

Charity registration number 1086631

Company registration number 04077355 (England and Wales)

**BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Wiseman Ms S Whitehouse Mr S Reed Mr I Dutton Mrs J M Maher Mr C Elliott Mr G Cook Mr R Paranandi Mr J Dale	(Appointed 17 July 2023) (Appointed 5 September 2023) (Appointed 11 January 2024) (Appointed 11 January 2024)
Charity number	1086631	
Company number	04077355	
Registered office	c/o BCFC St Andrews Stadium Birmingham West Midlands B9 4RL	
Auditor	Sumer Auditco Limited The Beehive Beehive Ring Road London Gatwick Airport Gatwick United Kingdom RH6 0PA	
Bankers	The Co-operative Bank Olympic House 6 Olympic Court Mountford Street Manchester Salford M5 2QP	
Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle Upon Tyne NE1 4BF	

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

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BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2023

The Trustees present their annual report and financial statements for the year ended 30 June 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the company's Memorandum and Article of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in October 2019.

Objectives and activities

The charity's objects are to further assist in the education (on a social and physical basis) of children attending schools within Birmingham and its surrounding area, through the use of the game of football (including its history and its rules) and other sports activities as educational tools.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

Achievements and performance

The aim of the charity is to be a leader in the field of community regeneration, using sport, education and health to improve the lives of those in our local communities. The charity aims to be distinguished by the quality of its management and the provisions it delivers. Its dynamic nature and ability to meet the needs and aspirations of local communities.

The Trust delivers the Premier Leagues Primary Stars programme in a number of schools across local Birmingham areas. The programme is designed to inspire 5 – 11 year old boys and girls to learn through sport, in the classroom, in the playground and the sports field. Learning through Maths, English, teamwork and PE. The learning is connected to the real world of sport and Trust coaches work with teachers to deliver fun educational sessions in a number of subjects. The Trust receives a grant toward the cost of delivering the Primary Stars programme and schools pay a fee for the additional programme hours.

The Trust delivers a Further Education Programme known as the Football and Education programme and is delivered in partnership with an Education provider of Maths and English for those students who need to achieve a pass grade at GCSE. The course is for 16-19 year olds and is of two year duration, although students have an option of leaving after 1 year.

The Trust commenced a new Education partnership with LFE (League Football Education) in August 2022, with an increase in numbers of first year students enrolled on the Football Education Programme. Following the termination of the UCB contract an interim contract with MIT Skills enabled those students who wished to do so, complete their second year of the course. The interim contract would terminate at the end of this academic year.

The Trusts FE programme had traditionally attracted male students only, however an increasing number of female students have enrolled onto the programme for the second year running. The Trust are delighted to be able to welcome more female students to the Community Trusts programme.

The Trusts work in partnership with the University of South Wales, delivering Foundation Degree courses in Sports Education and are remunerated for it. Additional income from this programme is commensurate with the number of students. The Trust are also partnered with University College Birmingham (UCB) delivering a Sports Business Management Degree course. The Degree courses are mainly delivered at the Football Stadium.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

The National Citizenship Scheme (NCS) programme through the English Football League Trust (EFLT) ceased December 2022 and outstanding payments for delivery of NCS by the Trust was made during this reporting period. The two permanent members of staff for the NCS programme, were re-deployed to other areas of the Trusts business according to qualification and skills, avoiding redundancy.

The social inclusion provisions provided by the Trust have seen a significant growth in numbers of participants. A sponsorship deals with Cadburys and Football Fan group Accessiblues allowed the Trust to continue delivering sessions to our PAN disability teams. The Head Coach for the teams was approached by the FA to set up a further adult team for persons who had received Transplants and this is being strategically planned to commence Autumn 2023. There has been no price increase for participants for the last three years. There is great demand for more PAN disability teams and training and there is now a waiting list. This provision is not funded and the Trust depends on financial support from donations and sponsors to cover all costs, including venues.

The Trust delivered school holiday camps to great numbers of children through the Government and Local Authorities Health and Food scheme (HAF) as well as pay and play. The HAF scheme provides children normally in receipt of free school meals with a healthy meal during their holiday camp.

Trustees have considered ways of reducing outgoing expenditure in the coming year. Long term contracts and leases are constantly under review. Venue costs are continually reviewed in order to reduce expenditure.

Trustees are working on other ways to generate income and support the Trusts operational team at meetings with interested businesses and organisations wishing to partner or sponsor new programmes or projects. Birmingham City Football Club (BCFC) provide rooms within the Football Stadium for use by the Trust when delivering education programmes and the degree course. Further applications for grants, funding and sponsorship are ongoing.

Financial review

The yearly figure shows a deficit of £62,159 in comparison to a surplus of £117,251 for year ending 30 June 2022, which is attributable to the loss of the NCS project whilst the Trust have retained the projects associated staff and the overall increased costs associated with the UK's Cost of Living situation. A further contributing factor to the deficit is a loss of £12,000 that a sponsor of the Football Club had pledged as restricted funding for the Trusts delivery of programme over a 12 month period. The sponsor failed to pay the club and consequently the Trust. The sponsors business no longer trades.

Regular reviews and restructuring of existing provisions take place to ensure financial stability. A new contract has been agreed with Education partner LFE – League Football Education from August 2022 and the interim partnership with MIT Skills for the 2nd year students will conclude at the end of the academic year summer 2023. An increase in revenue and applications have been submitted to the Premier League for further funding of their programmes to be delivered by BCFC Community Trust, including Primary Stars and Kicks.

Trustees have taken steps to ensure that the Trusts regular expenditure is covered by its incoming resources.

It is the policy of the company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to meet running costs for three months in the event of major variation of circumstances. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has not been maintained throughout the year and corrective action has therefore been taken to increase reserves accordingly.

When setting the reserves policy for unrestricted funds the trustees are mindful of the fact that some restricted activities require the use of unrestricted funds in the short term. Funding for restricted activities is generally received after the activity has been completed and expenditure will initially have been met from unrestricted funds.

The Trustees have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The company is a company limited by guarantee, incorporated 25th September 2000 and registered as a charity on 18th May 2001.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M Wiseman	
Ms S Whitehouse	
Mr S Reed	
Mr I Dutton	
Ms C Gallagher	(Resigned 4 April 2023)
Mrs J M Maher	
Mr C Elliott	(Appointed 17 July 2023)
Mr G Cook	(Appointed 5 September 2023)
Mr R Paranandi	(Appointed 11 January 2024)
Mr J Dale	(Appointed 11 January 2024)

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Ms C Gallagher resigned as a Trustee on 04/04/2023 having been a Trustee since December 2019.

The Trustees regularly review their skills set to ensure the governing board have the expertise to benefit the Charity and seek to recruit new Trustees when skills gaps appear. Trustees have identified expertise gaps and will be recruiting suitable persons.

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

External risks to funding have led to the development of a strategic plan which will allow for diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they meet the needs of the charity.

The balance sheet sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

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Auditor

Sumer Auditco Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Going concern and subsequent events

The trustees have considered the deficit and continue to support the Charity in identifying new funding opportunities, being instrumental in arranging fundraising activities and mitigating risk.

The Trustees are confident that the Charity can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Disclosure of information to auditors

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Ms S Whitehouse
Trustee

22 February 2024

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2023

The Trustees, who are also the directors of Birmingham City Football Club Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

Opinion

We have audited the financial statements of Birmingham City Football Club Foundation (the 'company') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the company for the purpose 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation from the events and transactions reflected in the financial statements, as we will be less likely to be aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Documenting and verifying all significant related party transactions.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Richard Alan Horton FCCA (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited

Chartered Accountants
Statutory Auditor

23 February 2024.

The Beehive
Beehive Ring Road
London Gatwick Airport
Gatwick
United Kingdom
RH6 0PA

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income and endowments from:</u>			
Donations and legacies	2	67,139	61,100
Charitable activities	3	1,048,782	1,077,835
Investments	4	85	5
Other income	5	-	7,601
Total income		1,116,006	1,146,541
<u>Expenditure on:</u>			
Charitable activities	6	1,178,165	1,029,290
Net (expenditure)/income for the year/ Net movement in funds		(62,159)	117,251
Fund balances at 1 July 2022		442,973	325,722
Fund balances at 30 June 2023		380,814	442,973

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		10,963		3,210
Current assets					
Debtors	11	168,098		227,133	
Cash at bank and in hand		279,263		406,228	
		<u>447,361</u>		<u>633,361</u>	
Creditors: amounts falling due within one year	12	<u>(77,510)</u>		<u>(193,598)</u>	
Net current assets			<u>369,851</u>		<u>439,763</u>
Total assets less current liabilities			<u>380,814</u>		<u>442,973</u>
Income funds					
Unrestricted funds			<u>380,814</u>		<u>442,973</u>
			<u>380,814</u>		<u>442,973</u>

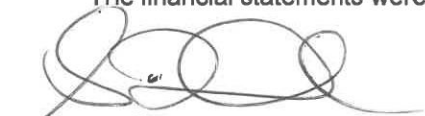
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 February 2024



Ms S Whitehouse
Trustee

Company registration number 04077355

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	17		(70,169)		146,430
Investing activities					
Purchase of tangible fixed assets		(10,213)		(3,365)	
Investment income received		85		5	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(10,128)		(3,360)
Financing activities					
Repayment of borrowings		(46,668)		(38,633)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(46,668)		(38,633)
Net (decrease)/increase in cash and cash equivalents			(126,965)		104,437
Cash and cash equivalents at beginning of year			406,228		301,791
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>279,263</u>		<u>406,228</u>

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Charity information

Birmingham City Football Club Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o BCFC, St Andrews Stadium, Birmingham, West Midlands, B9 4RL.

1.1 Accounting convention

The accounts have been prepared in accordance with the company's Article of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the company.

1.4 Income

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

All expenditures are accounted for on the accruals basis. In particular, the costs of charitable activities represents all costs of the charity excluding those appointed to governance costs. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Training equipment	50% on cost
Plant and machinery	50% on cost
Fixtures, fittings & equipment	25% on reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The charitable company operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.12 Donated services

The charity does not include donated services and facilities in the Statement of Financial Activities as the Trust is unable to quantify or measure the value of these services on a reasonable basis.

1.13 Fund structure

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. Restriction arise when specified by the donor or when funds are raised for particular restricted purposes.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	34,359	26,100
Football League Trust	32,780	35,000
	<u>67,139</u>	<u>61,100</u>
Donations and gifts		
CEO Sleepout	-	9,751
Veolia - Main Ambassador Package	15,000	-
3 Peaks Challenge	2,062	-
Other	17,297	16,349
	<u>34,359</u>	<u>26,100</u>

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

3 Charitable activities

	Education		Junior Blues		Kickz Primary Stars		NCS		Camps & Other Projects Schools		Total		
	2023	£	2023	£	2023	£	2023	£	2023	£	2023	£	
Incoming resources from charitable activities	45,445		66,690		41,667		(2,387)		188,940		300,527		772,332
Services provided under contract to school academies.	321,613		-		-		-		-		-		305,503
	367,058		66,690		41,667		(2,387)		188,940		300,527		1,077,835

For the year ended 30 June 2022

	Education		Junior Blues		Kickz Primary Stars		NCS		Camps & Other Projects Schools		Total		
	£	£	£	£	£	£	£	£	£	£	£	£	
Incoming resources from charitable activities	94,933		36,716		33,333		33,333		144,089		259,193		772,332
Services provided under contract to school academies.	305,503		-		-		-		-		-		305,503
	400,436		36,716		33,333		33,333		144,089		259,193		1,077,835

Charitable trading income

NCS - National Citizen Service is a programme run in partnership with The Football League.

Other Projects - Include Skills, Training & Employability programme, Development Centres, Disability, Health and Wellbeing and other adhoc projects.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	85	5
	<u>85</u>	<u>5</u>

5 Other income

	Total Unrestricted funds	Total Unrestricted funds
	2023	2022
	£	£
Job Retention Scheme	-	7,601
	<u>-</u>	<u>7,601</u>

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

6 Charitable activities	Education		Junior Blues		Kickz	Primary Stars	NCS	Camps & Schools	Other Projects	Total 2023	Total 2022
	2023	2023	2023	2023							
	£	£	£	£	£	£	£	£	£	£	£
Staff costs	281,124	14,895	53,886	40,690	97,447	82,757	190,796	761,595	689,880		
Depreciation and impairment	1,231	410	410	-	-	410	-	2,461	2,052		
Venue Hire	19,410	25,155	11,179	280	-	10,374	12,919	79,317	54,303		
Other Project Costs	14,114	-	-	-	-	-	-	14,114	31,370		
Motor and travel expenses	40,383	-	137	607	6,234	6,793	12,281	66,435	62,383		
Football kit and equipment	12,438	18,256	731	511	-	29,060	4,514	65,510	28,752		
Coaching costs	-	14,053	-	10,482	-	-	-	24,535	13,151		
Computer costs	12,250	99	-	-	367	1,620	-	14,336	7,086		
Training & Development	2,863	-	2,281	753	-	-	4,302	10,199	12,480		
Printing, Postage & Stationery	272	-	-	-	-	-	100	372	1,702		
Telecommunications	2,010	405	1,173	985	-	718	2,971	8,262	6,177		
Other	10,493	3,688	420	382	2,938	13,456	13,736	45,113	67,696		
	<u>396,588</u>	<u>76,961</u>	<u>70,217</u>	<u>54,690</u>	<u>106,986</u>	<u>145,188</u>	<u>241,619</u>	<u>1,092,249</u>	<u>977,032</u>		
Share of support costs (see note 7)	23,725	5,931	5,931	5,931	5,931	5,931	5,932	59,312	40,479		
Share of governance costs (see note 7)	10,644	2,660	2,660	2,660	2,660	2,660	2,660	26,604	11,779		
	<u>430,957</u>	<u>85,552</u>	<u>78,808</u>	<u>63,281</u>	<u>115,577</u>	<u>153,779</u>	<u>250,211</u>	<u>1,178,165</u>	<u>1,029,290</u>		

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

6 Charitable activities	(Continued)									
	Education	Junior Blues	Kickz	Primary Stars	NCS	Camps & Schools	Other Projects	Total 2022		
	£	£	£	£	£	£	£	£	£	£
For the year ended 30 June 2022										
Staff costs	247,303	21,975	40,872	42,730	83,935	102,603	150,462	689,880		
Depreciation and impairment	1,026	342	342	-	-	342	-	2,052		
Venue Hire	3,845	19,698	8,501	-	-	13,637	8,622	54,303		
Other Project Costs	31,370	-	-	-	-	-	-	31,370		
Motor and travel expenses	46,906	-	231	1,351	87	3,094	10,714	62,383		
Football kit and equipment	7,265	229	1,106	676	1,349	13,652	4,475	28,752		
Coaching costs	-	8,298	-	4,853	-	-	-	13,151		
Computer costs	5,454	92	-	14	545	981	-	7,086		
Training & Development	5,818	-	667	500	-	-	5,495	12,480		
Printing, Postage & Stationery	1,123	-	-	-	-	-	579	1,702		
Telecommunications	2,319	596	349	1,294	-	325	1,294	6,177		
Other	7,120	2,766	871	2,400	12,449	32,056	10,034	67,696		
	359,549	53,996	52,939	53,818	98,365	166,690	191,675	977,032		
Share of support costs (see note 7)	16,191	4,048	4,048	4,048	4,048	4,048	4,048	40,479		
Share of governance costs (see note 7)	4,711	1,178	1,178	1,178	1,178	1,178	1,178	11,779		
	380,451	59,222	58,165	59,044	103,591	171,916	196,901	1,029,290		

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

7 Support costs	Support Governance costs		2023		Support Governance costs		2022		Basis of allocation
	£	£	£	£	£	£	£		
Legal and professional	7,774	-	7,774	5,063	-	5,063	CA1 - 40% , CA2-7 - 10%		
Sundry expenses	49,325	-	49,325	27,741	-	27,741	CA1 - 40% , CA2-7 - 10%		
Bank charges	2,213	-	2,213	4,625	-	4,625	CA1 - 40% , CA2-7 - 10%		
Independent Auditor's Fee	-	7,975	7,975	-	7,250	7,250	Governance		
Bookkeeping and accountancy	-	18,629	18,629	-	7,579	7,579	Governance		
	59,312	26,604	85,916	37,429	14,829	52,258			
Analysed between									
Charitable activities	59,312	26,604	85,916	40,479	11,779	52,258			

CA1 relates to Education costs amounting to 40% of the total support costs (see note 6).

CA2-7 relates to the 6 other key charitable activities performed during the year. It has been estimated that 10% of the total support costs relate to each of these key activities (see note 6).

Governance costs includes payments to the auditors of £7,975 (2022- £7,250) for audit fees.

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Community officers	18	17
Casual staff	26	25
Total	<u>44</u>	<u>42</u>

Employment costs

	2023 £	2022 £
Wages and salaries	692,969	625,035
Social security costs	52,018	49,683
Other pension costs	16,608	15,162
	<u>761,595</u>	<u>689,880</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
Band - £70,001 - £80,000	<u>1</u>	<u>1</u>

9 Taxation

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

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

10 Tangible fixed assets

	Training equipment	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 July 2022	35,884	90,017	11,115	137,016
Additions	10,213	-	-	10,213
At 30 June 2023	46,097	90,017	11,115	147,229
Depreciation and impairment				
At 1 July 2022	35,884	87,369	10,552	133,805
Depreciation charged in the year	638	1,682	141	2,461
At 30 June 2023	36,522	89,051	10,693	136,266
Carrying amount				
At 30 June 2023	9,575	966	422	10,963
At 30 June 2022	-	2,648	562	3,210

11 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	90,020	48,466
Other debtors	65,218	147,132
Prepayments and accrued income	12,860	31,535
	168,098	227,133

12 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Borrowings		33,332	80,000
Other taxation and social security		18,072	21,018
Deferred income	13	4,248	56,418
Trade creditors		5,449	23,866
Other creditors		8,434	6,437
Accruals and deferred income		7,975	5,859
		77,510	193,598

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

13 Deferred income

	2023 £	2022 £
Arising from Football Kit Deposits & Other Projects	4,248	56,418

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	4,248	56,418
Movements in the year:		
Deferred income at 1 July 2022	56,418	10,735
Released from previous periods	(52,170)	-
Resources deferred in the year	-	45,683
Deferred income at 30 June 2023	4,248	56,418

14 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £16,608 (2022 - £15,162).

15 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	33,381	34,259
Between two and five years	13,634	47,015
	47,015	81,274

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

16 Related party transactions

The trustees consider that Birmingham City Football Club Plc ("the football club") is a related party of the charity by virtue of its significant influence.

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Incoming resources from charitable activities		Expenditure on charitable activities	
	2023	2022	2023	2022
	£	£	£	£
Other related parties	10,370	-	556	19,664
	<u>10,370</u>	<u>-</u>	<u>556</u>	<u>19,664</u>
	<u><u>10,370</u></u>	<u><u>-</u></u>	<u><u>556</u></u>	<u><u>19,664</u></u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2023	2022
	£	£
Trade creditors	63	12,960
Borrowings	33,332	80,000
	<u>33,395</u>	<u>92,960</u>
	<u><u>33,395</u></u>	<u><u>92,960</u></u>

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties	
	2023	2022
	£	£
Trade debtors	7,370	-
	<u>7,370</u>	<u>-</u>
	<u><u>7,370</u></u>	<u><u>-</u></u>

BIRMINGHAM CITY FOOTBALL CLUB FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

17	Cash generated from operations	2023	2022
		£	£
	(Deficit)/surplus for the year	(62,159)	117,251
	Adjustments for:		
	Investment income recognised in statement of financial activities	(85)	(5)
	Depreciation and impairment of tangible fixed assets	2,460	2,052
	Movements in working capital:		
	Decrease/(increase) in debtors	59,035	(15,296)
	(Decrease) in creditors	(17,250)	(3,255)
	(Decrease)/increase in deferred income	(52,170)	45,683
	Cash (absorbed by)/generated from operations	(70,169)	146,430
18	Analysis of changes in net funds		
		At 1 July 2022	Cash flows At 30 June 2023
		£	£
	Cash at bank and in hand	406,228	(126,965) 279,263
	Loans falling due within one year	(80,000)	46,668 (33,332)
		<u>326,228</u>	<u>(80,297)</u> <u>245,931</u>
19	Auditors' Ethical Standards		

In common with many charities of our size and nature we use our auditor to assist with the preparation of the accounts.