

Company Registration No. 6625967
Registered Charity No. 1126799

Wolves Community Trust

Report and Financial Statements

Year ended 31 May 2017

Wolves Community Trust

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Wolves Community Trust

OFFICERS AND PROFESSIONAL ADVISERS

TRUSTEES AND OFFICERS

The following are the Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees and served throughout the year and thereafter, unless as noted:

M Grayson (resigned 18.11.16)

J D Moxey (resigned 02.08.16)

R I Skirrow

I Millard

N Malhotra

J Kramer (resigned 06.04. 2017)

L Dalrmyple (appointed 05.08.2016)

M Wild (appointed 28.03.2017)

Trustees are appointed in accordance with the Memorandum and Articles of Association.

PRINCIPAL OFFICERS – Key Management Personnel

Will Clowes – Head of Community

Laura Nicholls – Senior Manager

Zulfaqr Khan – Finance Officer

Lee Smith – Community Sport Manager

Tom Warren – School Sport Manager

Steve Cullis – Player Development Manager

BANKERS

Barclays Bank plc

15 Colmore Row

Birmingham

SOLICITORS

Muckle LLP

Time Central

32 Gallowgate

Newcastle upon Tyne

NE1 4BF

AUDITOR

Deloitte LLP

1 City Square

Leeds

LS1 2AL

REGISTERED OFFICE & PRINCIPAL OFFICE

Molineux Stadium

Waterloo Road

Wolverhampton

WV1 4QR

Wolves Community Trust

TRUSTEES' REPORT

The trustees, who are also directors of the charitable company, present their annual report on the affairs of the charity, together with the financial statements and auditor's report for the year ended 31 May 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wolves Community Trust ('WCT') is the official charity of Wolverhampton Wanderers Football Club ('Wolves'). Over a number of years, WCT has worked very hard to create a number of successful partnerships, which have helped to focus, inform and joint-fund the delivery of WCT's core charitable objectives. Partners include the football club owners Fosun, Wolverhampton's Public Health Team, Wolverhampton College, West Midlands Police and The Black Country Consortium. WCT also works with national organisations, such as the Premier League Charitable Fund, The English Football League Trust and The Football Association ("FA").

In addition, Fosun and the Morgan Foundation very generously continues to fund community donations – via Wolves Aid. Last financial year ended 31 May 2017, £126,568 Wolves Aid donations were made to local charities and community groups. WCT would like to place on record its grateful thanks to all of its key strategic partners.

Wolves Community Trust would also like to thank all Wolves fans and regular contributors to the charity, whether it be those customers purchasing Wolves Community Trust activities, volunteers or public donations. The continued backing and generosity is much appreciated.

This kind of support is crucial for the ongoing success of Wolves Community Trust and the successful implementation of its strategic plans.

Key strategic partners have also helped to shape the charity's core objectives, which directly meet the City's most pressing needs. They are: Health, Inclusion, Education, Sport and finally, via Wolves Aid, Community Donations. The Wolves Community Trust Trustees have fully reviewed these objectives – and continue to do so via the quarterly meetings – and believe they remain as the most targeted and appropriate areas of focus for Wolves Community Trust.

Wolves Community Trust are legally separate from Wolves. However, the Club and the Trust are inextricably linked and Wolves continues to provide free office space and access to professional services (Health & Safety, HR and IT, for example).

Payroll services are carried out by the Club and then appropriate salaries are cross-charged to the Trust (see note 10). No income has been recognised for the in-kind contributions provided by WWFC. It is understood through SORP that accurately recording this in-kind contribution is a requirement. This assessment will be carried out in the current financial year and included in next years financial statement.

Wolves' and Wolves Community Trust have a unique relationship, which is not mirrored across football. The Club's support helps to mitigate and adequately control many of the risks that the charity faces. However, the Trustees are continually reviewing the risks that it may encounter in the future.

The Trustees meet quarterly to review the governance, strategic direction and priorities of the Trust. Every meeting is fully minuted and on most occasions the Trustees receive a presentation from a WCT member of staff on a particular area of the Trust.

Day to day management of the Trust is delivered by Will Clowes – Head of Community.

Governing document

Wolves Community Trust is a company limited by guarantee without share capital, and registered under the Companies Act. The company is governed by its Memorandum and Articles of Association, dated 20 June 2008.

The following is based on WCT's governing document:

- Monthly meetings are planned to discuss the ongoing involvement and future development of the scheme with the Club's senior most appointed officer;
- Activities arranged under the scheme will be co-ordinated by a full-time person involved in the scheme. Part-time staff may be used as and when required;
- No person involved in the scheme will have any association with any other professional Football Club;
- All staff are employed by the Trust and must adhere to all procedures set out in HR policies; and

Wolves Community Trust

TRUSTEES' REPORT (CONTINUED)

- All heads of activity will meet with the Head of Community on a weekly basis to discuss ongoing and future activity involvement. Minutes and action points raised at these meetings will form the agenda for future discussion / meetings.

Recruitment and appointment of Trustees

Trustees are nominated and appointed based on their suitability as decided by current members of the Trustees. They are invited to attend an induction training process for the running and operation of the Trust. Additional training is offered as required.

The football club completed a full sale and subsequent change of ownership in August 2016. As a result, a restructure in the senior management team occurred, with changes detailed below.

The experience and background of WCT's chosen Trustees mirror the objects of the charity. Neeraj Malhotra, Lead Public Health Consultant, Wolverhampton City Council, Julien Kramer, Director of Education, Wolverhampton City Council (resigned from Wolverhampton City Council and as trustee in April 2017), Ian Millard, ex-Principal of Wolverhampton College, Jez Moxey, Chief Executive, Wolves (resigned from Wolves FC and as Trust director, trustee and member in August 2016 & replaced, in both roles, by Laurie Dalrymple in September 2016), Richard Skirrow, former Club Secretary, Wolves and Matt Grayson, Head of Marketing & Communications, Wolves (resigned from Wolves FC and as Trust director, trustee and member in November 2016) replaced on the board as trustee and director by Matt Wild, Club Secretary, Wolves FC.

Risk management

The trustees have a risk management strategy, which is managed by:

- Bi-monthly, minuted Trustees meetings;
- Trustees identify the main risks; and
- Colleagues from the Trust – and Wolves, where WCT shares services with the charity – are invited to present details on their functional area and the processes and procedures in place.

Managing the safeguarding of children and vulnerable people is one of the core principles of the charity. The well-being and welfare of all individuals participating in activities or engaging with the club is paramount.

The 'Wolves Safeguarding Committee' is overseen by Paul Richards (Safeguarding Services Manager) which is attended by Laura Nicholls (Senior Manager - WCT), together with Will Clowes (Head of Community, WCT) Nick Loftus (Academy Education & Welfare), Lin Kennings (Executive Assistant to Laurie Dalrymple & HR) and Steve Sutton (Head of Operations). Should an incident or suspicion of an incident occur, the incident is documented and referred for Paul's attention and if necessary he will then convene the committee in order to make the club aware at a Senior Managerial level.

Each incident is investigated and all statutory departments such as the Police, Local Authority Designated Officer and Social Services are liaised with when required. Wolves / WCT are assessed on all safeguarding practices by the English Football League and The FA.

Financial risk is always a key priority for the Trustees. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the trustees. The Trustees' aim is to build reserves which would cover the Trusts operating costs for a 3-6 month period in line with the Charities Commission's recommendations. This is a medium-term to long-term aspiration.

The principal risks and uncertainties identified and recognised on the organisation's register include:

- Unbudgeted operating costs requiring reallocation of fixed annual budgets;
- Effects of volatile economic environment on operating conditions e.g. high inflation causing a depreciation in income; and
- Changes in administration or strategic policy at major funders.
- Loss of key personnel
- Reduction or loss of key funding values, in particular that of the PLCF.

WCT has adopted the Club's HR practices and procedures. WCT also shares the Club's Health & Safety framework.

Risk is also a key focus with the Capability Assessments conducted by the ELF Trust and the PLCF.

Wolves Community Trust

TRUSTEES' REPORT (CONTINUED)

The trustees review all risk on an annual cycle within the board structured quarterly meetings. Risk is also highlighted within meetings to deal with additional needs outside of the cycle of meetings, all of which is reported through our capability assessments.

VISION AND MISSION

Our Vision

Children, Young people and Adults within our community are healthy, active, confident and able to determine, and achieve, their aspirations.

Our Mission

Enhance people's lives by using the unique strength of professional football to engage, enable and empower people.

OBJECTIVES AND AIMS

Objectives

The key objectives of the charity as set out in the constitution are:

- To promote community participation in health 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 or other leisure time occupation of such persons who have the need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life;
- To advance the education of children and young people through such means as the trustees think fit in accordance with the law of charity;
- To relieve poverty of persons or groups who are or have been residents in Wolverhampton and its surrounding areas or who having lived outside that geographical area have been or are associated with the activities of Wolverhampton and its surrounding areas; and
- Any other charitable purpose according to the law of England and Wales.

The Trustees have given careful consideration to the Charity Commission's guidance on public benefit when setting its aims and activities. In particular, the trustees consider how planned activities will contribute to the Trust's aims and objectives they have set.

Aims

Wolves Community Trust is committed to providing the best sports, health, inclusion, education and donation programmes for all our communities. This is achieved by working with a wide range of partners including local government departments, schools, colleges, businesses and charitable organisations to create unique initiatives that engage with all sections of our local community. Our activities are based on the belief that engagement through sport can result in far more than developing sports skills. It can harness a sense of mutual respect and trust, widen horizons, raise aspirations and provide opportunities to children, young people and the wider community regardless of race, age sex or creed.

The Trustees would like to place on record their sincere thanks to Fosun, the owners of Wolverhampton Wanderers FC for its continued support. The Trustees would also like to thank former Wolves FC Chairman/Owner - Steve Morgan. Via his charity, The Steve Morgan Foundation funded Wolves Aid (The Trust's Community Donations department) since 2008. As a result, Wolves Aid has distributed over £1.3m to over 120 charities and community groups since 2008, making an amazing difference to many good causes. The Steve Morgan Foundation is committed to support Wolves Aid funded projects until 2019, in line with commitments made to supported charities.

ACTIVITIES AND PERFORMANCE

A summary of activities is set out below. Activities are aligned with the core objectives of the Trust. All project/activity performance is managed through structured planning, data capture, performance targets, monitoring reviews and assessment, which is a standard process applied. Reports are presented to trustees for review at board meetings, quite frequently with performance against Key Performance Indicators and Red Amber Green ratings.

Wolves Community Trust

TRUSTEES' REPORT (CONTINUED)

Project success is measured through a range of indicators, which are discussed and assessed with trustees. WCT delivers multiple projects, with complex KPI's that have been developed through initial project planning and a structure of quality assurance. Many projects are also supported by steering groups, which bring together partners and funders to assess performance and monitor progress.

Delivering Sport for All

We deliver sport and physical activity programmes for children, young people and adults. The aim is to offer a range of accessible activities across a variety of sports, aimed at engaging everyone within the city's diverse community. Flagship funded programmes such as Premier League Primary Stars allow us to offer free sport programmes to all schools in the city and surrounding area. Alongside our range of funded activity, we also offer a variety of activities that support the development of young footballers. We deliver a disability Sporting Chances programme, a Region Talent Club for female footballers and with the Wolves Academy to encourage players to engage in our programmes at the base of our joint player pathway, allowing more players the opportunity to progress.

- Advanced Centres – bridging the gap between grassroots football and the football clubs Academy; Key Outcome & Output -
- Premier League Girls Football – engagement initiative for 14-25yrs female participants;
- Soccer Schools – school holiday football fun camps;
- Premier League Primary Stars – improving curriculum sport through delivery, staff CPD and creative;
- Wolves Girls Regional Talent Club – FA funded T3 junior girls technical centre;
- Wolves Women – U18 and Senior women's football clubs;
- Saturday Clubs – weekend football fun sessions;
- Sporting Chances - Disability Sport – school, evening, weekend and competitive experiences for disabled players; and
- Every Player Counts – disability development initiative.

Promoting Healthy Lives

The concept of us delivering health initiatives is relatively recent in comparison to some of the more obvious and established work programmes, nevertheless the success of our initiatives has paved the way a constantly evolving health programme here at Wolves.

In recent years, we have worked in partnership with key stakeholders to address some of the health needs in and around Wolverhampton. With a focus on delivering key health messages, providing health education, promoting healthy eating and encouraging physical activity across the ages, Wolves Community Trust ensures their programmes are delivered to a high standard that meet the needs of the local community.

- Head for Health – mental health physical activity and social group;
- Wolves Walking Football – football activity and competition for the over 55s;
- Molineux Memories – dementia care initiative based at the iconic Molineux museum;
- Wolves Nordic Walking – community walking club;
- Tackle Diabetes – post diagnosis type 2 diabetes education initiative; and
- Twirl – COPD (chronic obstructive pulmonary disease) social care partner clinic.

Education – Lifelong Learning

Our purpose-built study centre is the hub of Wolves Community Trusts education activity. A classroom housing state of the art IT, alongside break out teaching space provides a unique teaching and learning environment which allows us to deliver bespoke education programmes to schools and young people in the city.

Our education offer ranges from a Football Studies Foundation Degree to a Molineux Education Experience, allowing us to bring the classroom to life. The Education departments aims to bring a range of national curriculum subjects to life, through the power of football and sport. Our work allows us to devise intervention programmes that aid young people's learning, in a positive environment. Working with key education partners in the city, we are able to be support raising the education attainment of the whole city

Wolves Community Trust

TRUSTEES' REPORT (CONTINUED)

- Wolves BTEC - L3 education partnership with TCAT College;
- Wolves Foundation Degree – EFLT & USW partner project;
- Molineux Education - Primary Education – curriculum structured stadium learning; and
- Molineux Education - Secondary Education - curriculum structured stadium learning.

Inclusion – An Active Approach

We are committed to providing the best Inclusion programmes for all our communities within Wolverhampton and the surrounding area, focusing on creating opportunities, encouraging innovation, promoting social inclusion and enhancing life skills particularly for those who may not have access to sport or any other positive activities for whatever reason.

Our projects are based on the belief that engagement through sport can result in far more than developing sports skills, it can harness a sense of mutual respect and trust, widen horizons, raise aspirations and provide opportunities for local people regardless of race, sex, age or creed.

Innovative Inclusion programmes target hard to reach young people from areas of high deprivation and promote inclusion amongst disadvantaged and excluded communities. The purpose of these projects is to engage these young people and provide positive experiences in order to prevent them from becoming involved with or victims of crime and anti-social behaviour. We educate young people about issues that may affect them such as knife, gun and gang crime, drug and alcohol misuse and sexual health.

A vital part of our work is supporting our local community and by working with these young people, their families and local organisations. A large emphasis is put on them to not only give back to their local community but also make it a better place for everyone who lives there.

- Premier League Kicks – sport, education and social development initiative, and
- Princes Trust - Molineux TEAM – stadium based partnership.

Wolves Aid and Wishes

Our donations, experiences and wishes initiatives provides unique ways for us to support individuals, groups and charities.

Our donations initiative is unique within professional football, providing invaluable financial and professional support to local charities and organisations throughout our region. This support makes an immeasurable difference to the lives of children, young people and adults throughout our community, who are the most in need. It specialises in supporting small to medium sized locally based organisations or charities whose work focuses on children, families, disadvantage and disability. Any work which has a positive effect on the welfare and quality of life, or which enhances the opportunities and life choices for people in this region will be considered. Since 2008 Wolves has donated over £1.3m to local charities and voluntary organisations.

Wolves Wishes gives our supporters the chance to nominate fellow fans whom they feel may benefit from a unique gift or experience. Since 2015 we have delivered unique moments and special gifts to over 50 fans both at home, at school and at Molineux stadium. Our hope is to enhance their lives during a moment of need or to say thank you for their dedication to helping other people.

As previously mentioned, Wolves has distributed £126,568 (2016: £237,227) to local charities and community groups during this financial year.

THANKS

Whilst fully dependent on the continuing partnership and support of Wolverhampton Wanderers Football Club, Wolves Community Trust and the Board of Trustees are indebted once again to all those who have made a significant contribution to the Trust's progress over the past 12 months.

The football bodies which provided valuable assistance to the Trust during the year included The Premier League, The Professional Footballers Association, the EFL Trust, The Football Association and Birmingham County Football Association.

Wolves Community Trust

TRUSTEES' REPORT (CONTINUED)

The Trustees would like to thank Will Clowes and all of his staff in the Community Trust for their dedication and hard work throughout another successful period, which has resulted in excellent results once again.

FINANCIAL REVIEW

Principal sources of income for WCT include donations and grants from Fosun, English Football League Trust, The FA, The Premier League Charitable Fund and The Steve Morgan Foundation – specifically for Wolves Aid. The Charity would like to thank them for their continued support.

WCT is fully underwritten by Wolves FC. The aim is that the Charity is to be ultimately self-sufficient. Currently, WCT unrestricted reserves stand at £206,697 of general funds (2015/16: £179,092).

The restricted reserves stand at £4,779 (2015/16: £4,860) which relates to externally funded projects of work.

The endowment fund consists of the Wolves Indoor Dome asset, which following depreciation charges has a net book value of £449,360 (2015/16: £504,383).

Staff costs at £559,338 (2015/16: £597,517) represents a high proportion of WCT's total costs. Of this figure, key management personnel remuneration represents ££174,732 (2016: £121,977). Related salary costs for all WCT staff are benchmarked against industry comparisons and agreed through management and/or trustee meetings.

RESERVES POLICY

The Trustees' aim is to build reserves which would cover WCT's operating costs for a 3-6 month period in line with the Charities Commission's recommendations. The unrestricted general fund at 31 May 2017 was £206,697 (2016: £179,092). The unrestricted reserves position for the year calculates to the value of 3 months operating costs overall. It is the intention of the charity to continue to grow the unrestricted reserves inline with the recommendation from the charities commission.

REMUNERATION POLICY

Related salary costs for all WCT staff, including key management personnel, are benchmarked against industry comparisons and agreed through management and/or trustee meetings.

GRANT MAKING POLICY

Wolves Aid specialises in supporting charities helping children and families as well as the elderly, disabled and socially isolated. We will consider any work which has a positive effect on welfare and quality of life, or which expands the opportunities and life choices for young people in our catchment area.

Support is offered to physical and learning disabilities, physical and mental health and social challenges, preference is given to organisations with a high volunteer input. We consider applications from other types of organisations who are pursuing charitable causes and their aims are 'not for profit'.

Grants may be considered for a range of purposes and could include:

Single awards for capital projects, start up and/or ongoing running costs for specific projects for an existing organisation, multi-year revenue grants for core funding including salaries, standard and wheelchair accessible minibuses which can be fully or part-funded by Wolves Aid.

Please note that whilst start-up costs for new projects will be considered, an organisation must have been in existence for a minimum of one year and be able to produce accounts for the same.

RELATED PARTIES

During the year, donations of £157,033 (2015/16: £200,000) were received from The Steve Morgan Foundation. The trustees of The Steve Morgan Foundation agreed to allocate £200,000 per year to Wolves Aid, to allow locally based charities to be supported through grant funding. The Steve Morgan Foundation chairman Steve Morgan CBE is the former owner of Wolves FC, during his period of ownership made charitable commitments to Wolves Aid to support

Wolves Community Trust

TRUSTEES' REPORT (CONTINUED)

the objectives of Wolves Community Trust and to benefit charitable organisations throughout the West Midlands region.

PLANS FOR FUTURE PERIODS

The plans for the future include:

- Increase the range of initiatives delivered by the Trust across all themes;
- To develop new partnerships of work and continue to develop existing partnership and project delivery; and
- Increase the range of activities delivered at the Wolves Aldersley Arena, utilising the facility that was so kindly donated to WCT by WWFC.

During the year, it was identified that to ensure compliance with the Companies Act 2006 with regards to the permanent endowment (the property) and the wishes of the donor, Wolves FC, the Trustees have taken action to file a request with the Charity Commission to vest permanent endowment land in the company and appoint it as sole corporate trustee of the permanent endowment.

GOING CONCERN

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

AUDITOR

Each of the persons who is a Trustee of the charitable company at the date of approval of this report confirms that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The Trustees Annual Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption from preparing a strategic report. The Trustees Annual Report contains all of the requirements of the Directors Report as required by the Companies Act.

The Trustee's Report was approved by the Board and signed on its behalf by:



Laurie Dalrymple

Chair of Trustees

16th February 2018

Wolves Community Trust

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Wolves Community Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Wolves Community Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF WOLVES COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WOLVES COMMUNITY TRUST

We have audited the financial statements of Wolves Community Trust for the year ended 31 May 2017 which comprise the Statement of Financial Activities (including Income and Expenditure account), the Balance Sheet, the Cash Flow statement and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 auditor

As explained more fully in the Trustees' Responsibilities Statement, 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 annual report 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 2017 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion 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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Annual Report.

Wolves Community Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF WOLVES COMMUNITY TRUST

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 take advantage of the small companies exemption in preparing the Trustees' Annual Report or from the requirement to prepare a Strategic Report.



**Sarah Anderson (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom**

19 February 2018

Wolves Community Trust

Statement of financial activities (including income and expenditure account) Year ended 31 May 2017

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and legacies	2	179,418	-	-	179,418	259,301
Charitable activities	3	316,194	342,256	-	658,450	580,134
Other trading activities	4	166,296	-	-	166,296	180,119
TOTAL INCOME		661,908	342,256	-	1,004,164	1,019,554
EXPENDITURE ON:						
Raising funds	5	20,884	-	-	20,884	17,285
Charitable activities	6	571,295	384,461	55,023	1,010,779	1,144,734
TOTAL EXPENDITURE		592,179	384,461	55,023	1,031,663	1,162,019
Net (expenditure)/income for the year		69,729	(42,205)	(55,023)	(27,499)	(142,465)
Transfer between funds	15	(42,124)	42,124	-	-	-
NET MOVEMENT IN FUNDS		27,605	(81)	(55,023)	(27,499)	(142,465)
RECONCILIATION OF FUNDS:						
Total funds brought forward		179,092	4,860	504,383	688,335	830,800
Net movement in funds for the year		27,605	(81)	(55,023)	(27,499)	(142,465)
Total funds carried forward	15	206,697	4,779	449,360	660,836	688,335

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities. See note 14 for the comparative statement of financial activities analysed by fund.

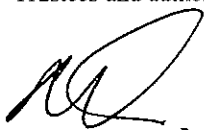
Wolves Community Trust

Balance Sheet

Year ended 31 May 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	11	<u>449,360</u>	<u>504,383</u>
CURRENT ASSETS			
Debtors	12	126,827	126,639
Cash at bank and in hand		<u>254,248</u>	<u>133,023</u>
Creditors: amounts falling due within one year	13	<u>169,599</u>	<u>75,710</u>
NET CURRENT ASSETS		<u>211,476</u>	<u>189,652</u>
Total Assets Less Current Liabilities		660,836	688,335
NET ASSETS		<u>660,836</u>	<u>688,335</u>
FUNDS			
Unrestricted funds		206,697	179,092
Restricted funds		4,779	4,860
Endowment funds		<u>449,360</u>	<u>504,383</u>
TOTAL FUNDS	15	<u>660,836</u>	<u>688,335</u>

These financial statements of Wolves Community Trust registered number 6625967 were approved by the Board of Trustees and authorised for issue on 16 February 2018. They were signed on its behalf by:



Laurie Dalrymple
Chair of Trustees

Wolves Community Trust

Cashflow Statement

Year ended 31 May 2017

	Note	2017 £	2016 £
Net cash flows from operating activities	16	<u>121,225</u>	<u>(139,643)</u>
Net cash flows from investing activities		<u>-</u>	<u>-</u>
Net cash flows from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>121,225</u>	<u>(139,643)</u>
Cash and cash equivalents at beginning of year		<u>133,023</u>	<u>272,666</u>
Cash and cash equivalents at the end of the year		<u><u>254,248</u></u>	<u><u>133,023</u></u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2017

1. ACCOUNTING POLICIES

Company and charitable status

Wolves Community Trust, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently six Trustees who are also the members of the company. The charity is a registered charity. The registered office is given on page 1.

Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" 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 2015; and the Companies Act 2006.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

The Charity's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report which also describes the financial position of the Charity including its cash, investments and reserves policy. The Charity's forecasts and projections, taking account of reasonably possible changes in donations and investment income, show that the Charity should be able to operate with the current level of reserves it has. After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

Income

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

Donations and legacies consist of general donations from individuals and funds from The Steve Morgan Foundation. All donations received are recognised in the financial statement ending 31st May 2017.

Charitable activities consist of grant funding primarily from external funding partners such as the Premier League Charitable Trust, The English Football League and Black Country Consortium. All income received from partner funders is recognised in the financial statement ending 31st May 2017, relating to activities carried out during this period.

Other trading activities are made up of internal rental income, school sport activities and other commercial activities provided. All income is recognised in the financial statement ending 31st May 2017.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on raising funds includes the costs incurred in generating fundraising and trading income.

Expenditure on charitable activities, which includes:

- grants given to local charities stipulated in note 8 as part of the Wolves Aid programme.
- direct costs of delivering grant funded initiatives.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8. Support services are provided by Wolves free of charge and it is not possible to determine a reliable value of these donated services.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

Fund accounting

The charity holds restricted and unrestricted reserves as at 31 May 2017 which are detailed in note 15.

The charity also holds an endowment fund which solely represents the Wolves Aldersley Arena. This fund is subject to an annual depreciation adjustment, approved by trustees, in line with the depreciation statement for this asset.

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Taxation

The company is a registered charity and is therefore exempt from corporation tax on its charitable activities. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold Property	Between 10 and 20 years
--------------------	-------------------------

Endowment Fund

The endowment fund is solely represented by the net book value of the WCT Aldersley Arena Facility. This facility was gifted to WCT by WWFC in 2012. The facility and therefore movement within the fund is due to annual depreciation charge - note 11.

Employee benefits

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 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 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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

2. ANALYSIS OF INCOME FROM DONATIONS, LEGACIES AND GRANTS

	2017 £	2016 £
Donations	22,115	58,475
Legacies	270	826
General grants	157,033	200,000
	<u>179,418</u>	<u>259,301</u>

3. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2017 £	2016 £
Sport	385,371	294,301
Health	86,700	76,392
Inclusion	136,000	120,626
Education	50,379	88,815
	<u>658,450</u>	<u>580,134</u>

4. ANALYSIS OF INCOME FROM OTHER TRADING ACTIVITIES

	2017 £	2016 £
Fundraising activities	136,258	149,468
Shop sales and rental income	30,038	30,651
	<u>166,296</u>	<u>180,119</u>

5. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2017 £	2016 £
Salary Cost	20,634	17,050
Operating Sales Costs	250	235
	<u>20,884</u>	<u>17,285</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 May 2017

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Activity	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2017 £	Total 2016 £
Sport	487,907	-	97,787	585,694	524,514
Health	75,012	-	15,427	90,439	143,533
Inclusion	117,797	-	19,364	137,161	134,154
Education	51,413	-	10,417	61,830	92,289
Wolves Aid	-	126,568	9,087	135,655	250,244
	<u>732,129</u>	<u>126,568</u>	<u>152,082</u>	<u>1,010,779</u>	<u>1,144,734</u>

2016 comparatives Activity	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2016 £
Sport	426,287	-	98,227	524,514
Health	124,782	-	18,751	143,533
Inclusion	126,508	-	7,646	134,154
Education	66,349	-	25,940	92,289
Wolves Aid	-	237,227	13,017	250,244
	<u>743,926</u>	<u>237,227</u>	<u>163,581</u>	<u>1,144,734</u>

Costs included for charitable activities related to Sport, Health, Inclusion and Education includes staff costs, direct costs and operational expenditure.

Included in Wolves Aid is £126,568 (2016: £237,227) relating to grant making. These grants are provided to locally based organisations for the purposes explained on page 6 of the Trustees' report. An analysis of these grants is provided in note 8.

Wolves Community Trust

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

7. ANALYSIS OF GRANT EXPENDITURE

Donations in line with Wolves Aid objectives

	Grants to institutions £	Grant to individual s £	Total 2017 £	Total 2016 £
Access to Business	16,500	-	16,500	3,500
Alzheimer's Society	-	-	-	250
Bilston Peoples Centre	12,000	-	12,000	14,000
Breaking Boundaries	2,230	-	2,230	900
Brickkiln Dunstall Gateway Club	750	-	750	750
British Legion	-	-	-	50
Buds	-	-	-	1,000
Cancer Research	500	-	500	-
Compton Park Activities	500	-	500	1,000
Crossroads Care Dudley	-	-	-	10,000
Crowsmill Craft Centre	5,000	-	5,000	16,800
Diabetes UK	-	-	-	250
Disabled Supporters D	-	-	-	695
Duncan Edward Plaque	365	-	365	-
Elmwood School	-	-	-	10,000
Fens Pool Voluntary Association	2,650	-	2,650	3,450
Friends of Jasmine	-	-	-	2,726
Good Shepard	-	-	-	250
Great Britain DF	-	-	-	250
Hallow -- Birmingham	6,357	-	6,357	9,536
Heath Town Senior Citizens	9,000	-	9,000	9,000
Hope House Children's Hospital	-	-	-	150
Hope Into Action	6,000	-	6,000	9,000
J.G Found of Light	-	-	-	50
Let us Play	-	-	-	5,000
Loaves and Fishes	16,000	-	16,000	-
Lunch on the Run	-	-	-	8,000
Macmillan	-	-	-	100
Mad Hatters Tea Party	-	-	-	250
Midland Freewheelers	2,000	-	2,000	2,000
Mindful Gifts	-	-	-	7,400
Omega	-	-	-	1,750
Pathway Project	3,200	-	3,200	6,400
Royal NHS Trust	-	-	-	6,236
Sandwell Parents For Disabled Children	6,680	-	6,680	6,680
Senior Board Games Club	250	-	250	400
Samaritans	-	-	-	6,129
SN Adventure Playground	7,500	-	7,500	10,000
Southall School	-	-	-	-
St Georges House Charity	22,000	-	22,000	2,000
St Peters Church	-	-	-	500
Staffordshire Women's Aid	-	-	-	11,325
Standford Coaches	-	-	-	45,850
The Albrighton Trust	-	-	-	6,350
The Haven	-	-	-	250
Wildside Activity Centre	1,982	-	1,982	-
Willenhall Chart Centre	-	-	-	8,000
Wolves Elder Asian/Disabled Group	-	-	-	-
Wolves Civic Historic	350	-	350	-

Wolves Community Trust

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

Wolves Wheelchair Sports	-	-	-	500
Wolves Wishes	-	4,754	4,754	4,276
Wildside Activity Centre	-	-	-	2,475
Other Individuals	-	-	-	1,750
	<u>121,814</u>	<u>4,754</u>	<u>126,568</u>	<u>237,227</u>

8. ANALYSIS OF SUPPORT COSTS

2017	Raising funds £	Sport £	Health £	Inclusion £	Education £	Wolves Aid £	Total 2017 £
Governance	-	6,000	-	-	-	-	6,000
Staff & Service Costs	20,634	57,046	9,549	17,895	8,948	7,457	121,529
Finance & Admin	-	34,741	5,878	1,469	1,469	-	43,557
Marketing & Printing	-	-	-	-	-	656	656
Sundry	-	-	-	-	-	974	974
Total	<u>20,634</u>	<u>97,787</u>	<u>15,427</u>	<u>19,364</u>	<u>10,417</u>	<u>9,087</u>	<u>172,716</u>

2016	Raising funds £	Sport £	Health £	Inclusion £	Education £	Wolves Aid £	Total 2016 £
Governance	-	5,700	-	-	-	-	5,700
Staff & Service Costs	17,050	49,143	12,660	6,330	24,498	7,888	117,569
Finance & Admin	-	43,384	6,091	1,316	1,442	-	52,233
Marketing & Printing	-	-	-	-	-	1,587	1,587
Sundry	-	-	-	-	-	3,542	3,542
Total	<u>17,050</u>	<u>98,227</u>	<u>18,751</u>	<u>7,646</u>	<u>25,940</u>	<u>13,017</u>	<u>180,631</u>

Support costs of £172,857 (2016: £180,631) associated with Sports, Health, Inclusion, Education, Raising Funds and Wolves Aid have been allocated based on staff hours per activity.

Governance costs of £6,000 (2016: £5,700) pertaining to audit fees are allocated to Sports. Governance costs are not allocated to restricted project income and therefore have been allocated in full to Sports activities.

9. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2017 £	2016 £
Net expenditure is stated after charging:		
Depreciation of owned assets	(55,023)	(55,023)
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	(6,000)	(5,700)
- Fees payable to the charity's auditor for other services	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

10. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Number of Employees	2017 No.	2016 No.
Sport	61	52
Health	2	8
Inclusion	6	12
Education	3	5
	<u>72</u>	<u>77</u>

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	525,769	558,527
Social security costs	28,254	32,987
Pension costs	5,315	6,003
	<u>559,338</u>	<u>597,517</u>

There were no employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000.

The key management personnel of the Charity are listed on page 1. The total remuneration (including pension contributions and social security costs) of the key management personnel of the Charity for the year totalled £174,732 (2016: £121,977).

Trustees' Remuneration

No trustees received remuneration during the current or prior year. Total travel and subsistence expenses of £nil (2016: £nil) were paid to 6 trustees (2016: 6 trustees).

Wolves Community Trust

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Total £
Cost		
At 1 June 2016	733,646	733,646
Additions	-	-
Disposals	-	-
At 31 May 2017	733,646	733,646
Depreciation		
At 1 June 2016	229,263	229,263
Charge for the year	55,023	55,023
At 31 May 2017	284,286	284,286
Net book value		
At 31 May 2016	504,383	504,383
At 31 May 2017	449,360	449,360

12. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	62,967	65,313
Prepayments and accrued income	63,860	61,326
	126,827	126,639

13. CREDITORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade creditors	11,669	10,907
Accruals	17,467	13,716
Other creditors	139,675	51,017
Other	788	70
	169,599	75,710

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowmen t funds £	Total funds 2016 £
INCOME FROM:				
Donations and legacies	259,301	-	-	259,301
Charitable activities	278,149	301,985	-	580,134
Other trading activities	180,119	-	-	180,119
TOTAL INCOME	717,569	301,985	-	1,019,554
EXPENDITURE ON:				
Raising funds	17,285	-	-	17,285
Charitable activities	694,023	395,688	55,023	1,144,734
TOTAL EXPENDITURE	711,308	395,688	55,023	1,162,019
Net income/(expenditure) for the year	6,261	(93,703)	(55,023)	(142,465)
Transfer between funds	(23,773)	23,773	-	-
NET MOVEMENT IN FUNDS	(17,512)	(69,930)	(55,023)	(142,465)
RECONCILIATION OF FUNDS:				
Total funds brought forward	196,604	74,790	559,406	830,800
Net movement in funds for the year	(17,512)	(69,930)	(55,023)	(142,465)
Total funds carried forward	179,092	4,860	504,383	688,335

Wolves Community Trust

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

15. MOVEMENTS ON FUNDS

	At 1 June 2016 £	Income £	Expenditure £	Transfers £	At 31 May 2017 £
Unrestricted funds:					
General fund	179,092	661,908	(592,179)	(42,124)	206,697
Unrestricted funds total	179,092	661,908	(592,179)	(42,124)	206,697
Restricted funds:					
Sport	-	69,177	(95,031)	25,854	-
Health	(1,080)	86,700	(90,439)	4,819	-
Inclusion	5,940	136,000	(137,161)	-	4,779
Education	-	50,379	(61,830)	11,451	-
Restricted funds total	4,860	342,256	(384,461)	42,124	4,779
Endowment fund:					
Properties	504,383	-	(55,023)	-	449,360
Endowment funds total	504,383	-	(55,023)	-	449,360

Restricted funds of £4,779 relate to externally funded projects of work.

Transfers between funds of £42,124 represent support of operational costs within the restricted sport and education projects, approved by trustees to support delivery.

It was identified that to ensure compliance with the Companies Act 2006 with regards to the permanent endowment (the property) and the wishes of the donor, Wolves FC, the Trustees have taken action to file a request with the Charity Commission to vest permanent endowment land in the company and appoint it as sole corporate trustee of the permanent endowment.

Wolves Community Trust

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

	At 1 June 2015 £	Income £	Expenditure £	Transfers £	At 31 May 2016 £
Unrestricted funds:					
General fund	196,604	717,569	(711,308)	(23,773)	179,092
Unrestricted funds total	196,604	717,569	(711,308)	(23,773)	179,092
Restricted funds:					
Sport	-	16,152	(25,712)	9,560	-
Health	66,061	76,392	(143,533)	-	(1,080)
Inclusion	19,468	120,626	(134,154)	-	5,940
Education	(10,739)	88,815	(92,289)	14,213	-
Restricted funds total	74,790	301,985	(395,688)	23,773	4,860
Endowment fund:					
Properties	559,406	-	(55,023)	-	504,383
Endowment funds total	559,406	-	(55,023)	-	504,383

Restricted funds of £4,860 relate to externally funded projects of work.

Transfers between funds of £23,773 represent support of operational costs within the restricted sport and education projects, approved by trustees to support delivery.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 May 2017

16. NOTE TO CASHFLOW STATEMENT

Reconciliation of net income/(expenditure) to cash generated by operations:

	2017 £	2016 £
Net expenditure for the year	(27,499)	(142,465)
Adjustments for:		
Depreciation charges	55,023	55,023
Operating cash flow before movement in working capital	27,524	(87,442)
(Increase)/ Decrease in debtors	(188)	(38,867)
Increase/ (Decrease) in creditors	93,889	(13,334)
Cash generated by operating activities	121,225	(139,643)

17. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

2017 Charity	Unrestricted funds £'000	Endowment funds £'000	Restricted funds £'000	Total £'000
Tangible fixed assets	-	449,360	-	449,360
Current assets	328,382	-	52,693	381,075
Current liabilities	121,685	-	47,914	169,599
At 31 May 2017	206,697	449,360	4,779	660,836

2016 Charity	Unrestricted funds £'000	Endowment funds £'000	Restricted funds £'000	Total £'000
Tangible fixed assets	-	504,383	-	504,383
Current assets	226,121	-	33,541	259,662
Current liabilities	47,029	-	28,681	75,710
At 31 May 2016	179,072	504,383	4,860	688,335

18. EMPLOYEE RETIREMENT BENEFITS

Defined contribution scheme

Wolves Community Trust operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities.

The contribution to the scheme in the year was £5,315 (2016: £6,003).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2017

19. RELATED PARTY TRANSACTIONS

No trustee received payment for professional or other services supplied to the charity during the year (2016: £nil).

Total donations received from the trustees during the year was £nil (2016: £nil).

Some of the Trustees of Wolves Community Trust are employees of Wolverhampton Wanderers FC (1986) Ltd. At 31 May 2017, Wolves Community Trust owed an amount of £139,649 (2016: £51,017) to Wolverhampton Wanderers FC (1986) Ltd. Wolverhampton Wanderers FC (1986) Ltd recharged costs of £505,226 (2016: £597,054) to Wolves Community Trust in the year.

During the year, donations of £157,033 (2016: £200,000) were received from The Steve Morgan Foundation. The trustees of The Steve Morgan Foundation agreed to allocate this payment of £157,033 in support of commitments made to local charities. The Steve Morgan Foundation chairman Steve Morgan CBE is the former owner of Wolves FC, during his period of ownership made charitable commitments to Wolves Aid to support the objectives of Wolves Community Trust and to benefit charitable organisations throughout the West Midlands region.

