

Manchester City FC
City in the Community Foundation

(a company limited by guarantee)

Report and financial statements

Year ended 31 August 2017

Registered number 07447531

Registered charity number 1139229

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Contents	Page
Reference and administrative details	2
Report of the Trustees	3
Trustees' responsibilities statement	11
Independent Auditor's Report to the members of Manchester City FC City in the Community Foundation	12
Consolidated Statement of Financial Activities (including Income and Expenditure Account)	15
Consolidated and Charity Balance Sheet	16
Notes to the Financial Statements	17

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Reference and Administrative Details

Trustees

R K Ballantine
S R Cliff
T A Glick
P J D Loftus
K B Parker
T N Pitchon
S Todd
D Wilson

Secretary

K Parry

Key Management

Chief Exec	Mike Green	
Ambassador	Alex Williams	
Finance	Karen Parry	
Partnerships	Leanne Dingle	(left May 2017)
Operations	Marc Cahill	

Registered Office

Etihad Stadium, Etihad Campus, Manchester M11 3FF

Charity number

1139229

Company number

07447531

Bankers

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

Auditor

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

Solicitors

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

Manchester City FC City in the Community Foundation

Year ended 31 August 2017

Report of the Trustees

The Trustees present their annual report and the financial statements for the year ended 31 August 2017.

Directors and Trustees

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

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

City Football Group	Mr Thomas Allen Glick
Chartered Accountant	Mr Patrick Joseph Dominic Loftus
Company Director	Mr Robert Kevin Ballantine
Assistant Chief Executive Manchester City Council	Ms Sara Maria Todd
City Football Group	Mr Thomas Nissim Pitchon
Manchester City FC	Mr Daniel Wilson
City Football Group	Mr Simon Richard Cliff
Company Director	Mr Kevin Barry Parker

Governing Document

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

Appointment of Trustees

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

Trustees' Induction and Training

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

Organisation

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

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

Pay policy for senior staff

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the period. Details of trustees' expenses and related party transactions are disclosed in note 15 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other local football Foundations of a similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities. If recruitment has proven difficult in the recent past, a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees *(continued)*

Objectives of the Charity

The objectives of the Charity are:

- To promote any charitable purpose for the benefit of the community in the United Kingdom and overseas for the general purposes of such charitable bodies as the trustees may from time to time decide.
- To relieve poverty and economic deprivation within the community by such means as the Trustees think fit including, (but not by way of limitation) by providing financial and other material assistance to those in need.
- To promote community participation in healthy recreation by providing facilities for the playing of association football and other sports capable of improving health.
- To provide and assist in providing facilities for sport, recreation and other leisure time occupation of such persons who have need for such facilities due to their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life.
- To advance the education of children and other persons (including their academic, social and physical education) through such means as the trustees think fit in accordance with the law of charity.

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

With this in mind short term objectives for the charity include but not limited to:

- 1 Development of internal quality management system ensuring quality assurance and monitoring and evaluation
- 2 Produce monthly, quarterly and annual assessments of the impact of all programmes via qualitative and quantitative analysis
- 3 Increase annual revenue by over 10% within the next full financial year
- 4 Increase number of sessions delivered by over 10% within the next full financial year

Public Benefit

In shaping our objectives for the period and planning our activities, the Trustees have considered the charity commission's guidance on public benefit. Over the last twelve months, CITC has therefore invested in a wider monitoring and evaluation initiative that has created a dedicated resource aiming to highlight the outcomes and impact of all community projects. This has in turn led to the development of an outcomes framework that will specifically highlight individual programme and wider charity impact over the next twelve months.

Furthermore, over the past five years alone, CITC has invested over £8million into local communities within Manchester through key partnerships at both a strategic and operational level. Partnerships have come from a range of sectors namely public, private, charitable and the Premier League. The relationship between the charity and its parent Club, Manchester City FC, continues to flourish and thrive with the Club providing in-kind support across a significant range of functions including but not limited to HR, finance, infrastructure, catering, facilities maintenance. Additional to the above-named support and impact demonstrated, CITC have continued to benefit from the wider CFG investment in facilities in East Manchester with a range of projects being delivered within the City Football Academy. This amounts to approximately 40 hours of football led projects on a weekly basis creating unique opportunities for young people and their families from the local communities to engage inclusive football-led health and education projects within a world leading facility

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees *(continued)*

Related Parties

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

Investment and Reserves Policy

Total reserves at the end of the reporting period are £497,198. The restricted fund amount is £153,508 and unrestricted reserves are £343,690.

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

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

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

With the evolving complexity of the charity's operations, which now employs in excess of 80 staff and the level of funding being drawn down to be in the region of £2.7m, it is important that the risk with regards to future expenditure and potential unforeseen emergencies such as an unexpected repair bill or legal costs should be mitigated.

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

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

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

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

We will endeavour to maintain reserves sufficient to cover between 3-12 months operating expenses.

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

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

Donated services

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees *(continued)*

Achievements and Performance:

The end of 2016 marked the 30th Anniversary of the charity and the wider Football in the Community (FitC) initiative. FitC was introduced in 1986 for a variety of reasons but ultimately to show football could create positive outcomes just as much as negative ones. At a time when hooliganism was rife and stadium disasters were becoming too common, FitC schemes aimed to give something back to local communities through football. CITC was one of only six Clubs to introduce FitC in 1986 and thus, in October 2016, CITC launched its 30th Year campaign stating '30 years of Giving Manchester kids a better shot at life'. The campaign has taken many guises including significant marketing, various fundraising activations and partner events. The campaign will culminate in a Gala Dinner to mark one year on from the start of the anniversary while looking ahead to what the charity expects to achieve in future years.

Over the last 12-months, CITC has continued to grow and develop. A more strategic approach has continually been built on resulting in the charity concentrating on three key social issues: Health, Education and Inclusion. In addition to this, the CITC Board of Trustees supported the Head of CITC in the recruitment of two new senior roles to support the expected growth of the charity from January 2016 onwards. Marc Cahill and Leanne Dingle were appointed as Senior Operations Manager and Senior Partnerships Manager respectively.

Across the following 12-month period, leading to December 2016, CITC thrived supported by the significant increase in revenue from the Premier League Charitable Fund and external support gained from the Big Lottery and various private donors. By the end of the 2016/17 season, CITC revenue grew by over £1million within the given 12-month period taking total revenue of the charity to over £2.6 million in one season. Between August 2016 and June December 2017, the CITC team grew significantly from 32 full-time staff to 54 to support the significant growth of PL funded projects, specifically PL Primary Stars. The structure of CITC's PLPS programme had changed in August 2016 that led to a more outcomes focused programme being delivered weekly to approximately 10,000 young people throughout Manchester. This subsequently supported the strategic changes surrounding quality assurance and risk management that jointly built on the successful capability status submission in June 2016. A large piece of work during this period has been the development of a purpose-built curricula to support the growing schools sports team; the curricula has concentrated on three key areas:

1. Football led Physical Education
2. National curricula guidelines across each half-term priority area
3. English baccalaureate subjects

Building on the success of the PLPS framework, additional funding was sought through a PL PFA application to enhance the Health theme within the charity. Since March 2014, CITC has had a strong relationship with Central Manchester Foundation Hospital Trust (CMFT) and Public Health Manchester (PHM), specifically looking at rising health issues in Manchester and even more specifically looking at childhood obesity. Approximately £500,000 funding was confirmed in September 2016 from the Big Lottery to roll out a Family Lifestyle programme over the next five years however this was an intervention programme working with families highlighted as most at risk. The delivery model therefore proposed to PL PFA, concentrated more on a preventative programme for Early Years stage children, 2-5 year olds, highlighting the importance of Physical Literacy and Fundamental Movements.

The proposal was approved in December 2016 and delivery commenced in March 2017 with the addition of a further 10 members of the delivery team. In addition to this, other areas of the business have grown, specifically within the business support function of the charity, namely the recruitment of an Insights manager, Insights Officer, Finance Officer, Administration Officer and Schools Administration officer. Subsequently, the number of FTE's has expanded to 64 with an additional 27 part-time/casual employees. It is expected that this trend will continue over the coming months with the further expansion on the school's programme along with growth of the Man City BTEC provision and the introduction of the Man City Community Coaching Degree to be launched in September 2017.

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees *(continued)*

Grant making

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

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

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

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

Charitable Donations

There have been two charitable donations made in this period.

£15,000 to DC Scores, a Non-profit organisation in Washington, D.C., United States of America who go where kids in need are and creates neighbourhood teams that give kids the confidence and skills to succeed on the playing field, in the classroom, and in life.

The second donation of £7,068 was for the Poppy Appeal that was a bucket collection we had on a match-day to support the work they do.

Financial Review

The financial year runs from 1st September 2016 to 31st August 2017. This period has shown a substantial increase in income from the previous year. The expenditure has also increased in-line with the income.

The Trustees report a net deficit in funds for the period of £3,973 (2016: £ (358,950)). Total income for this period came to £2,686,799 (2016: £1,627,423).

Trading

The Trading Company was formed in April 2012.

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

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

During the year under review, the Trading Company was non-trading, only incurring accounting costs and bank charges.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees *(continued)*

Plans for the Future

City in the Community has developed a clear three-year business plan to take the charity past August 2019. The plan defines current thinking and plans for growth over the next three years across all areas of the business. It is expected that the charity will see significant increases in revenue through enhancing current partnerships, developing new partnerships and creating unique programmes that become renowned for their quality and robustness.

With this in mind, mid-term objectives for the charity include but not limited to:

1. Enhance quality management system while developing online assessments
2. Produce monthly, quarterly and annual assessments of the impact of all programmes via qualitative and quantitative analysis to match with a newly developed outcomes framework
3. Increase annual revenue by over £250k within the next full financial year
4. Increase number of sessions delivered by over 100,000 within the next financial year

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees (continued)

Principal Risks and Uncertainties

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

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees (continued)

Foreign currency	• call made under guarantee	• review approval and authority procedures
	• Jack of reserves or liquidity to meet call	• agree procedures to ensure consistency with objects, plans and priorities
	• consistency with objects and priorities	• ensure financial reporting of contingency and amendment to reserves policy
	• currency exchange losses	• ensure proper cash flow management and reserves policy
	• uncertainty over project costs	• use currency matching (cost to charity in home currency)
Pension commitments	• cash flow impact on operational activities	• consider forward contracts for operational needs (hedging)
	• under-funded defined benefit scheme	• use actuarial valuations
	• impact on future cash flows	• review pension scheme arrangements (e.g. money purchase schemes)
	• failure to meet due dates of payment	• review procedures for admission to scheme and controls over pension administration
Inappropriate or loss-making non-charitable trading activities	• regulatory action or fines	
	• resources withdrawn from key objectives	• monitor and review business performance and return
	• resources and energy divelled from profitable fund-raising or core activities	• ensure adequacy of budgeting and financial reporting within the subsidiary or activity budget
	• regulatory action, and accountability	• review and agree adequate authorisation procedures for any funding provided by charity (prudence, proper advice, investment criteria)
	• reputational risk if publicised	• report funding and performance as part of charity's own financial reporting system
		• appraise viability
Investment policies		• consider transfer of undertakings to separate subsidiary
	• financial loss through inappropriate or speculative investment	• review and agree investment policy
	• unforeseen severe adverse investment conditions	• obtain proper investment advice or management
	• financial loss through lack of investment advice, lack of diversity	• consider diversity, prudence and liquidity criteria
	• cash flow difficulties arising from lack of liquidity	• implement adequate reserves policy
Protection of permanent endowment		• use regular performance monitoring
	• loss of future income stream or capital values	• review and agree investment policy
	• buildings unfit for purpose	• obtain proper investment advice or management
	• income streams inappropriate to meet beneficiary needs	• consider diversity, prudence and liquidity criteria
		• use regular performance monitoring
		• ensure maintenance and surveyor inspection of buildings
Compliance with donor imposed restrictions		• review insurance needs
	• funds applied outside restriction	• implement systems to identify restricted receipts
	• repayment of grant	• agree budget control, monitoring and reporting arrangements

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Report of the Trustees (continued)

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

Statement as to disclosure to our auditors

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

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

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



P J D Loftus

Director & Trustee

DATE: 25/4/2018

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Trustees' responsibilities in relation to the financial statements

Trustees' responsibilities in relation to the financial statements

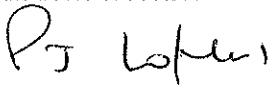
The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. 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 Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

By order of the board of trustees



P J D Loftus

Director & Trustee

DATE: 25/4/2018

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

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

Opinion

We have audited the financial statements of Manchester City FC City in the Community Foundation ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 August 2017 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the parent balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2017 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF MANCHESTER CITY FC CITY IN THE COMMUNITY FOUNDATION (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities 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, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF MANCHESTER CITY FC CITY IN THE COMMUNITY FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

BDO LLP

Hamid Ghafoor (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Manchester

Date: 10/5/2018 .

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

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

Year ended 31 August 2017		Unrestricted funds 2017	Restricted funds 2017	Total funds 2017	Total funds 2016
	Note	£	£	£	£
Income from:					
Donations and legacies	2a	739,844	-	739,844	563,254
Other trading activities	2b	98,547	-	98,547	51,374
Income from charitable activities	2c	8,005	1,827,722	1,835,727	1,008,601
Other income	2d	12,681	-	12,681	4,194
Total income		859,077	1,827,722	2,686,799	1,627,423
Expenditure:					
Costs of raising funds	3a	744,458	-	744,458	664,457
Expenditure on charitable activities	3b	13,483	1,911,722	1,925,205	1,318,289
Other	3c	21,109	-	21,109	3,627
Total expenditure		779,050	1,911,722	2,690,772	1,986,373
Net income/(expenditure) before transfers		80,027	(84,000)	(3,973)	(358,950)
Transfer between funds	4	(104,531)	104,531	-	-
Net income/(expenditure) and net movement in funds for the year		(24,504)	20,531	(3,973)	(358,950)
Reconciliation of funds					
Total funds brought forward		368,194	132,977	501,171	860,121
Total funds carried forward	4	343,690	153,508	497,198	501,171

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

All income and expenditure derive from continuing activities.

The notes on pages 17 to 34 form part of these financial statements.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Consolidated and Charity Balance Sheet as at 31 August 2017

Company No: 07447531

		Group 2017	Group 2016	Charity 2017	Charity 2016
	Note	£	£	£	£
Fixed assets					
Tangible assets	8	22,564	16,373	22,564	16,373
Investments	9	-	-	1	1
Total fixed assets		22,564	16,373	22,565	16,374
Current assets					
Debtors	10	27,655	57,949	30,655	59,289
Cash at bank		652,330	825,278	652,174	824,790
Total current assets		679,985	883,227	682,829	884,079
Creditors					
Amounts falling due within one year	11	(199,518)	(398,429)	(202,362)	(399,282)
Net current assets		480,467	484,798	480,467	484,797
Total assets less current liabilities		503,031	501,171	503,032	501,171
Amounts falling due after one year	12	(5,833)	-	(5,833)	-
Net assets		497,198	501,171	497,199	501,171
Total funds of the charity					
Unrestricted income funds		343,690	368,194	343,691	368,194
Restricted income funds		153,508	132,977	153,508	132,977
Total charity funds	4, 14	497,198	501,171	497,199	501,171

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

The company has taken advantage of the exemption under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The net movement in funds of the parent Company for the year was £ (3,972) (2016: £ (358,950)).

The notes on pages 17 to 34 form part of these financial statements.

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

P J D Loftus
Director & Trustee

25/4/2018

Notes to the financial statements

1 Accounting policies

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

Basis of preparation

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

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

Basis of consolidation

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

Income

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

Donated services

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

Expenditure

All expenditure is accounted for on the accruals basis and is recognised when incurred. In particular

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

Notes to the financial statements (continued)

1 Accounting policies (continued)

Grant making

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

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

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

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

Charitable Donations

There have been two charitable donations made in this period.

£15,000 to DC Scores, a Non-profit organisation in Washington, D.C., United States of America who go where kids in need are and creates neighbourhood teams that give kids the confidence and skills to succeed on the playing field, in the classroom, and in life.

The second donation of £7,068 was for the Poppy Appeal that was a bucket collection we had on a match-day to support the work they do.

Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs are allocated as set out in the funding application across all programmes. The support costs for this year have been calculated at 9% for restricted costs and 7% unrestricted costs.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

1 Accounting policies (continued)

Fixed assets and depreciation

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

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives range as follows:

Computer equipment	25% per annum
Vehicles	20% per annum

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

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

Investments

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

Notes to the financial statements (continued)

1 Accounting policies (continued)

Pensions

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

Operating lease commitments

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

Financial instruments

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

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

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

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

Foreign currency

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

Holiday pay accrual

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

Taxation and Deferred Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

1 Accounting policies (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

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

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

Other key sources of estimation uncertainty

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

2 Income

2A – Donations and legacies	2017	2016
	£	£
Unrestricted		
Donations and sponsorship	426,498	386,554
Grants – Premier League	178,500	175,000
Grants – Other	134,846	1,700
	739,844	563,254
2B – Other trading activities	2017	2016
	£	£
Unrestricted		
Fund raising events	98,547	51,374
	98,547	51,374

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

2 Income (continued)

2C–Income from charitable activities

	Premier League Grant	Royal Foundation Grant	Big Lottery Grant	ESFA Grant	Other sources	2017 £	2016 £
Restricted							
Kicks	110,000	-	-	-	23,343	133,343	94,569
Hopwood Hall	-	-	-	180,250	-	180,250	90,000
PL4Sport	75,000	-	-	-	-	75,000	79,000
Children's Obesity Programme	-	-	-	-	231,250	231,250	238,750
City Cooks	-	-	-	-	-	-	8,925
PL Disability Project	95,000	-	-	-	61,883	156,883	126,531
Enterprise City – Built for Business	46,000	-	-	-	-	46,000	46,000
Rochdale Enterprise City	-	-	-	-	-	-	13,920
Boots & Beats	-	-	-	-	-	-	21,215
Learning Thru Football	37,500	-	-	-	-	37,500	36,500
West Hill High School	-	-	-	-	-	-	8,349
Whitebridge College	-	-	-	-	-	-	1,700
Our Lady's High School	-	-	-	-	-	-	594
Trinity School	-	-	-	-	-	-	1,320
Women's Football	25,000	-	-	-	9,879	34,879	22,036
School Sports Programme	120,000	-	-	-	238,261	358,261	205,509
Eurofit	-	-	-	-	6,500	6,500	9,350
Royal Foundation – Coach Core	-	91,000	-	-	-	91,000	-
City Futures	59,850	-	-	-	-	59,850	-
LTSB	-	-	-	-	11,315	11,315	-
City Play	250,000	-	-	-	-	250,000	-
City Lifestyles	-	-	85,666	-	-	85,666	-
Literacy	70,000	-	-	-	25	70,025	-
TOTAL	888,350	91,000	85,666	180,250	582,456	1,827,722	1,004,268
Unrestricted							
PPA, one-off events, soccer coaching and related activities	-	-	-	-	8,005	8,005	4,333
	-	-	-	-	8,005	8,005	4,333
TOTAL	888,350	91,000	85,666	180,250	590,461	1,835,727	1,008,601

'Other Sources' includes various income from various schools, CMFT (£231,250) and other small grants.

Government grants – ESFA is a form of government grant, granted to enable the charity to provide support and training to provide a BTEC course in partnership with Hopwood College.

2D– Other income

	2017 £	2016 £
Unrestricted		
Other income	12,681	4,194
Total	12,681	4,194

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

3 Expenditure - Group

3A – Costs of raising funds	Unrestricted £	Restricted £	2017 £	2016 £
Staff costs	550,779	-	550,779	518,200
Travel & vehicle	56,063	-	56,063	39,483
Printing, postage and stationery	11,101	-	11,101	7,380
Facility hire	11,664	-	11,664	18,129
Catering	11,778	-	11,778	3,480
Equipment	9,984	-	9,984	25,822
Promotional Material	10,564	-	10,564	11,791
Professional Fees	3,435	-	3,435	10,062
Utilities	6,616	-	6,616	6,023
Depreciation	8,621	-	8,621	6,872
Sundries	41,785	-	41,785	19,004
Charitable donations	22,068	-	22,068	-
Total	744,458	-	744,458	666,246
2016	666,246	-	666,246	

Charitable donations includes monies raised by Manchester City FC City in the Community Foundation, payable to:

£15,000 DC Scores USA *Non-profit organisation in Washington, D.C., United States of America
DC SCORES goes where kids in need are and creates neighbourhood teams
that give kids the confidence and skills to succeed on the playing field, in the
classroom, and in life.*

£7,068 Poppy Appeal *Non-profit organisation in England and Wales
The Royal British Legion 2018. Registered Charity No 219279*

3B – Charitable activities	Unrestricted £	Restricted £	2017 £	2016 £
Staff costs	12,134	1,581,060	1,593,194	1,097,565
Travel & vehicle costs	890	30,517	31,407	43,432
Printing, postage and stationery	327	6,933	7,260	5,953
Equipment	54	136,279	136,333	73,174
Utilities	-	14,795	14,795	5,875
Professional Fees	-	945	945	1,561
Catering	67	8,892	8,959	5,158
Venue costs	-	49,284	49,284	19,853
Promotional Material	-	5,064	5,064	9,318
Sundries	11	19,541	19,552	56,400
Royal Foundation – grants payable (see note 3E)	-	58,412	58,412	-
Total	13,483	1,911,722	1,925,205	1,318,289
2016	11,831	1,306,458	1,318,289	

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

3 Expenditure – Group (continued)

3C– Other costs	2017 £	2016 £
Unrestricted		
Travel and vehicle costs	1,429	1,838
Sundry	19,680	-
Total other costs	21,109	1,838

The total amount of support costs incurred in the year was £226,952 (2016 - £181,030). The amount of support costs allocated to raising funds is £ 54,897 (2016 - £50,385) and the amount allocated to charitable activities is £172,055 (2016 - £130,645).

3D– Governance costs	2017 £	2016 £
Unrestricted		
Audit and Accounting	8,530	7,850
Staff costs	6,650	6,425
Total governance costs	15,180	14,275

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

3 Expenditure – Group (continued)

3E – Grant Making	Grants to institutions £	Grants to individuals £	Support costs £	Total £
Coach Core	58,412	-	15,519	73,931
Total costs	58,412	-	15,519	73,931

Manchester City FC City in the Community Foundation was awarded funding in the year of £91,000 from The Royal Foundation to fund a Coach Core programme.

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

Manchester City FC City in the Community Foundation employ 3 out of the max of 20 apprentices under the scheme. The remaining grant received is then distributed by Manchester City FC City in the Community Foundation to other institutions. The Royal Foundation has agreed some of the total grant is to fund Manchester City FC City in the Community Foundation additional administrator costs such as training and travel.

Institutions who received grants to fund apprentices include:

Diane Modahl Sports Foundation	£7,625
Eastlands Trust	£13,335
Lancashire County Cricket Club Foundation	£8,890
Manchester Metropolitan University	£8,890
Manchester United Foundation.	£4,445
Sale Sharks in the Community Trust	£6,337
Sports Group Limited	£8,890
	£58,412

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

4 Funds reconciliation

	Balance b/f £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance c/f £
Unrestricted funds	368,194	859,077	779,049	(104,531)	343,691
Total unrestricted funds	368,194	859,077	779,049	(104,531)	343,691
Restricted funds					
Kicks	(12,822)	133,343	(122,148)	1,628	-
Disability Project	22,905	156,883	(122,352)	-	57,436
Learning Thru Football	5,617	37,500	(36,083)	-	7,034
PL4Sport	(1,284)	75,000	(72,988)	-	728
Primary Stars	30,249	358,261	(409,390)	19,452	-
Women's Football	(3,634)	34,879	(40,676)	9,431	-
Hopwood Hall (BTEC)	(7,258)	180,250	(174,872)	1,880	-
Children's Obesity	44,331	231,250	(337,018)	61,437	-
Enterprise/Built	(12,845)	46,000	(41,532)	8377	-
Royal Foundation	-	91,000	(87,265)	-	3,735
City Futures	-	59,850	(59,364)	-	486
City Play	-	250,000	(247,685)	-	2,315
City Lifestyles	-	85,666	(84,826)	-	840
Literacy	-	70,025	(72,351)	2,326	-
Other restricted funding	67,718	17,815	3,172	-	80,934
Total restricted funds	132,977	1,827,722	(1,911,722)	104,531	153,508
Total funds	501,171	2,686,799	(2,690,771)	-	497,199

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

4 Funds reconciliation

Funds reconciliation –previous year

	Balance b/f £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance c/f £
Unrestricted funds	384,954	623,155	(639,915)	-	368,194
Designated Funds	40,000	-	(40,000)	-	-
Total unrestricted funds	424,954	623,155	(679,915)	-	368,194
Restricted funds					
Kickz Platt Lane	12,460	30,440	(56,328)	-	(13,428)
East Manchester	15,909	56,833	(72,136)	-	606
Disability Project	46,177	126,531	(149,803)	-	22,905
Barclays Works	6,675	36,500	(37,558)	-	5,617
PL4Sport	17,415	79,000	(97,699)	-	(1,284)
School Sports	37,185	205,509	(212,445)	-	30,249
Women's Football	2,309	22,036	(27,979)	-	(3,634)
BTEC Hopwood Hall	5,860	90,000	(103,118)	-	(7,258)
Children's Obesity	188,423	238,750	(382,842)	-	44,331
Enterprise City	3,048	46,000	(61,893)	-	(12,845)
Other Restricted Funding	99,706	72,669	(104,657)	-	67,718
Total restricted funds	435,167	1,004,268	(1,306,458)	-	132,977
Total funds	860,121	1,627,423	(1,986,373)	-	501,171

Negative restricted fund balances are supported by the unrestricted funds.

Notes to the financial statements (continued)

4 Funds reconciliation (continued)

Restricted funds

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

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

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

PL4Sport- To significantly increase the number of people taking part in sport and physical activity by supporting the growth of local community sports clubs.

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

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

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

Children's Obesity Programme - Promoting physical activity and healthy living for children and families through a range of interventions.

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

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

City Futures - With record levels of overweight/obese children, the programme is designed to encourage children to make Healthy choices from an early age by supporting families to develop their skills and confidence when preparing and cooking meals.

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

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

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

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

5 Net movement in funds

This is stated after charging:

	2017 £	2016 £
Remuneration of Auditor	7,230	5,850
Remuneration of Auditor – Other	1,300	2,000
Depreciation of tangible fixed assets:		
Owned	8,621	6,872

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

The average number of full-time persons employed by the Charity (including Trustees) during the financial period was 58 (2016 - 30). An average of 23 part-time/casual staff (2016 - 23) were also employed during the period.

The aggregate payroll costs of these persons were as follows:

Group and Charity

	2017 £	2016 £
Wages and salaries	1,863,582	1,455,413
Social security costs	131,256	97,880
Other pension costs	87,097	62,472
	2,081,935	1,615,765

Include in wages and salaries is:

Consultancy costs	500,391	295,746
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The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2016: £nil) neither were they reimbursed expenses during the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Three employees received emoluments for the period in excess of £60,000 (2016: £60,000). Pension contributions were made to the employees during the period of £8,447 (2016: £5,990).

Salary Band	No. of Employees
80,001 – 90,000	1
70,001 – 80,000	-
60,001 – 70,000	2

The key management personnel of the parent charity, the Trust, comprise the trustees, the Chief Executive Officer, Finance Director, Head of Operations, Ambassador and Partnerships Manager of Manchester City FC City in the Community Foundation. The total employee benefits of the key management personnel of the Trust were £313,611 (2016: £304,589) and pension costs of £13,858.

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

7 Taxation

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

8 Tangible Fixed Assets

Group and Charity	Other equipment £	Computer equipment £	Total £
Cost			
As at 1 September 2016	7,920	28,399	36,319
Additions	-	14,812	14,812
As at 31 August 2017	7,920	43,211	51,131
Depreciation			
As at 1 September 2016	1,650	18,296	19,946
Provision for the year	1,980	6,641	8,621
As at 31 August 2017			
Net Book Value			
As at 31 August 2017	4,290	18,274	22,564
As at 31 August 2016	6,270	10,103	16,373

9 Investments – Charity

	2017 £	2016 £
Investments - subsidiary	1	1

The company owns 100% of the shares of its subsidiary company Manchester City FC CITC Foundation Trading Company Limited, a Company incorporated in England & Wales, with the same registered office as its parent. At the year-end, the company had net liabilities of £4,144 (2016: net liabilities £3,047). For the period ended 31st August 2017 the company had turnover of £nil (2016: £nil) and made a loss of £1,098 (2016: loss £3,047). The principal activity of the company is to receive sponsorships from external companies.

10 Debtors

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	4,927	29,240	4,927	30,580
Prepayments	-	7,763	-	7,763
Amounts owed by group	-	-	3,000	-
Accrued income	22,728	20,946	22,728	20,946
	27,655	57,949	30,655	59,289

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

11 Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	28,580	31,978	28,580	31,785
Taxes and social security	30,098	23,361	30,098	23,361
Accruals	108,340	57,007	111,184	58,053
Deferred income (note 13)	32,500	286,083	32,500	286,083
	199,518	398,429	202,362	399,282

There were no secured balances included in creditors.

12 Creditors: amounts falling due after one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Deferred income (note 13)	5,833	-	5,833	-
	5,833	-	5,833	-

There were no secured balances included in creditors.

13 Deferred income

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

Group and Charity	£
Balance as at 1 September 2016	286,083
Amount received and deferred in the year	38,333
Amounts released to incoming resources	(286,083)
Balance as at 31 August 2017	38,333

Manchester City FC City in the Community Foundation

Year Ended 31 August 2017

Notes to the financial statements (continued)

14 Analysis of total funds - Group

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Fixed assets	22,564	-	22,564	16,373
Current assets	380,801	299,184	679,985	883,227
Creditors falling due within one year	(53,842)	(145,676)	(199,518)	(398,429)
Creditors falling due after more than one year	(5,833)	-	(5,833)	-
	343,690	153,508	497,198	501,171

Analysis of total funds – Group (prior year)

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Fixed assets	16,373	-	16,373	7,193
Current assets	426,360	456,867	883,227	1,454,146
Creditors falling due within one year	(74,539)	(323,890)	(398,429)	(387,581)
Creditors falling due after more than one year	-	-	-	(213,637)
	368,194	132,977	501,171	860,121

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account. The loss for the period dealt with in the accounts of the charity is £3,972 (2016: loss £358,950).

Notes to the financial statements (continued)

15 Related party transactions

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

The Charity receives financial support from Manchester City Football Club Ltd and City Football Group to the extent that premises and use of the football pitches at the CFA site are provided and editorial space in match day programmes granted, free of any charges. There has also been a contribution to the Foundation in the sum of £141,481 for support towards the delivery of programmes and reimbursement of costs. In addition, the football club incurs costs of printing, entertaining, advertising, catering and other similar costs that are recharged to the Charity. The costs incurred for this financial period are £20,414 (2016: £52,972). At 31 August 2017 £136 was owed by the Foundation (2016: £751).

See note 6 for details of remuneration paid to trustees.

16 Control

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

17 Commitments

The Group and Charity had no commitments at the current and prior year end.