	-	39,375
Course Activity	6,098	(6,098)	-	-
National Citizen Service	123,589	(123,589)	-	-
Safe Hands	22,586	16,853	-	39,439
Apprenticeships	6,411	(20,047)	13,636	-
Community Outreach	-	(24,998)	24,998	-
Kickz Programme	-	(300)	300	-
Community Centre	-	(72,512)	72,512	-
Primary Skills	95,500	(41,676)	-	53,824
Young Ambassadors	12,502	(12,502)	-	-
Community Leadership Program	23,082	(35,191)	12,109	-
Everton Traineeship Programme	-	(78,830)	78,830	-
Looked after children	-	8,211	1,129	9,340
Community Hub	37,050	208,728	-	245,778
	<u>616,309</u>	<u>260,177</u>	<u>214,897</u>	<u>1,091,383</u>
TOTAL FUNDS	<u><u>1,125,632</u></u>	<u><u>562,263</u></u>	<u><u>-</u></u>	<u><u>1,687,895</u></u>

EVERTON IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 May 2016

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	870,867	(640,673)	230,194
National citizen service	197,391	(125,499)	71,892
	<u>1,068,258</u>	<u>(766,172)</u>	<u>302,086</u>
Restricted funds			
Mental Health Project	92,475	(81,012)	11,463
Disability	487,358	(98,741)	388,617
Health Improvement Project	195,021	(178,932)	16,089
Premier League 4 Sport	62,201	(37,486)	24,715
Women & Girls	23,217	(21,973)	1,244
Course Activity	38,022	(44,120)	(6,098)
National Citizen Service	152,109	(275,698)	(123,589)
Safe Hands	192,181	(175,328)	16,853
Apprenticeships	23,223	(43,270)	(20,047)
Community Outreach	40,162	(65,160)	(24,998)
Kickz Programme	167,581	(167,881)	(300)
Community Centre	19,000	(91,512)	(72,512)
Primary Skills	56,250	(97,926)	(41,676)
Young Ambassadors	6,250	(18,752)	(12,502)
Community Leadership Program	19,991	(55,182)	(35,191)
Everton Traineeship Programme	143,115	(221,945)	(78,830)
Looked after children	66,917	(58,706)	8,211
Community Hub	208,728	-	208,728
	<u>1,993,801</u>	<u>(1,733,624)</u>	<u>260,177</u>
TOTAL FUNDS	<u>3,062,059</u>	<u>(2,499,796)</u>	<u>562,263</u>

18. MOVEMENT IN FUNDS - continued

Social Inclusion

These are programmes funded by Merseyside Police and The Princes Trust. They include courses aimed at unemployed people aged 16-25 and are designed to raise confidence and self-esteem whilst preparing people for employment. The courses also include workshops and work experience opportunities.

Mental Health Project

These are programmes funded by MerseyCare NHS Trust and include: Health Blues - a project providing opportunities for adults aged 40+ with mental health problems to participate in a healthy lifestyle. Imagine your goals - a project providing opportunities for adults aged 18+ with mental health problems to participate in regular football sessions. Pass on the memories - a project designed to re-engage individuals experiencing the early onset of Dementia.

Disability

These are programmes funded by amongst other The Premier League and Children in Need. The programmes provide after school activities to local special schools and also offer competitive opportunities for children and adults, both male and female, to participate in pan-disability teams.

Health Improvement Project

These are programmes funded by amongst other The Premier League and MerseyCare NHS Trust. These consist of various programmes designed to target men from different sections of the community who traditionally don't address their health and engage them in a range of physical activities and also support mainstream campaigns to help tackle health inequalities.

Premier League 4 Sport

This is a programme funded by The Premier League which delivers sports to males and females 14+ in satellite clubs, bridging school and community sport, providing competitive opportunities and a pathway for progression.

Women & Girls

These are programmes funded by The Premier League and MerseyCare NHS Trust and designed to provide women and girls with weekly football sessions and competitive opportunities

Course Activity

These are programmes funded by The Premier League, Barclays Bank plc and MerseyCare NHS Trust. The programmes offer a range of courses and target 18-24 year olds who are not in education or training, focusing on employability workshops, sport activities and money skills management.

National Citizen Service

This is a national programme initially funded by Catch 22 and latterly by Ingeus. This programme helps young people aged 16/17 to build upon their skills via team building activities and the delivery of a social action project within the local community.

Safe Hands

This is a program funded by The Big Lottery which targets young offenders aged 15-21 and aims to help them integrate back into society after leaving secure care via a network of support and learning across 3 distinct phases.

Apprenticeships

This programme is funded by Liverpool Community College and Merseyside Sports Council to provide opportunities for 16-24 year olds to 'earn while they learn' across EitC themed activities and other employer partners. The young people complete a Sport or Business Administration framework of learning.

Community Outreach

This programme is funded by MerseyCare NHS Trust and aims to support various community projects.

18. MOVEMENT IN FUNDS - continued

Kickz Programme

This programme is funded by The Premier League and aims to engage 14-19 year olds working towards creating stronger, more respectful communities through a blend of activities to reduce anti-social behaviour within identified hotspot areas.

Community Centre

This represents funding From Knowsley Borough council towards the running costs of King George V Leisure Centre.

Young Ambassadors

This programme is funded by Liverpool City Council providing match day opportunities for 16-19 year olds to offer support to home and away fans. The ambassadors also support Liverpool City Council events.

Community Leadership Programme

This programme is funded by The Premier League and in conjunction with City of Liverpool College aims to develop college leaders through sport enabling them to be able to develop a standard sports package to primary schools.

Everton Traineeship programme

This programme is funded by the Skills Funding Agency and run in conjunction with Ingeus UK Limited to provide traineeships for 16-19 year olds. The programme involves a pre-employment course, a work placement and also vocational training as part of an Employer Consortium led initiative.

Looked After Children

This programme is funded by Comic Relief and delivers physical activity and healthy eating advice to 'looked after children'.

19. RELATED PARTY DISCLOSURES

Everton in the community is the charitable arm of Everton Football Club. During the year Everton Football Club donated £120,000 (2015 £120,000) towards the operational costs of the charity. In addition the Club donated a property on Goodison Road valued at £40,000. This amount has been included in donations received.