

REGISTERED COMPANY NUMBER: 06676203 (England and Wales)
REGISTERED CHARITY NUMBER: 1126118

**REPORT OF THE TRUSTEES AND
AUDITED GROUP FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MAY 2018
FOR
POMPEY IN THE COMMUNITY**

POMPEY IN THE COMMUNITY
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FOR THE YEAR ENDED 31 MAY 2018

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POMPEY IN THE COMMUNITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2018

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st May 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

Reference and administrative details

Registered company number
06676203 (England and Wales)

Registered charity number
1126118

Registered office
Pompey in the Community
Anson Road
Portsmouth
PO4 8TB

Trustees

Allison Lee	
Stephen Frampton	
Melvin Hartley	
Jackie Jones	- resigned 11 November 2018
Bronwyn Carter	- resigned 30 June 2017
Lucy Smith	
Forhad Ahmed	- appointed 25 January 2018
Zmaragda Pearson	- appointed 25 January 2018
Christian Burgess	- appointed 6 February 2018
Steve Johnston	- appointed 5 July 2018
Joyce Scolins	- appointed 5 July 2018, resigned 11 September 2018

Chief Executive Officer
Clare Martin

Auditors
Morris Crocker Limited
Chartered Accountants
Registered Auditors
Station House
North Street
Havant
Hampshire PO9 1QU

Solicitors
Bliscoes Solicitors
Kingston Place
Kingston Crescent
North End
Portsmouth
Hampshire PO9 8AQ

Bankers
Lloyds Bank
38 London Road
North End
Portsmouth
Hampshire PO2 0LR

POMPEY IN THE COMMUNITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Pompey in the Community is registered as a company limited by guarantee (registration no. 06676203) and as a charity (registration no. 1126118). Its governing instrument is its memorandum and articles of association. Every member of the charity undertakes to contribute £10 to its assets in the event of it being wound up.

Recruitment and appointment of Trustee Directors

Trustees are recruited to represent significant donors, funding bodies and also independence.

Trustees are appointed in accordance with the Articles of Association, by ordinary resolution in general meeting. Neither less than seven nor more than twenty eight days clear notice before the date of the meeting where a Trustee's appointment is to be considered, notice shall be given to those entitled to attend of the recommendation for appointment.

Induction and training of new Trustees

New Trustees are inducted through spending time with the CEO to enable a full appreciation of the charity's activities and how it operates. Training is offered through recommended Charity Commission training guidelines.

Organisational structure

The Board of Trustees aims to meet quarterly and there are sub-committees that meet more regularly covering development, membership, finance and audit.

A CEO is employed to manage the day to day operations of the charity including promotion of the charity's objectives, fund raising, financial control and management of all employees.

Purposes and aims

The charity's purpose is to benefit the public generally and in particular the inhabitants of Hampshire, West Sussex and the Isle of Wight and their surrounding areas. We seek to promote community participation in healthy recreation by providing facilities for the playing of football and other sports and activities capable of improving health and well-being.

This encompasses providing and assisting in providing facilities for sport, recreation or other leisure time occupations for people to benefit from these facilities by reason of their youth, age, infirmity, disability, poverty or social and economic circumstance, for the public at large in their interests of social welfare with the object of improving their conditions of life.

We aim to advance the education of children and young people through such means as the Trustees think fit in accordance with charity law and for the general purpose of such charitable bodies or for such other exclusively charitable purposes in each case as the Trustees may from time to time decide.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees refer to public benefit throughout this report.

How our activities deliver public benefit

The charity aims to deliver benefit to our customers through reducing, or subsidising prices and providing access to the various activities free of charge which in many cases can lead to accreditation under various

For example, our after school clubs which provide continued access to sport after school hours for children is offered at £4.00 per session. Where we cover teaching time within schools this is charged at £25 per hour for one coach and £35 per hour for two coaches.

In relation to special inclusion and involving vulnerable or disabled people in the charity's activities these are provided free of charge through many of our programmes. A significant number of participants successfully complete courses and leave us with NVQ and BTEC level qualifications.

POMPEY IN THE COMMUNITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2018

Financial review

Pompey in the Community's account showed a deficit this year of £225,686 over the year. This leaves the charity slightly below our desired Reserves so the Trustees are working to implement some cost savings to help ensure no further reduction. In respect of restricted activities, expenditure has been kept in line with funding provisions.

Portsmouth Football Club

The relationship with the Club's current owners Portsmouth Football Club Limited (PFC) continues to be positive. Following the purchase by Tornante, headed up by Micael Elsnar, ex-Disney CEO the relationship has continued to strengthen and manifests itself in many ways including player appearances, reward schemes, visits to the club's training facilities and player related learning materials as well as a generous allocation of match tickets for the charity's beneficiaries and the local community. The key to the relationship is the ability for football - and more specifically Portsmouth Football Club - to inspire local young people and bring about positive social outcomes through the delivery of the charity's activities.

PITC aims to deliver through four core aspects of activity; sports and coaching, community cohesion (inclusion and disability), health and education although many of our projects weave through several, if not all of the strands.

Sports and Coaching: PITC's Sports and Coaching department works with between 6 and 7,000 youngsters a week during term time providing PE lessons, after school club, skills training centres throughout Portsmouth and the surrounding area.

Kinder + Sport Move and Learn: Funded by Ferrero Rocher in partnership with the Football League Trust this is a six week programme of activities for Year 5 pupils and encourages a healthy lifestyle. Each session consists of an hour in the classroom and an hour of physical activity. We deliver this project to 1,800 pupils each academic year.

Nelson Investigates with Southern Water: Why do blocked sewers and drains cause flooding in areas of Portsmouth? The Pompey mascot, Nelson, features in the sessions as he tries to find out why a match at Fratton Park is going to have to be cancelled due to flooding. This leads him to explore the sewerage system and discover what happens when they get blocked. Each classroom session is an hour and is followed by a practical activity session with children involved in multi-sport style games linked to the session to consolidate the learning. The project uses old and modern maps, as well as photos to show how the pipes were first installed in Portsmouth during Victorian times and why.

South West Trains – "Off the Rails!" – 'Off The Rails!' is delivered in partnership with South West Trains and is delivered in a one off one hour session in school by a Pompey Trainer with support from South West Trains employees. Children are made aware of the dangers that the rail system can create using Portsmouth FC as the hook to engage youngsters. As part of their learning, children are asked to create a poster that they consider will help keep other people, especially children, "Off the rails!" The schools then nominate their best designs to go forward to a judging panel of employees from South West Trains and Portsmouth Football Club.

National Citizen Service: NCS is a programme, funded and managed by the Cabinet Office, which provides young people aged 16 to 17 years with the opportunity to take on new challenges, learn new skills and make a difference to the local community. PITC are the sole delivery organisation in Portsmouth and the Football League Trust, via the Challenge Network, have one year remaining of a 3 year contract which we hope will be re-newed. We will be expected to deliver significant a significant uplift in numbers over the coming years.

Pompey Power Chair: PITC run the only Powerchair Football team in Hampshire and support the team with transport, affiliations, kits and coaching. The team plays in the South East Regional League.

Portsmouth Amputee FC: The Portsmouth FC amputee team continues to go from strength to strength. Sponsored by Irwin Mitchell solicitors the team compete in the National League and hold their own in an ever growing competitive field. They also won the 2018 League Cup.

POMPEY IN THE COMMUNITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2018

Life and Chimes: This project is aimed at those with early dementia, their carers as well as older isolated people that would benefit from the activities. The group meet once a week and take part in physical activities, crafts and arts as well as group visits to memorable places all over the city including HMS Victory, relevant theatrical shows etc.

Premier League for Sport: The National project, PL for Sport came to an end this year. We were running 24 satellite clubs in 7 different sports including badminton, table tennis, judo, hockey, volleyball and tennis. The programme provided funding to enable the charity, through the Pompey FC brand, to promote participation in other sports, namely hockey, badminton, table tennis and volleyball. A small amount of funding has been made available for a transition project to transfer sessions into our "Kicks" project.

Football Development SCL: funded through SCL Education Group Limited this 11-a-side BTEC programme has proved hugely popular. Youngsters represent Portsmouth FC in the Southern Regional League whilst studying for a Level 3 BTEC. Matches are played against high profile teams including Chelsea and Birmingham which is a real incentive for participants.

IOW College Programme: PITC deliver the football programme that runs alongside BTEC delivery for the Isle of Wight College. They have a match programme that our coach also coordinates. The programme is very well received by the college and delivery works well with our Primary School coaching and after school clubs

Degree Programme: Graduates from both our Futsal and 11-a-side BTEC programmes are offered the opportunity to study for 3 years with us for a BSc in Sports Development in partnership with the University of South Wales.

Premier League Kicks: This project is part funded through the Premier League Community fund. The emphasis is on sport for social change and focuses on participants that wouldn't otherwise be able to afford to attend. Youngsters are also referred to the programme by both statutory bodies and other charities locally. We have also had the opportunity to match fund up to £30,000 through the "PL Kicks Discretionary Fund" which has supported enrichment of the programme.

Raise Your Game: Comic Relief: This project links physical activity with educational workshops to upskill youngsters and enable them to gain relevant qualifications and volunteering opportunities. Sessions are run all over the city with opportunities for participants to then take part in other projects and opportunities.

Your Fratton, Fratton Big Local: Your Fratton is funded through the National Lottery and PITC deliver the Youth participation element of the project. Activities include football, flash-mob dancing, multi-sports, a youth club and other activities that bring the young people of the Fratton Ward together.

Premier League Primary Stars: funded through the Premier League Community Fund: this project aims to mentor Primary School Teachers in PE delivery as well as providing resources to deliver literacy, numeracy and PHSE for Primary Schools.

Premier League Girls: Funded through the Premier League this project has enabled us to work with girls aged 10+ and encourage more female participation. The project is thriving and exceeded all targets. This positively has led us to work with Pompey Ladies and it's likely that PITC will deliver all the girls development teams for Pompey Ladies from September 2017.

No Limits: Children In Need: This project enables children with additional needs to participate in football and multi-sports activities in after school clubs. Children are then invited to other sessions and to our team training to give them competitive opportunities in the Hampshire Disability League that takes place each month.

Wheels for All: Wheels for All is an inclusive cycling project that aims to provide a bicycle that everyone can use, regardless of their additional needs. Some bikes are handlebar pedalled, some have a space for a wheelchair to sit on the front and many are tandems. The project is run almost entirely by volunteers and we now have over 200 unique users each week.

POMPEY IN THE COMMUNITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2018

Reserves policy

Reserves are needed to bridge the gap between spending and receiving resources, to plan for any emergency or other expenditure that may be necessary from time to time.

The Trustees consider that the ideal level of reserves at 31st May 2018 is £250,000, being based on the Charity's ability to cover six month's net running costs in the eventuality that general funding is considerably reduced due to the current economic environment. Direct funding over the past two years has been considerably reduced from both local government and the police. We are currently holding £230,000 so the Trustees are implementing a cost saving plan to limit any further reduction in our Reserves.

Review of the year

September 2017: Clare Martin, CEO PITC gives the key note speech at the English Football League Trust's National Conference.

October 2017 CEO presents at the Home Office 'Building stronger Britain Together' conference on the work that PITC do with the more isolated groups in Portsmouth.

December 2017 CEO elected as vice chair of Portsmouth's Safer Portsmouth Partnership

January 2018 Pompey in the Community's adult special needs football team are chosen as the participants to launch the Great South Run 2018

March 2018: PITC present their "Community club of the Year" application in the House of Commons as SE Regional Winners of the "Community club of the Year" Awards.

March 2018: PITC host their first community Iftar with 150 people breaking the fast during the Holy Muslim month of Ramadan.

March 2018: PITC host Portsmouth's first "International Womens Week Dinner" at Portsmouth FC. Over 120 women attended from at least 32 different countries.

March 2018: PITC host Portsmouth's first "CEO" Sleepout. 64 local business leaders spent a night sleeping rough at Fratton Park to raise money for the homeless - over £45,000 was raised.

May 2018: PITC BTEC Football Team travel to the USA to participate in the Memphis Cup and return victorious having won the entire tournament.

June 2018: PITC host the "Portsmouth Inspiring Volunteer Awards" with Portsmouth Together; one of our volunteers is recognised with awards during the ceremony which aims to raise the profile of volunteering in the city.

Over the course of the year, from June 2017 – May 2018 Pompey in the Community worked with 34,786 participants.

Plans for the future

Pompey in the Community is currently undergoing some internal changes in order to facilitate the charity working more closely with Portsmouth Football Club. This will ensure the sustainability of the charity moving forward as well as increasing social media reach and raising awareness of the relationship between the club and PITC, their affiliated charity.

Risk Management

Pompey in the Community consider our principal risks to be the League Position (or demotion) of our affiliated club which would make us ineligible for many of our current funding streams. Other risks include Health and Safety risks with staff working out in the community, often with vulnerable young people. We keep an extensive risk register which considers all manner of Finance, Health and Safety, Transport and Travel, HR and Security risks. We also keep a separate "project based" risk Register that logs, project by project, potential risks to the business. We visit both Risk Registers on an annual basis to ensure they're up to date and consider how to manage those risks within our control and mitigate those that aren't.

POMPEY IN THE COMMUNITY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2018**

Key Management Personnel

Pay is set throughout the organisation dependent upon qualifications, experience and responsibility as well as incremental rises which reflect time served within the organisation. We have a subcommittee of the Trustees Board that considers remuneration and we also consult with external experts to provide insight and an independent viewpoint. The Trustees set the pay of a small, defined group of our most senior managers, and those managers are left to determine pay for the rest of the staff.

POMPEY IN THE COMMUNITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2018

Statement of Trustees Responsibilities

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

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

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

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

In so far as the trustees are aware:

- there is no relevant 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 they are 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.

On Behalf of the Board:


ALISON LEE

Date: 20 - 02 - 2019.

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

Opinion

We have audited the financial statements of Pompey in the Community and its subsidiaries for the year ended 31 May 2018 on pages 10 to 26, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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 FRS 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 the parent charitable company's affairs as at 31 May 2018 and of the group's 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.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are 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 relating 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 parent charity'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 Report of the Independent Auditors thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Matters on which we are required to report by exception

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

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 from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 7, 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity'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 parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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



Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date:

21 February 2019

POMPEY IN THE COMMUNITY

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MAY 2018**

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
INCOME FROM					
Donations and legacies	5	141,518	3,790	145,308	141,729
Charitable activities					
Sports and education	6	1,230,885	496,281	1,727,166	1,828,569
Other trading activities					
Investment income	4	42	-	42	328
Commercial trading operations	3	49,368	-	49,368	31,923
Total		<u>1,421,813</u>	<u>500,071</u>	<u>1,921,884</u>	<u>2,002,549</u>
EXPENDITURE ON					
Raising funds					
Commercial trading operations	3	21,611	-	21,611	13,352
Charitable activities					
Sports and education	7	1,563,974	561,985	2,125,959	1,987,535
Total		<u>1,585,585</u>	<u>561,985</u>	<u>2,147,570</u>	<u>2,000,887</u>
Net (expenditure)/income		(163,772)	(61,914)	(225,686)	1,662
Transfers between funds	20	35,482	(35,482)	-	-
Taxation (trading subsidiary only)	10	-	-	-	-
Net movement in funds		(128,290)	(97,396)	(225,686)	1,662
RECONCILIATION OF FUNDS					
Total funds brought forward		343,901	111,582	455,483	453,821
TOTAL FUNDS CARRIED FORWARD		<u>215,611</u>	<u>14,186</u>	<u>229,797</u>	<u>455,483</u>

POMPEY IN THE COMMUNITY
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MAY 2018

	Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
FIXED ASSETS					
Tangible assets	14	169,506	219,677	165,179	215,827
Investments	15	-	-	1	1
		<u>169,506</u>	<u>219,677</u>	<u>165,180</u>	<u>215,828</u>
CURRENT ASSETS					
Debtors	16	274,331	336,467	294,486	354,665
Cash at bank and in hand		550,420	437,493	532,284	420,769
		<u>824,751</u>	<u>773,960</u>	<u>826,770</u>	<u>775,434</u>
CREDITORS					
Amounts falling due within one year	17	(764,460)	(537,667)	(762,507)	(535,646)
NET CURRENT ASSETS		<u>60,291</u>	<u>236,293</u>	<u>64,263</u>	<u>239,788</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		229,797	455,970	229,443	455,616
CREDITORS					
Amounts falling due in more than one year	18	-	(487)	-	(487)
NET ASSETS		<u>229,797</u>	<u>455,483</u>	<u>229,443</u>	<u>455,129</u>
FUNDS					
Restricted funds	20	14,186	111,582	14,186	111,582
Unrestricted funds	20	215,611	343,901	215,257	343,547
TOTAL FUNDS		<u>229,797</u>	<u>455,483</u>	<u>229,443</u>	<u>455,129</u>

The financial statements were approved by the Board of Trustees on 20/02/2019 and were signed on its behalf by:


ALISON LEE


MELVIN HARTLEY

Pompey in the Community, Registered in England and Wales No. 06676203

POMPEY IN THE COMMUNITY

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2018**

	Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Cash flows from operating activities					
Cash generated from operations	26	132,096	46,303	129,034	45,041
		<u>132,096</u>	<u>46,303</u>	<u>129,034</u>	<u>45,041</u>
Cash flows from investing activities					
Interest received		42	328	42	328
Purchase of tangible fixed assets		(19,211)	(88,809)	(17,561)	(85,609)
Cash provided by (used in) investing activities		<u>(19,169)</u>	<u>(88,481)</u>	<u>(17,519)</u>	<u>(85,281)</u>
Change in cash and cash equivalents in the reporting period		112,927	(42,178)	111,515	(40,240)
Cash and cash equivalents at the beginning of the reporting period		437,493	479,671	420,769	461,009
Total cash at the end of the year		550,420	437,493	532,284	420,769

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)), and the Companies Act 2006.

The Trustees consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Pompey Foundation Trading Company Limited, on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006.

Incoming resources

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

Resources expended

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

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with providing sport and education to the charity's beneficiaries.

POMPEY IN THE COMMUNITY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018

1. ACCOUNTING POLICIES - continued

Resources expended (continued)

- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Tangible fixed assets

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

Leasehold property	- 20% straight line
Fixtures, fittings and office equipment	- 20% and 33% straight line
Sports equipment	- 20% straight line
Motor vehicles	- 20% reducing balance

Tangible fixed assets costing £500 or more are capitalised at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities. Corporation tax is payable by the trading company on its taxable profits.

Fund accounting

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

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

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MAY 2018

1. ACCOUNTING POLICIES - continued

Pensions costs and other post-retirement benefits

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

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable Investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Debtors & cash at bank

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 includes cash held on deposit or in a current 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.

2. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, Pompey Foundation Trading Company Limited.

A summary of the financial activities undertaken by the charity is set out below:

	2018 £	2017 £
Total incoming resources	1,900,273	1,990,159
Total expenditure on charitable activities	(2,125,959)	(1,987,535)
Net outgoing resources	(225,686)	2,624
Total funds brought forward	455,129	452,505
Total funds carried forward	229,443	455,129
Represented by:		
Restricted funds	14,186	111,582
Unrestricted funds	215,257	343,547
	229,443	455,129

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MAY 2018

3. INCOME FROM COMMERCIAL TRADING OPERATIONS

The charity's wholly owned trading subsidiary, Pompey Foundation Trading Company Limited, which is incorporated in England and Wales, pays all but a small proportion of its profits to the charity by Gift Aid. Pompey Foundation Trading Company Limited receives sponsorship and undertakes other activities such as stadium tours. The following is an extract of the financial statements of Pompey Foundation Trading Company Limited for the year ended 31 May 2018:

	2018 £	2017 £
Turnover	49,368	31,923
Cost of sales and administrative expenses	(21,611)	(13,352)
Profit before tax	27,757	18,571
Corporation tax (see note 10)	-	-
Profit after tax	27,757	18,571
Profits distributed to the charity	(27,757)	(19,533)
Retained in subsidiary	-	(962)
The assets and liabilities of the subsidiary were:		
Fixed assets	4,327	3,850
Current assets	18,912	17,193
Current liabilities	(22,883)	(20,687)
Net assets	356	356
Aggregate share capital and reserves	356	356

4. INVESTMENT INCOME

All investment income is derived from cash deposits held within the United Kingdom.

5. DONATIONS AND LEGACIES

	2018 £	2017 £
Donations	96,513	91,618
Donated goods and services	48,795	50,111
	145,308	141,729

Donated goods and services relate to game tickets and kits of £30,975 (2017 - £30,542), player appearances of £2,500 (2017 - £2,500), PFC Intellectual and commercial rights of £7,000 (2017 - £7,000), advertising and marketing of £7,820 (2017 - £9,569) and communications of £500 (2017 - £500) provided to the charitable company by Portsmouth Community Football Club Limited without charge during the year.

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018

6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Skill training centres	44,682	1,826	46,508	44,523
Advanced training centres	32,847	-	32,847	35,917
After school clubs	113,248	-	113,248	112,417
Holiday courses	104,137	808	104,945	92,145
Other courses and coaching income	179,795	18,670	198,465	193,210
SENsational	-	-	-	30,811
Primary School Sports	-	65,000	65,000	40,227
South West Trains	-	15,296	15,296	22,270
Southern Water	-	15,461	15,461	7,550
Premier League for Sport	-	18,750	18,750	77,550
Premier League Kicks	-	82,500	82,500	57,500
Health trainer	29,227	-	29,227	23,042
No Limits CIN	-	23,597	23,597	17,703
National Citizen Service	498,180	-	498,180	502,292
Tackle Health	-	-	-	10,500
School Buy Ins	-	-	-	4,448
Positive Activities	-	5,625	5,625	22,875
FA Women and Girls	-	23,810	23,810	26,333
Pompey Positive Futures	-	-	-	33,333
Play More Pompey	-	14,962	14,962	89,748
Pompey Power Chair	-	12,504	12,504	5,746
Portsmouth Amputee Irwin Mitchell	-	(225)	(225)	4,800
IOW Degree Programme	-	24,000	24,000	24,000
Life 'n' Chimes CCG	4,167	-	4,167	9,388
Life 'n' Chimes Big Lottery	628	-	628	3,968
Spirit of Rugby	-	1,250	1,250	13,750
Kinder Sport Move & Learn	-	26,927	26,927	17,000
Portsmouth CP Football	-	-	-	894
Active Blues	-	-	-	6,330
Sub Total Carried Forward	1,006,911	350,761	1,357,672	1,530,270

POMPEY IN THE COMMUNITY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018**

6. INCOME FROM CHARITABLE ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Sub Total Brought Forward	1,006,911	350,761	1,357,672	1,530,270
Raise Your Game	-	33,088	33,088	39,706
Football Development VLUK	-	-	-	11,509
Martime Youth Discovery	-	17,314	17,314	20,250
Flash Mob	-	-	-	1,246
Junlor Premier League	66,933	-	66,933	35,235
Your Fratton	-	18,404	18,404	11,333
Wheels 4 All	-	5,164	5,164	3,000
Post 16 Education	129,119	-	129,119	106,177
Portsmouth Autistic Support Network	-	8,125	8,125	4,500
Quality Improvement Fund	12,465	-	12,465	25,000
Grow The Game Income	-	3,603	3,603	452
Respect Income	53	40	93	-
Pompey memories (PUP)	-	15,400	15,400	-
Challenge Pompey - Sport England	-	8,484	8,484	-
Building a stronger Britain	-	6,176	6,176	-
Safer communities Fund	-	2,802	2,802	-
FA - Respect Fund	-	475	475	-
Wild cats	-	590	590	-
Miscellaneous fees and income	15,404	25,855	41,259	39,891
	<u>1,230,885</u>	<u>496,281</u>	<u>1,727,166</u>	<u>1,828,569</u>

POMPEY IN THE COMMUNITY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018**

7. CHARITABLE ACTIVITIES COSTS

	Direct expenditure £	Support costs (see note 8) £	Total 2018 £	Total 2017 £
Sports and education				
Wages and salaries	969,000	199,956	1,168,956	1,031,631
Subcontractors and consultants	28,043	2,404	30,447	46,908
Venue hire	117,961	1,695	119,656	89,471
Sports equipment	33,034	2,251	35,285	52,607
Tickets and kits from Portsmouth FC	30,975	-	30,975	30,542
Intellectual and commercial rights from Portsmouth FC	-	7,000	7,000	7,000
Player appearance costs	2,500	-	2,500	2,500
Other course costs	314,927	3,764	318,691	302,104
Motor vehicle hire and expenses	38,246	19,835	58,081	52,356
Office equipment hire and maintenance	-	40,128	40,128	24,767
Printing, postage and stationery	11,142	500	11,642	28,967
Telephone	7,683	12,652	20,335	17,800
Travel and subsistence	22,811	2,421	25,232	26,682
Legal and professional fees	95	32,736	32,831	48,643
Premises expenses	538	74,146	74,684	72,665
Staff and volunteer training	16,547	155	16,702	22,562
Publicity and marketing	33,693	3,963	37,656	29,771
Keyfort	8,901	-	8,901	8,305
Sundry expenses	1,090	2,613	3,703	23,180
Bank and credit card charges	12,726	1,989	14,715	7,035
Bad debts	(224)	(146)	(370)	-
Depreciation	2,256	65,953	68,209	62,039
	<u>1,651,944</u>	<u>474,015</u>	<u>2,125,959</u>	<u>1,987,535</u>

8. SUPPORT COSTS

	Management	Governance	Total 2018 £	2017 £
Sports and education	468,709	5,306	474,015	414,601
	<u>468,709</u>	<u>5,306</u>	<u>474,015</u>	<u>414,601</u>
Governance costs			2018 £	2017 £
Auditors' remuneration			5,090	4,950
Auditors' remuneration - non audit			216	768
			<u>5,306</u>	<u>5,718</u>

POMPEY IN THE COMMUNITY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018

9. NET OUTGOING RESOURCES - GROUP

Net resources are stated after charging:

	2018	2017
	£	£
Auditors' remuneration	6,465	6,537
Auditors' remuneration - non audit work	356	908
Other operating leases	70,359	70,359
Depreciation - owned assets	68,174	61,491
Depreciation - assets held under finance leases	1,208	1,510
	<u>1,179,173</u>	<u>1,045,005</u>

10. TAXATION

The company is a registered charity and no provision is considered necessary for taxation.

11. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' received remuneration or other benefits during the year ended 31 May 2017 nor for the period ended 31 May 2018.

Trustees' Expenses

During the year no trustees (2017: none) were reimbursed for out of pocket expenses.

12. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	1,085,804	974,084
Social security costs	71,403	61,902
Employers pension costs	21,966	9,019
	<u>1,179,173</u>	<u>1,045,005</u>

The average monthly number of employees (full time equivalent) during the year was as follows:

	2018	2017
	Number	Number
Charitable	45	41
Support	9	9
	<u>54</u>	<u>50</u>

No employee had annual emoluments of more than £60,000 per annum this year or in the previous period.

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2017 £
INCOME FROM			
Donations and legacies	131,941	9,788	141,729
Charitable activities			
Sports and education	1,198,861	629,708	1,828,569
Other trading activities			
Other trading activities	-	-	-
Investment income	328	-	328
Commercial trading operations	31,923	-	31,923
Total	<u>1,363,053</u>	<u>639,496</u>	<u>2,002,549</u>
EXPENDITURE ON			
Raising funds			
Commercial trading operations	13,362	-	13,362
Charitable activities			
Sports and education	1,364,649	622,886	1,987,535
Total	<u>1,378,001</u>	<u>622,886</u>	<u>2,000,887</u>
Net income/(expenditure)	(14,948)	16,610	1,662
Transfers between funds	(915)	915	-
Taxation (trading subsidiary only)	-	-	-
Net movement in funds	(15,863)	17,525	1,662
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>359,764</u>	<u>94,057</u>	<u>453,821</u>
TOTAL FUNDS CARRIED FORWARD	<u>343,901</u>	<u>111,582</u>	<u>455,483</u>

POMPEY IN THE COMMUNITY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2018**

14. TANGIBLE FIXED ASSETS - GROUP

	Leasehold property £	Sports equipment £	Fixtures, fittings and office equipment £	Motor vehicles £	Total £
COST					
At 1 June 2017	237,674	18,377	64,482	53,800	374,333
Additions	5,019	2,360	11,832	-	19,211
Disposals	-	-	-	-	-
At 31 May 2018	242,693	20,737	76,314	53,800	393,544
DEPRECIATION					
At 1 June 2017	80,451	14,167	32,648	27,390	154,656
Charge for year	48,429	517	11,058	9,378	69,382
Eliminated on disposals	-	-	-	-	-
At 31 May 2018	128,880	14,684	43,706	36,768	224,038
NET BOOK VALUE					
At 31 May 2018	113,813	6,053	32,608	17,032	169,506
At 31 May 2017	157,223	4,210	31,834	26,410	219,677

TANGIBLE FIXED ASSETS - CHARITY

	Leasehold property £	Sports equipment £	Fixtures, fittings and office equipment £	Motor vehicles £	Total £
COST					
At 1 June 2017	237,674	15,177	64,482	45,600	362,933
Additions	5,019	3,910	8,632	-	17,561
Disposals	-	-	-	-	-
At 31 May 2018	242,693	19,087	73,114	45,600	380,494
DEPRECIATION					
At 1 June 2017	80,451	13,527	32,648	20,480	147,106
Charge for year	48,429	882	9,778	9,120	68,209
Eliminated on disposals	-	-	-	-	-
At 31 May 2018	128,880	14,409	42,426	29,600	215,315
NET BOOK VALUE					
At 31 May 2018	113,813	4,678	30,688	16,000	165,179
At 31 May 2017	157,223	1,650	31,834	25,120	215,827

Fixtures, fittings and office equipment includes assets totalling £6,040 (2017: £6,040) held under finance lease. Depreciation to date is £3,826 (2017: £2,718).

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MAY 2018

15. INVESTMENTS - CHARITY ONLY

Investments represent the charity's shareholding in its trading company, Pompey Foundation Trading Company Limited (company no. 06930934), of 1 ordinary £1 share.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade debtors	57,887	30,316	57,247	29,848
Social security and other taxes	135			
Pompey Foundation Trading Company Limited	-	-	20,930	18,666
Other debtors and accrued income	29,942	160,590	29,942	160,590
Prepayments	186,367	145,561	186,367	145,561
	<u>274,331</u>	<u>336,467</u>	<u>294,486</u>	<u>354,665</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade creditors	223,407	184,397	223,154	184,397
Social security and other taxes	-	451	-	-
Corporation tax	-	-	-	-
Other creditors	11,495	17,306	11,495	17,306
Accrued expenses	47,267	16,278	45,817	14,708
Deferred income (see below)	481,705	317,288	481,455	317,288
Finance lease	586	1,947	586	1,947
	<u>764,460</u>	<u>537,667</u>	<u>762,507</u>	<u>535,646</u>

18. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Finance lease	-	487	-	487
	<u>-</u>	<u>487</u>	<u>-</u>	<u>487</u>

DEFERRED INCOME

Deferred income relates to funding received from various funders that are for a future accounting period.

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Brought forward	317,288	291,374	317,288	291,374
Amount released to incoming resources	(317,288)	(291,374)	(317,288)	(291,374)
Amount deferred in year	481,705	317,288	481,455	317,288
Carried forward	<u>481,705</u>	<u>317,288</u>	<u>481,455</u>	<u>317,288</u>

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MAY 2018

19. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Expiring:		
Within one year	65,336	65,978
Between one and five years	155,159	220,494
	<u>220,495</u>	<u>286,472</u>

20. MOVEMENT IN FUNDS

Analysis of unrestricted fund movements

	Balance at At 1.6.17 £	Incoming resources £	Resources expended £	Transfers £	Balance at At 31.5.18 £
General fund	343,901	1,421,813	(1,585,585)	35,482	215,611

Analysis of restricted fund movements

	Balance at At 1.6.17 £	Incoming resources £	Resources expended £	Transfers £	Balance at At 31.5.18 £
Premier League for Sport	66,999	18,750	(50,267)	(35,482)	-
Premier League Kicks	9,367	82,500	(85,303)	-	6,564
School Sports FLT	5,571	65,000	(73,078)	-	(2,507)
Other Restricted Funds	29,645	333,821	(353,337)		10,129
	<u>111,582</u>	<u>500,071</u>	<u>(561,985)</u>	<u>(35,482)</u>	<u>14,186</u>

The transfers from restricted to unrestricted funds relate to funds on which restrictions have been satisfied and therefore are no longer considered to be restricted funds.

Restricted funds in deficit all have sufficient funding in 2018/19 to cover any shortfalls.

Premier League for Sport: PL for Sport is thriving and we now run 24 satellite clubs in 7 different sports. The programme provides funding to enable the charity, through the Pompey FC brand, to promote participation in other sports.

Premier League Kicks: This project is partly funded through Sport England so the emphasis is on participation, rather than inclusion and delivery is flourishing with all targets achieved in the first year of the project.

School Sports FLT: Funded through the Premier League Community Fund, this project aims to mentor Primary School Teachers in PE delivery as well as providing resources to deliver literacy, numeracy and PHSE for Primary Schools.

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MAY 2018

21. MOVEMENT IN FUNDS - continued

Other Restricted Funds: This relates to restricted funds that individually are not material.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Fixed assets	166,006	3,500	169,506
Current assets	700,926	123,825	824,751
Current liabilities	(651,321)	(113,139)	(764,460)
	<u>215,611</u>	<u>14,186</u>	<u>229,797</u>

23. RELATED PARTY TRANSACTIONS

Portsmouth Football Club

The following transactions took place with Portsmouth Community Football Club Ltd (PCFC) a company with which there either was or are common directors, and companies with whom the charity was or is financially dependent:

	2018 £	2017 £
PCFC		
Donated goods and services provided to the charity	48,795	50,111
Amounts owed (by)/to the charity at the balance sheet date	(1,453)	(200)

Additionally, the charity is also dependent on the goodwill of PCFC in allowing it to use its brand inventory without charge.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Biscoes

A company with a common trustee director and partner provided legal services to the charity during the year for a sum of £nil (2017: £1,797). At the year end, £nil (2017: £993) was owed to Biscoes.

POMPEY IN THE COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MAY 2018

24. ULTIMATE CONTROLLING PARTY

The charitable company is under the control of its members. No one member has overall control of the charitable company.

25. SHARE CAPITAL AND LIABILITY OF MEMBERS

The charitable company is limited by guarantee and its members have undertaken to contribute to the assets of the company in the event of it being wound up such amount as may be required not exceeding £10.

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Net movement in funds	(225,686)	1,662	(225,686)	2,624
Depreciation charge	69,382	63,001	68,209	62,039
Interest received	(42)	(328)	(42)	(328)
(Increase)/decrease in debtors	82,136	(30,438)	60,179	(32,184)
Increase/(decrease) in creditors	226,306	12,406	226,374	12,890
	<u>132,096</u>	<u>46,303</u>	<u>129,034</u>	<u>45,041</u>

27. KEY MANAGEMENT PERSONNEL

The key management personnel of the parent charity, comprise the trustees, the Chief Executive Officer, Head of Finance, Head of Sports and Coaching and the Commercial and Marketing Manager. The total employee benefits of the key management personnel of the charity were £177,322 (2017: £155,200).

28. PENSION COMMITMENT

The charitable company operates a defined contribution scheme. The costs to the charitable company for the year was £27,277 (2017: £16,007). At the year end the charitable company owed £51 (2017: £23) to the scheme.

29. CAPITAL COMMITMENTS

	2018 £	2017 £
Contracted but not provided for in the financial statements	22,500	-