

Wolverhampton Wanderers Foundation
(Formerly Wolves Community Trust)
Company Registration No. 6625967
Registered Charity No. 1126799

Report and Financial Statements
Year ended 31st May 2018

Wolverhampton Wanderers Foundation

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Wolverhampton Wanderers Foundation

OFFICERS AND PROFESSIONAL ADVISERS

TRUSTEES AND OFFICERS

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

R I Skirrow
I Millard
N Malhotra
L Dalrymple
M Wild

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

PRINCIPAL OFFICERS – Key Management Personnel

Will Clowes – Head of Wolverhampton Wanderers Foundation
Laura Nicholls – Senior Manager
Zulfaqr Khan – Finance Officer
Lee Smith – Community Sport Manager
Tom Warren – School Sport Manager
Steve Cullis – Player Development Manager

BANKER

Barclays Bank plc 15 Colmore Row Birmingham

SOLICITOR

Muckle LLP Time Central 32 Gallowgate
Newcastle upon Tyne NE1 4BF

AUDITOR

KPMG LLP
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

REGISTERED OFFICE & PRINCIPAL OFFICE

Molineux Stadium Waterloo Road Wolverhampton WV1 4QR

TRUSTEES REPORT

TRUSTEES REPORT

The trustees, who are also directors of the charitable company, present their annual report on the affairs of the charity, together with the financial statements and auditor's report for the year ended 31 May 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

In addition, Fosun and the Morgan Foundation very generously continues to fund community donations – via Wolves Aid. In financial year ending 31 May 2018 £86,802 (2016/17: £126,568) Wolves Aid donations were made to local charities and community groups. WWF would like to place on record its grateful thanks to all of its key strategic partners.

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

This kind of support is crucial for the ongoing success of Wolverhampton Wanderers Foundation and the successful implementation of its strategic plans.

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

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

Payroll services are carried out by the Club and then appropriate salaries are cross-charged to the Foundation (see note 10).

The relationship between the football club and charity is established and defined through a structured Service Level Agreement. The Club's support helps to mitigate and adequately control many of the risks that the charity faces. However, the Trustees are continually reviewing the risks that it may encounter in the future.

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

Day to day management of the Foundation is delivered by Will Clowes – Head of Wolverhampton Wanderers Foundation.

Governing document

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

The following is based on WWF's governing document:

- Monthly meetings are planned to discuss the ongoing involvement and future development of the scheme with the Club's senior most appointed officer;

TRUSTEES REPORT CONTINUED

- Activities arranged under the scheme will be co-ordinated by a full-time person involved in the scheme. Part-time staff may be used as and when required;
- No person involved in the scheme will have any association with any other professional Football Club;
- All staff are employed by the Foundation and must adhere to all procedures set out in HR policies; and
- All heads of activity will meet with the Head of Wolverhampton Wanderers Foundation on a weekly basis to discuss ongoing and future activity involvement. Minutes and action points raised at these meetings will form the agenda for future discussion / meetings.

Recruitment and appointment of Trustees

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

Risk management

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

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

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

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

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

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

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

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

WWF has adopted the Club's HR practices and procedures. WWF also shares the Club's Health & Safety framework. Risk is also a key focus with the Capability Code of Practice conducted by the ELF Trust and the PLCF.

TRUSTEES REPORT CONTINUED

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

VISION AND MISSION

Our Vision

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

Our Mission

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

OBJECTIVES AND AIMS

Objectives

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

- To promote community participation in health recreation by providing facilities for the playing of association football and other sports capable of improving health;
- To provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have the need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life;
- To advance the education of children and young people through such means as the trustees think fit in accordance with the law of charity; and
- Any other charitable purpose according to the law of England and Wales.

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

Aims

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

The Trustees would like to place on record their sincere thanks to Fosun, the owners of Wolverhampton Wanderers FC for its continued support. The Trustees would also like to thank former Wolves FC Chairman/Owner - Steve Morgan. Via his charity, The Steve Morgan Foundation funded Wolves Aid (The Foundations Community Donations department) since 2008. As a result, Wolves Aid has distributed over £1.5m to over 120 charities and community groups since 2008, making an amazing difference to many good causes. The Steve Morgan Foundation is committed to support Wolves Aid funded projects until 2019, in line with commitments made to supported charities.

ACTIVITIES AND PERFORMANCE

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

TRUSTEES REPORT CONTINUED

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

Delivering Sport for All

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

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

Promoting Healthy Lives

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

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

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

Education – Lifelong Learning

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

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

TRUSTEES REPORT CONTINUED

Inclusion – An Active Approach

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

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

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

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

Wolves Aid and Wishes

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

Our donations initiative is unique within professional football, providing invaluable financial and professional support to local charities and organisations throughout our region. This support makes an immeasurable difference to the lives of children, young people and adults throughout our community, who are the most in need. It specialises in supporting small to medium sized locally based organisations or charities whose work focuses on children, families, disadvantage and disability. Any work which has a positive effect on the welfare and quality of life, or which enhances the opportunities and life choices for people in this region will be considered. Since 2008 Wolves has donated over £1.5m to local charities and voluntary organisations.

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

As previously mentioned, Wolves has distributed £86,802 (2016/17: £126,568) to local charities and community groups during this financial year.

THANKS

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

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

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

FINANCIAL REVIEW

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

TRUSTEES REPORT CONTINUED

WWF is fully underwritten by Wolves FC. The aim is that the Charity is to be ultimately self-sufficient. Currently, WWF unrestricted reserves stand at £201,085 of general funds (2016/17: £206,697).

The restricted reserves stand at £36,331 (2016/17: £4,779) which relates to externally funded projects of work.

The endowment fund consists of the Wolves Indoor Dome asset, which following depreciation charges has a net book value of £398,972 (2016/17: £449,360).

Staff costs at £504,145 (2016/17: £559,338) represents a high proportion of WWF's total costs. Of this figure, key management personnel remuneration represents £184,679 (2016/17: £174,732).

RESERVES POLICY

The Trustees aim is to build reserves which would cover WWF's operating costs for a 3-6 month period in line with the Charities Commission's recommendations. The unrestricted general fund at 31 May 2018 was £201,085 (2016/17: £206,697).

The unrestricted reserves position for the year calculates to the value of 3 months operating costs overall. It is the intention of the charity to continue to grow the unrestricted reserves in line with the recommendation from the charities commission.

REMUNERATION POLICY

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

GRANT MAKING POLICY

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

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

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

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

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

RELATED PARTIES

During the year, grant donations of £72,605 (2016/17: £157,033) were received from The Steve Morgan Foundation. In August 2016 the trustees of The Steve Morgan Foundation agreed to commit funds for all confirmed grant expenditure, under agreement, until March 31st 2019. The Steve Morgan Foundation chairman Steve Morgan CBE is the former owner of Wolves FC, during his period of ownership made charitable commitments to Wolves Aid to support the objectives of Wolverhampton Wanderers Foundation and to benefit charitable organisations throughout the West Midlands region.

PLANS FOR FUTURE PERIODS

In the summer of 2018 Wolverhampton Wanderers FC achieved promotion to the Premier League. As a result, the charity has opportunities to work with the Premier League and the Premier League Charitable Fund to explore additional projects of work. These include; PL Enterprise, PL & BT Disability Sport, PL Works and a PLPFA Funded project.

After wide consultation with fans, staff, partners and the Premier League, the decision was confirmed by the board of trustees in July 2018, meaning that from Thursday 9th August 2018 the registered charity changed from Wolves

TRUSTEES REPORT CONTINUED

Community Trust to Wolverhampton Wanderers Foundation. It is hoped that this change will improve awareness of the impact of the charity, encourage more fans and local people to support and engage in initiatives and will build a greater sense of pride for the football club's commitment to local and international communities.

The newly named Foundation will continue to;

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

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

GOING CONCERN

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

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

AUDITOR

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

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

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

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

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

A handwritten signature in black ink, appearing to read 'Matt Wild', followed by a circular stamp or seal.

Matt Wild

Trustee

27 February 2019

TRUSTEES' RESPONSIBILITIES STATEMENT

Statement of Trustee responsibilities in respect of the trustee's report and the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 charitable company and of the excess of expenditure over income for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.



Independent auditor's report to the trustees of Wolverhampton Wanderers Foundation

Opinion

We have audited the financial statements of Wolverhampton Wanderers Foundation ("the charitable company") for the year ended 31 May 2018 which comprise the Statement of financial activities, the Balance Sheet and the Cash flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model, including the impact of Brexit, and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;



- in our opinion the information given in the Trustees' Report, which constitutes the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records 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.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 9, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

 (27 FEBRUARY 2019)

Andrew Cawthray (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP

One Snow Hill

Snowhill Queensway

Birmingham

B4 6GH

Wolverhampton Wanderers Foundation

Statement of financial activities (including income and expenditure account) Year ended 31 May 2018

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and legacies	2	111,155	-	-	111,155	179,418
Charitable activities	3	375,647	205,694	-	581,341	658,450
Other trading activities	4	199,956	-	-	199,956	166,296
TOTAL INCOME		686,758	205,694	-	892,452	1,004,164
EXPENDITURE ON:						
Raising funds	5	22,675	-	-	22,675	20,884
Charitable activities	6	655,840	183,362	55,023	894,225	1,010,779
TOTAL EXPENDITURE		678,515	183,362	55,023	916,900	1,031,663
Net (expenditure)/income for the year		8,243	22,332	(55,023)	(24,448)	(27,499)
Transfer between funds	15	(13,855)	9,220	4,635	-	-
NET MOVEMENT IN FUNDS		(5,612)	31,552	(50,388)	(24,448)	(27,499)
RECONCILIATION OF FUNDS:						
Total funds brought forward		206,697	4,779	449,360	660,836	688,335
Net movement in funds for the year		(5,612)	31,552	(50,388)	(24,448)	(27,499)
Total funds carried forward	15	201,085	36,331	398,972	636,388	660,836

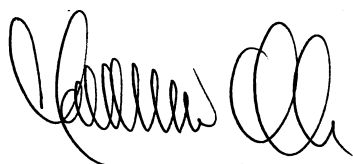
There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities. See note 14 for the comparative statement of financial activities analysed by fund.

Wolverhampton Wanderers Foundation

Balance Sheet As at 31 May 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	11	<u>398,972</u>	<u>449,360</u>
CURRENT ASSETS			
Debtors	12	97,239	126,827
Cash at bank and in hand		<u>282,873</u>	<u>254,248</u>
		380,112	381,075
Creditors: amounts falling due within one year	13	<u>(142,696)</u>	<u>(169,599)</u>
NET CURRENT ASSETS		<u>237,416</u>	<u>211,476</u>
Total Assets Less Current Liabilities		636,388	660,836
NET ASSETS		<u><u>636,388</u></u>	<u><u>660,836</u></u>
FUNDS			
Unrestricted funds		201,085	206,697
Restricted funds		36,331	4,779
Endowment funds		<u>398,972</u>	<u>449,360</u>
TOTAL FUNDS	15	<u><u>636,388</u></u>	<u><u>660,836</u></u>

These financial statements of Wolverhampton Wanderers Foundation registered number 6625967 were approved by the Board of Trustees and authorised for issue on 27 February 2018. They were signed on its behalf by:



Matt Wild
Trustee

Wolverhampton Wanderers Foundation

Cashflow Statement Year ended 31 May 2018

	Note	2018 £	2017 £
Net cash flows from operating activities	16	33,260	121,225
Net cash flows from investing activities		(4,635)	-
Net cash flows from financing activities		-	-
Net increase in cash and cash equivalents		28,625	121,225
Cash and cash equivalents at beginning of year		254,248	133,023
Cash and cash equivalents at the end of the year		282,873	254,248

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2018

1. ACCOUNTING POLICIES

Company and charitable status

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

Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015; and the Companies Act 2006.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

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

Income

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

Donations and legacies consist of general donations from individuals and funds from The Steve Morgan Foundation. All donations received are recognised in the financial statement ending 31st May 2018.

Charitable activities consist of grant funding primarily from external funding partners such as the Premier League Charitable Trust, The English Football League and Black Country Consortium. All income received from partner funders is recognised in the financial statement ending 31st May 2018, relating to activities carried out during this period.

Other trading activities are made up of internal rental income, school sport activities and other commercial activities provided. All income is recognised in the financial statement ending 31st May 2018.

Expenditure

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

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

Expenditure on charitable activities, which includes:

- grants given to local charities stipulated in note 6 as part of the Wolves Aid programme.
- direct costs of delivering grant funded initiatives.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Foundations artistic programmes and activities. These costs

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

- have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8. Support services are provided by Wolves free of charge and it is not possible to determine a reliable value of these donated services.

Fund accounting

The charity holds restricted and unrestricted reserves as at 31 May 2018 which are detailed in note 15.

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

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

Taxation

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

Tangible fixed assets and depreciation

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

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

Endowment Fund

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

Employee benefits

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

Financial instruments

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

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

2. ANALYSIS OF INCOME FROM DONATIONS, LEGACIES AND GRANTS

	2018	2017
	£	£
Donations	9,240	22,115
Legacies	410	270
General grants	101,505	157,033
	<u>111,155</u>	<u>179,418</u>

3. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2018	2017
	£	£
Sport	375,647	385,371
Health	49,645	86,700
Inclusion	111,060	136,000
Education	44,989	50,379
	<u>581,341</u>	<u>658,450</u>

4. ANALYSIS OF INCOME FROM OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising activities	173,189	136,258
Shop sales and rental income	26,767	30,038
	<u>199,956</u>	<u>166,296</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

5. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2018	2017
	£	£
Salary Cost	22,297	20,634
Operating Sales Costs	378	250
	<u>22,675</u>	<u>20,884</u>

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Activity	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2018 £	Total 2017 £
Sport	458,855	-	163,598	622,453	585,694
Health	46,605	-	14,142	60,747	90,439
Inclusion	62,592	-	16,915	79,507	137,161
Education	28,078	-	15,030	43,108	61,830
Wolves Aid	-	86,802	1,607	88,409	135,655
	<u>596,130</u>	<u>86,802</u>	<u>211,292</u>	<u>894,224</u>	<u>1,010,779</u>

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

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

Included in Wolves Aid is £86,802 (2016/17: £126,568) relating to grant making. These grants are provided to locally based organisations for the purposes explained on page 6 of the Trustees report. An analysis of these grants is provided in note 7.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

7. ANALYSIS OF GRANT EXPENDITURE

Donations in line with Wolves Aid objectives

	Grants to institutions	Grant to individuals	Total 2018	Total 2017
	£	£	£	£
Access to Business	12,500	-	12,500	16,500
Bilston Peoples Centre	10,000	-	10,000	12,000
Breaking Boundaries	2,230	-	2,230	2,230
Brickkiln Dunstall Gateway Club	-	-	-	750
Cancer Research	-	-	-	500
Compton Park Activities	250	-	250	500
Crowsmill Craft Centre	-	-	-	5,000
Duncan Edward Plaque	-	-	-	365
Fens Pool Voluntary Association	-	-	-	2,650
Halow – Birmingham	3,178	-	3,178	6,357
Heath Town Senior Citizens	-	-	-	9,000
Hope Into Action	3,000	-	3,000	6,000
Kingswood Trust	15,000	-	15,000	-
Landim	-	1,000	1,000	-
Loaves & Fishes	12,000	-	12,000	16,000
Midland Freewheelers	-	-	-	2,000
Pathway Project	-	-	-	3,200
Sandwell Parents D.C	6,480	-	6,480	6,680
Senior Board Games Club	150	-	150	250
Smile for Joel	-	1,300	1,300	-
SN Adventure Playground	-	-	-	7,500
St Georges House Charity	18,000	-	18,000	22,000
Wildside Activity Centre	1,994	-	1,994	1,982
Wolves Civic Historic	-	-	-	350
Wolves Wishes	-	-	-	4,754
Other	(280)	-	(280)	-
	84,502	2,300	86,802	126,568

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

8. ANALYSIS OF SUPPORT COSTS

2018	Raising funds £	Sport £	Health £	Inclusion £	Education £	Wolves Aid £	Total 2018 £
Governance	-	6,132	588	1,260	420	-	8,400
Staff & Service Costs	22,675	114,949	7,010	14,019	12,974	-	171,627
Finance & Admin	-	42,516	6,544	1,636	1,636	-	52,332
Marketing & Printing	-	-	-	-	-	572	572
Sundry	-	-	-	-	-	1,035	1,035
Total	22,675	163,597	14,142	16,915	15,030	1,607	233,966

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

Support costs of £233,966 (2016/17: £172,716) associated with Sports, Health, Inclusion, Education, Raising Funds and Wolves Aid have been allocated based on staff hours per activity.

Governance costs of £8,400 (2016/17: £6,000) pertaining to audit fees are allocated to Sports and restricted areas based on proportionate overhead allocations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

9. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2018	2017
	£	£
Net expenditure is stated after charging:		
Depreciation of owned assets	(55,023)	(55,023)
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	(8,400)	(6,000)
- Fees payable to the charity's auditor for other services	-	-
	<u> </u>	<u> </u>

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

Number of Employees	2018	2017
	No.	No.
Sport	44	61
Health	2	2
Inclusion	4	6
Education	3	3
	<u> </u>	<u> </u>
	53	72
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2018	2017
	£	£
Wages and salaries	474,924	525,769
Social security costs	23,524	28,254
Pension costs	5,697	5,315
	<u> </u>	<u> </u>
	504,145	559,338
	<u> </u>	<u> </u>

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

The key management personnel of the Charity are listed on page 1. The total remuneration (including pension contributions and social security costs) of the key management personnel of the Charity for the year totalled £184,679 (2016/17: £174,732).

Trustees Remuneration

No trustees received remuneration during the current or prior year. Total travel and subsistence expenses of £nil (2016/17: £nil) were paid to 5 trustees (2016/17: 6 trustees).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

11. TANGIBLE FIXED ASSETS

	Land and Buildings	Total
	£	£
Cost		
At 1 June 2016	733,646	733,646
Additions	4,635	4,635
Disposal	-	-
At 31 May 2018	738,281	738,281
	<hr/>	<hr/>
Depreciation		
At 1 June 2017	284,286	284,286
Charge for year	55,023	55,023
	<hr/>	<hr/>
At 31 May 2018	339,309	339,309
	<hr/>	<hr/>
Net Book Value		
At 31 May 2017	449,360	449,360
	<hr/>	<hr/>
At 31 May 2018	398,972	398,972
	<hr/>	<hr/>

12. DEBTORS

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	57,156	62,967
Prepayments and accrued income	40,083	63,860
	<hr/>	<hr/>
	97,239	126,827
	<hr/>	<hr/>

13. CREDITORS

	2018	2017
	£	£
Amounts falling due within one year:		
Trade creditors	5,058	11,669
Accruals	16,196	17,467
WWFC creditors	118,910	139,675
Other	2,532	788
	<hr/>	<hr/>
	142,696	169,599
	<hr/>	<hr/>

Wolverhampton Wanderers Foundation

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

15. MOVEMENTS ON FUNDS

	At 1 June 2017 £	Income £	Expenditure £	Transfers £	At 31 May 2018 £
Unrestricted funds:					
General fund	206,697	686,758	(678,515)	(13,855)	201,085
Unrestricted funds total	<u>206,697</u>	<u>686,758</u>	<u>(678,515)</u>	<u>(13,855)</u>	<u>201,085</u>
Restricted funds:					
Sport	-	-	-	-	-
Health	-	49,645	(60,747)	11,102	-
Inclusion	4,779	111,060	(79,507)	-	36,331
Education	-	44,989	(43,108)	(1,882)	-
Restricted funds total	<u>4,779</u>	<u>205,694</u>	<u>(183,362)</u>	<u>9,220</u>	<u>36,331</u>
Endowment fund:					
Properties	449,360	-	(55,023)	4,635	398,972
Endowment funds total	<u>449,360</u>	<u>-</u>	<u>(55,023)</u>	<u>4,635</u>	<u>398,972</u>

Restricted funds of £36,331 relate to externally funded projects of work.

Transfers between funds of £9,220 represent support of operational costs within the restricted sport and education projects, approved by trustees to support delivery.

Wolverhampton Wanderers Foundation

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 May 2018

16. NOTE TO CASHFLOW STATEMENT

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

	2018	2017
	£	£
Net expenditure for the year	(24,448)	(27,499)
Adjustments for:		
Depreciation charges	55,023	55,023
Operating cash flow before movement in working capital	30,575	27,524
Decrease/(Increase) in debtors	29,588	(188)
(Decrease)/Increase in creditors	(26,903)	93,889
Cash generated by operating activities	33,260	121,225

17. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

2018 Charity	Unrestricted funds	Restricted funds	Restricted Funds	Total
	£	£	£	£
Tangible fixed assets	-	398,972	-	398,972
Current assets	316,527	-	63,585	380,112
Current liabilities	(115,442)	-	(27,254)	(142,696)
At 31 May 2018	201,085	398,972	36,331	636,388

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 May 2018

18. EMPLOYEE RETIREMENT BENEFITS

Defined contribution scheme

Wolverhampton Wanderers Foundation operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities.

The contribution to the scheme in the year was £5,697 (2016/17: £5,315).

19. RELATED PARTY TRANSACTIONS

No trustee received payment for professional or other services supplied to the charity during the year (2016/17: £nil).

Total donations received from the trustees during the year was £nil (2016/17: £nil).

Some of the Trustees of Wolverhampton Wanderers Foundation are employees of Wolverhampton Wanderers FC (1986) Ltd. At 31 May 2018, Wolverhampton Wanderers Foundation owed an amount of £118,910 (2016/17: £139,649) to Wolverhampton Wanderers FC (1986) Ltd. Wolverhampton Wanderers FC (1986) Ltd recharged costs of £414,415.91 (2016/17: £505,226) to Wolverhampton Wanderers Foundation in the year.

During the year, donations of £72,605 (2016/17: £157,033) were received from The Steve Morgan Foundation. The trustees of The Steve Morgan Foundation agreed to allocate this payment of £72,605 in support of commitments made to local charities. The Steve Morgan Foundation chairman Steve Morgan CBE is the former owner of Wolves FC, during his period of ownership made charitable commitments to Wolves Aid to support the objectives of Wolverhampton Wanderers Foundation and to benefit charitable organisations throughout the West Midlands region.