

Rugby Football Foundation

Registered number: 04608134

Annual Report and financial statements

For the year ended 30 June 2020



RUGBY FOOTBALL FOUNDATION

COMPANY INFORMATION

Trustees

P R Johnson
M Wharton
S Williams

Company registered number 04608134

Charity registered number 1100277

Registered office Rugby House
Twickenham Stadium
200 Whitton Road
Twickenham
Middlesex
TW2 7BA

Company secretary A Bujalski

Independent auditor BDO LLP
55 Baker Street
London
W1U 7EU

RUGBY FOOTBALL FOUNDATION

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RUGBY FOOTBALL FOUNDATION

TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020

Introduction

The trustees, who are also the directors for the purposes of company law, submit their report and the financial statements of the Rugby Football Foundation for the year ended 30 June 2020.

Structure, Governance and Management

Incorporation

The Rugby Football Foundation, a company limited by guarantee, (No. 4608134) was incorporated on 4 December 2002 by a Memorandum and Articles of Association, and is a registered charity (No. 1100277). The registered office of the charity is:

Rugby House
Twickenham Stadium
200 Whitton Road
Twickenham
Middlesex
TW2 7BA

Trustees

In accordance with the memorandum and articles, one third of the trustees are required to retire by rotation, determined by how long they have been in office since their last appointment or reappointment. If no trustee agrees to resign, the longest serving trustees are put forward for retirement. If the RFU does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed reappointed, unless the RFU decides not to fill the vacancy or not to reappoint the trustee.

The appointment of trustees is determined by the RFU Board of Directors. Trustees are appointed on the basis of the expertise that they can bring to the charity. An induction for new trustees is provided with access to previous trustee papers and an overview of the charity and its operations.

The trustees who have served during the year and to the date of this report were:

P R Johnson
M Wharton
S Williams (appointed 1 September 2020)
S Day (resigned 1 September 2020)
N Hagerty (resigned 18 December 2019)
S Pancholi (resigned 18 December 2019)
D Roberts (resigned 31 July 2020)

All decisions relating to the approval of grant or loan applications are made by the trustees following recommendations by the Awards Panel and determined by majority vote. Likewise, any decision which materially affects the operation of the charity and its objectives is determined by trustees' majority vote.

The Trustees delegate the day to day management of the foundation to Sue Day (Chief Operational and Financial Officer) and Steve Grainger (Rugby Development Director).

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

Objects and Activities of the Foundation

The objects of the Foundation are for the benefit of the public to:

- promote community participation in healthy recreation by providing facilities for playing rugby union football and other sports (facilities means land, buildings, equipment and organising sporting activities);
- provide and assist in providing facilities for sport, recreation or other leisure time occupation of such persons who have 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;
- advance the education of children and young people through such means as the trustees think fit in accordance with the law of charity; and
- advance the education of the public in the history and development of rugby football and its antecedent, in particular by establishing or maintaining a museum for the permanent exhibition and preservation of items of educational and/or historic value.

The entity is a public benefit, the Trustee's have considered the guidance on public benefit and confirm that they have complied with their duty.

Powers

To further its objects the Foundation may:

- undertake programmes for the development of amateur sport
- provide grants and loans for capital improvements to stadiums and grounds of community amateur sports clubs, charitable sports clubs and other bodies
- provide and assist in the provision of money, materials or other help
- organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities
- publish books, pamphlets, reports, leaflets, journals, films, tapes and instructional matter; and promote, encourage, carry out or commission research, surveys, studies or other work, making the useful results available
- operate the World Rugby Museum and stadium tours

Community Rugby Programme

On the 30 June 2020, the Foundation signed an agreement with the RFU whereby the RFU grants a set amount each year to fund community work furthering the charitable purposes of the Foundation, as set out in the objects above. The amount of the grant this year was £24,100,000 (2019: £30,600,000).

The Foundation's charitable objects include promoting community participation in rugby for the benefit of the public. A subsidiary of the Rugby Football Union, Rugby Football Development Limited, has the expertise and experience to run a community rugby development programme which encourages community participation. The core purpose is to "strengthen our member clubs and to grow the game in communities around them." Underpinning this are six key drivers:

1. Retaining & Developing Players
2. Recruiting New Players
3. Recruiting & Retaining High Quality Coaches, Volunteers & Referees
4. Effective & Efficient Facilities
5. Effective & Efficient Management and Governance
6. Integration with the Local Community

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

It is accepted that regular participation in sport improves health and is of public benefit. The programme includes initiatives to promote wider participation in rugby especially among 14-24 year olds, expanding rugby in schools through the All Schools Programme and to promote school/club links to encourage school leavers to continue playing rugby. Women's rugby is another area where the programme seeks to encourage and develop more opportunities for women and girls to play at all levels of the amateur game.

On the 30 June 2020, the Foundation contracted with Rugby Football Development Limited for delivery of an agreed programme. The fee for this service was £24,100,000. The activity ensuing from this arrangement has given rise to the restricted funds seen in this year's financial statements. The 15th year of this programme (the programme started on 1st July 2005) has been a successful one, with Rugby Football Development Limited delivering the programme within budget, in accordance with the charitable objects of the Foundation, and to a standard deemed satisfactory by the trustees. Details of expenditure is provided in the quarterly financial report sent to Trustees. This quarterly review of expenditure allows the Trustees to analyse how the funds are being used to grow the game.

Annual Review

One of the RFU's Strategic Priorities is to grow the game by providing more rugby through more opportunities for more people.

A great deal of work has taken place over the past season and the playing pool has continued to grow. Before the season ended early, player numbers suggested a continued increase in age grade teams, growth among women players, and men's player numbers stable although decreasing in the men's adult XV's game – a challenge that has been raised by many clubs throughout the game.

We are past the midway point of the RFU's four-year women and girls' action plan and, by working with Constituent Bodies and club volunteers and partners such as Sport England, a great deal has been achieved. Inner Warrior Camps have introduced 18-35s to rugby and their local clubs, and more than 120 events were enjoyed by 4,600 women, leading to a significant increase in teams. The number of registered adult women players is now 40,000 in over 400 clubs and we also have 90,000 girls taking part in schools, colleges and universities.

O2 Touch, a major part of England Rugby's partnership with Sport England to grow the game, has hit 35,000 registered players milestone since its launch in 2013.

Attracting and keeping young players continues to be key and this has been a milestone season for Age Grade Rugby which encompasses our Quilter Kids First work. The Quilter Kids First CPD courses for those coaching and refereeing children's rugby reached over 10,000 nationwide over the season. Of paramount importance is keeping young players safe and enjoying the best possible rugby environment.

With qualified coaches fundamental to players' enjoyment of rugby, the coaches' Skills Series was viewed over 180,000 times on YouTube and digital learning now complements face to face coaching programmes. Facebook Live events featured Eddie Jones and we are also working to increase the number of female coaches and referees.

In the university sector, the aim has been to grow player numbers, including through different formats of the game, sustaining university programmes and transitioning students into the community game. Important work with 37 universities in 18 clusters has seen 20 officers employed directly by the universities and significant match funding generated, with some 2,500 players at risk of leaving rugby retained.

Of our 24 Focus Colleges, half completed their three-year programme, delivering an overall increase in playing numbers, increased capacity and more players transitioning to rugby clubs. We have secured a further 162 places for rugby union on the Diploma in Sporting Excellence, after retaining 99% of last year's

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

162 strong cohort, giving a pathway and academic partnership support from Academies and Centres of Excellence for talented 16-year-old male and female players community rugby.

With more than 100,000 volunteers working to ensure the health of our sport, we have continued to support and reward them.

The Mitsubishi Motors Volunteer Recognition Programme saw 33 regional recognition events, and over 1,750 nominations. The programme was also nominated for Grass Roots Programme of the Year in the 2020 UK Sponsorship Awards, subsequently postponed due to the coronavirus.

Many volunteers also rolled up their sleeves for the NatWest Rugbyforce weekend, the campaign, which launched in January, saw them improving local rugby clubs nationwide, with 579 registrations, 425 grants of £500, six grants of £1,000 and six of £3,000.

While the number of female referees is small, we are beginning to see signs of growth. Since its inception in 2016 the England Rugby Referee Association has enrolled over 1,000 female members. Of the 2,119 active referees in societies, 57 are female. This is a priority area where we have been engaging with the RFRU and referee societies to develop their offer to increase the transition rate from courses into these formal settings. The RFU Match Official Development Team, recently introduced the England Female Match Officials forum.

COVID-19 has had an impact in the current financial year and is likely to impact in years to come. The main source of revenue and expenditure relates to the Community Rugby Programme which is provided by the Rugby Football Union (RFU). The RFU have reshaped their business structure in response to the pandemic however this will not mitigate the lost revenue they have suffered from being able to host England games at Twickenham Stadium with full attendance. Due to this reduction in revenue the level of grant being provided is likely to be reduced to reflect the lower revenues.

Groundmatch and other RFF Grants and Loan Schemes

The loans and grants direct to clubs have moved to RFU and RFDL respectively. This change only impacted new awards made from July 2019 and have not impacted awards made before this date which have remained with the RFF.

While the impetus of social spaces in community clubs continues to improve the welcome to the whole rugby family, there is a substantial investment in grass pitches as the weather patterns become more challenging for club groundsmen.

The Interest Free Loan Budget for 2019/20 was set at £682k. £444k was advanced during the year meaning the budget for 2020/21 was set at £238k.

The monitoring and managing of repayment of existing loans remains extremely efficient while being supportive of clubs in genuine difficulty. In extreme cases restructuring is negotiated, typically by reducing the amount or frequency of payments to make it financially viable for the club.

World Rugby Museum

The collection of 38,000 objects is displayed within our permanent galleries, supplementing a regular programme of special exhibitions and formal and informal learning programmes.

The mission statement is "To celebrate and share the unique history, culture and tradition of rugby union in all its forms, wherever and by whomsoever it is played."

**RUGBY FOOTBALL FOUNDATION
TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020.(continued)**

World Rugby Museum (continued)

The museum of international rugby history holds the most extensive collection of rugby football memorabilia in the world, including over 38,000 recorded objects, 15,000 pieces of archival material and 9,000 photographs, from the RFU collection, the Harry Langton Collection and the RFU Rugby Archive. Star items include the world's oldest international football jersey and the Calcutta Cup, which is the world's oldest international football trophy.

Full national accreditation from the Arts Council means that the museum has demonstrated the same quality as that of national institutions such as the British Museum and Natural History Museum. The collection continues to be developed and museum policies updated, including the Business Plan and Marketing Strategy, with a commitment to develop commercial aspects, including corporate services and the use of the museum as a corporate venue on match days and evenings.

The award-winning education programme includes a full programme of learning activities for primary schools, middle schools, high schools, higher and further education and universities. It was the winner of the School Travel Awards 2018/19 Best Sporting Venue.

The All Schools Programme

CBRE All Schools was started in 2012 to introduce rugby and its core values into state secondary schools with the aim of linking them to rugby clubs. In the process, the target is to make school life healthier and happier, reduce anti-social behaviour, enhance learning and increase self-esteem for students. It is a key legacy programme for Rugby World Cup 2015 which presented a once in a generation opportunity to deliver the greatest participatory legacy for the game.

The target of taking rugby to a further 750 state secondary schools was reached in September 2019 and celebrated at Luton's Lealands High School, with the campaign's ambassador, the Duke of Sussex, present. Representatives from All Schools then featured on the Twickenham pitch at the England v Wales Six Nations game.

Future Plans

The World Rugby Museum will be transferred to Twickenham Experience Ltd in September 2020.

In all areas of activity, the trustees will continue to have regard to the Charity Commission's guidance on public benefit.

Reserves

At the year end, the total reserves of the charity were £684,794 (2019: £1,241,133). £347,071 of this was restricted to specific purposes (2019: £594,407), leaving £337,723 available for the general purposes of the charity (2019: £646,726).

The trustees have reviewed the level of unrestricted reserves that are appropriate for the Foundation. Reserves are needed to cover any excess of expenditure over income, whether due to timing differences or to shortfalls in funding. From 2019/20 onwards the RFU has ceased to make its annual donation towards grants as those grants are no longer administered through RFF. However, it will provide support should the unrestricted reserves not be sufficient to support normal business activities.

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

Reserves (continued)

It had been determined that the minimum level of unrestricted reserves that should be held at any time must be at least equal to a year's interest charge on the current balance outstanding on the RFU loan and six months' worth of the budgeted operating expenses, plus the value of approved but unpaid grants at the year end. This policy is reviewed by a sub-committee of two trustees on a regular basis.

The RFU is committed to paying any RFF grants that have been approved but not paid at year end, as they fall due. Therefore the trustees consider that the minimum level of unrestricted reserves as at 30 June 2020 to be £15,223. The actual level of unrestricted reserves at 30 June 2020 was £337,723 which is comfortably in excess of our minimum required level. The trustees note that the excess of actual reserves over the minimum required level is reasonable, given that the Foundation has contingent liabilities of £18,717 in the form of approved grants and 12 months of budgeted overheads equates to £17,773.

Restricted funds comprise two funds, the Community Rugby Programme and the World Rugby Museum. The Community Rugby Programme is for the promotion of participation in rugby for the benefit of the public and the World Rugby Museum is for the exhibition of historical information and artefacts relating to Rugby.

The brought forward and carried forward values of restricted funds relate entirely to the Community Rugby Programme, as each year the World Rugby Museum breaks even. For the year ended 30 June 2020 income for the World Rugby Museum was £418,200 and expenditure was £418,200. The Community Rugby Programme fund has income of £24,100,000 and expenditure of £24,347,336.

Investment policy

It is the policy of the Foundation to place its investments in cash deposits which provide appropriate liquidity and which are deemed to be of low risk.

Strategic Report

Achievements, Performance and Financial Review

During the year the RFF received a grant of £24,100,000 (2019: £30,600,000) from the RFU to fund community work that further the charitable purposes of the Foundation. The Foundation entered into a contract with Rugby Football Development Limited (RFDL) to the value of £24,100,000 (2019: £30,600,000) for RFDL to deliver that work. This included an extensive programme for the development of the community participation in amateur rugby including supporting grassroots clubs to improve the playing environment for participants, improve coaching standards and club management via its community rugby development programme and its grants/loan programme.

The Foundation also continued to operate the World Rugby Museum up until September 2020 when it was transferred to Twickenham Experience Limited.

In shaping the objectives for the year and planning activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging and given careful consideration to ensuring that support is targeted to maximize community participation and ensure accessibility for those on low income.

The net movement in Unrestricted funds was a loss of £309,003 and in Restricted funds was a loss of £247,336 during the year.

During the year the Foundation has received donations to Unrestricted funds amounting to £5,296 (2019: £532,832). The loan from the RFU remained at £6,672,802.

RUGBY FOOTBALL FOUNDATION TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

Achievements, Performance and Financial Review (continued)

The Foundation has made capital grants, amounting to £230,771 (2019: £382,170), and interest free loans, amounting to £483,690 (2019: £1,188,776), to rugby clubs during the year. The capital grants are available to amateur clubs and focus on helping them sustain their current activities and increase participation.

At 30 June 2020 the Foundation have approved no further capital grants (2019: £456,161), and no further loans (2019: £966,183). At year-end these monies had not been paid and will be accounted for in 2020/21 provided that the conditions are met to the Foundation's satisfaction.

With net current assets sitting at £85,004 on the 30 June 2020, the assets of the Foundation will be carefully managed in 2020/21 to ensure the Foundation is in the best possible position.

Total net assets of £684,794 show a good long term position.

Going concern

The financial statements have been prepared on a going concern basis.

The Charity's operations are self sustaining outside the impacts of COVID-19, and had net assets and net current assets as at 30 June 2020. Based on the forecast scenarios prepared by the Charity the Trustees has a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due for the foreseeable future.

However, the impacts of COVID-19 global pandemic has had a profound impact on both the playing and operation of the community game, and as such the Charity's activities have been temporarily curtailed, as has realization of working capital to cash.

The charitable activities of the Charity are dependent on the ongoing operations of the Rugby Football Union (RFU), its ultimate parent undertaking, and until charitable activities resume to an appropriate level, the Charity is dependent on the RFU for financial support in the form of non-recall of intercompany balances and certain operating expenditure. The RFU has confirmed to the Trustees its intention to continue to provide funding and to not recall intercompany balances unless the Charity has the financial means to do so and otherwise meet its liabilities as they fall due. Further detail can be found in note 1.3.

Risk Management

The Trustees have carried out a review of the charity's activities which sets out the risks to which it is exposed.

As part of this review the Trustees have implemented a risk management strategy which comprises:

- An annual review of the risks the charity may face; and
- Establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees confirm that procedures are in place to manage the major risks which have been identified.

RUGBY FOOTBALL FOUNDATION
TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

Risk Management (continued)

Risk	Detail	Mitigation	Action
Reliance on member organization (RFU)	<p>Dependency on the member organization reduces the control over income streams and broader support.</p> <p>If the RFU and group companies were to call in inter-company balances owed this would put a significant financial strain on the Charity</p>	<ul style="list-style-type: none"> Regular engagement with RFU board/RFF trustees. Providing value and demonstrating this to the RFU for the grant provided. Maintain the minimum reserves. 	<ul style="list-style-type: none"> Keep dialogue open between RFU board and RFF trustees Ensure not to over commit financially to projects.
Devolved fundraising and awareness function	RFF fundraising team is part of the wider RFU fundraising team. This potentially introduces the risk of lack of strategic alignment in actions and messaging.	<ul style="list-style-type: none"> RFF trustees represented on RFU board. Regular engagement with the RFU to ensure consistent approach. 	<ul style="list-style-type: none"> Put in place an agreement with RFU around fundraising including policies and details of the service provided.
Risks to grassroots participation	<p>Growing and sustaining the community game at all levels, both men's and women's and across all age grades, is critical for the future success of rugby in order to develop the elite players of the future, and in order to make sure that as many people as possible benefit from involvement in the game of rugby.</p> <p>There is increased competition from other forms of leisure activity, and a new generation of consumers who have different expectations present potential risks to our participation levels unless we adapt accordingly.</p>	To appeal to the new player and fan base, new opportunities to play different forms to appeal to them. Technology is supporting this strategy with new ways of engaging with individuals with rugby content, delivered digitally.	<ul style="list-style-type: none"> Review of how the community program is being delivered to appeal to the new player and fan base and to retain current players to ensure the growth of the sport
COVID-19 impact	Since mid-March it has had a significant impact on all aspects of the Community and game with it stopping for a period of time. It has now restarted however are not able to operate in any way near the pre-pandemic operation.	<p>Guidance has been developed and agreed with the Government providing a roadmap for return to play in the community game.</p> <p>The return has been successful however has been impacted due to the recent lockdown.</p>	To continue to monitor and work with Government to get the game back in a safe manner

RUGBY FOOTBALL FOUNDATION
TRUSTEES REPORT FOR THE YEAR ENDED 30 JUNE 2020 (continued)

Risk Management (continued)

In order to mitigate and spread the risks of the Foundation, and, although generous support was received during the year from the Rugby Football Union, it is the intention of the Foundation to continue to seek additional alternative sources of funding in the coming year. A key element in the management of financial risk is the setting of a reserves policy and its regular review by Trustees.

Fundraising Activities

Section 1 62a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". The Foundation does not undertake fundraising from the general public but from time to time does apply for grant funding from grant-awarding entities. Any such amounts receivable are presented in the financial statements as 'voluntary income' and includes legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the trustees. The Foundation is not bound by any undertaking to be bound by any regulatory scheme.

RUGBY FOOTBALL FOUNDATION STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Foundation and of the surplus or deficit of the Foundation for that period. In preparing those 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 accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

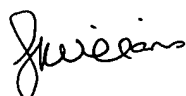
Auditor

BDO LLP were appointed to act as auditor for the Foundation for the 2019/20 year. This appointment is reviewed annually by the board under advice from the Rugby Football Union.

Each of the Trustees at the date of approval of this report confirms that:

1. So far as the Trustees are aware, there is no relevant audit information of which the Foundation's auditors are unaware; and
2. The Trustees have taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

This report was approved by the Trustees and signed on their behalf by:



S Williams
Trustee

Date: 16/02/2021

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF RUGBY FOOTBALL FOUNDATION

Opinion

We have audited the financial statements of Rugby Football Foundation ("the Charitable Company") for the year ended 30 June 2020 which comprise the statement of financial activities, the balance sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 June 2020 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 Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1.2 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Trustees' report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and,

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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 the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

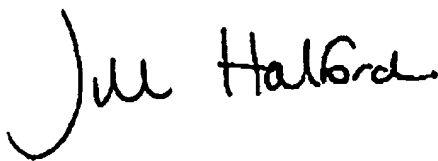
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

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

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

Use of our report

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

A handwritten signature in black ink, appearing to read 'Jill Halford', with a stylized, cursive script.

Jill Halford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
18 February 2021

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

**RUGBY FOOTBALL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Note				
Income:					
Donations:					
Donations from the RFU	2	-	24,100,000	24,100,000	31,130,000
Other donations	2	5,296	-	5,296	2,832
Total donations income		5,296	24,100,000	24,105,296	31,132,832
Income from charitable activities:					
World Rugby Museum		-	418,200	418,200	436,264
Total income		5,296	24,518,200	24,523,496	31,569,096
Expenditure on:					
Raising funds					
Fundraising costs		(216)	-	(216)	-
Expenditure on charitable activities	5	(314,083)	(24,765,536)	(25,079,619)	(31,979,002)
Total expenditure	8	(314,299)	(24,765,536)	(25,079,835)	(31,979,002)
Net movement in funds		(309,003)	(247,336)	(556,339)	(409,906)
Reconciliation of funds:					
Total funds brought forward		646,726	594,407	1,241,133	1,651,039
Total funds carried forward		337,723	347,071	684,794	1,241,133

All activities relate to continuing operations.

The notes on pages 20 to 27 form part of these financial statements.

**RUGBY FOOTBALL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2019**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Income:			
Donations:			
Donations from the RFU	530,000	30,600,000	31,130,000
Other donations	2,832	-	2,832
Total donations income	532,832	30,600,000	31,132,832
Income from charitable activities:			
World Rugby Museum	-	436,264	436,264
Total income	532,832	31,036,264	31,569,096
Expenditure on:			
Raising funds			
Fundraising costs	-	-	-
Expenditure on charitable activities	(463,745)	(31,515,257)	(31,979,002)
Total expenditure	(463,745)	(31,515,257)	(31,979,002)
Net movement in funds	69,087	(478,993)	(409,906)
Reconciliation of funds:			
Total funds brought forward	577,639	1,073,400	1,651,039
Total funds carried forward	646,726	594,407	1,241,133

All activities relate to continuing operations.

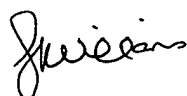
The notes on pages 20 to 27 form part of these financial statements.

RUGBY FOOTBALL FOUNDATION
BALANCE SHEET AS AT 30 JUNE 2020
REGISTERED NUMBER: 04608134

	Note	2020 £	2019 £
Non-current assets			
Loans due from clubs	9	<u>7,442,600</u>	<u>7,888,740</u>
		7,442,600	7,888,740
Current assets			
Debtors	11	19,668,313	27,918,906
Cash at bank and in hand		<u>804,843</u>	<u>588,350</u>
		20,473,156	28,507,256
Total assets		<u>27,915,756</u>	<u>36,395,996</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(20,558,160)	<u>(28,482,061)</u>
Non-current liabilities			
Creditors: amounts falling due after more than one year	13	(6,672,802)	<u>(6,672,802)</u>
Total liabilities		<u>(27,230,962)</u>	<u>(35,154,863)</u>
Total net assets		<u>684,794</u>	<u>1,241,133</u>
Charity Funds			
Restricted funds	15	347,071	594,407
Unrestricted funds	15	<u>337,723</u>	<u>646,726</u>
Total funds		<u>684,794</u>	<u>1,241,133</u>

The Charity's 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 and are signed on their behalf by:



S Williams

Date: 16/02/2021

The notes on pages 20 to 27 form part of these financial statements.

RUGBY FOOTBALL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1.1 General Information

The Rugby Football Foundation, is a company limited by guarantee and registered in England and Wales, registration number 04608134, and registered charity number 1100277. The registered office is Rugby House, Twickenham Stadium, 200 Whitton Road, Twickenham, Middlesex, TW2 7BA.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019 (Charities SORP (FRS 102))), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Rugby Football Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity has taken advantage of the exemptions under Financial Reporting Standard FRS 102 from preparing a cash flow statement as it is a wholly controlled subsidiary and Rugby Football Union's consolidated financial statements include the cash flows of the Charity.

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

The financial statements are prepared in sterling (£) and rounded to the nearest pound.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The Charity is a member of a group that shares financial resources between group members. The ultimate controlling party has confirmed to the Trustees its intention to continue to provide funding to enable the charity to meet its liabilities as they fall due for the foreseeable future. The Trustees have therefore prepared the financial statements on a going concern basis. Should such funding from the ultimate controlling party not be forthcoming, the going concern basis of preparation may no longer be appropriate and significant adjustments may be required to these financial statements.

The charitable activities of the Charity are dependent on the ongoing operations of the Rugby Football Union (RFU), its ultimate parent undertaking, and until activities resume to an appropriate level, the Charity is dependent on the RFU for financial support in the form of non-recall of intercompany balances and certain operating expenditure. The RFU has confirmed to the Trustees its intention to continue to provide funding and to not recall intercompany balances unless the Company has the financial means to do so and otherwise meet its liabilities as they fall due.

The Trustees have reviewed financial projections for the Rugby Football Union that show it will be able to provide this funding, and have therefore prepared the financial statements on a going concern basis. These assessments have factored in the anticipated potential impacts of COVID-19 and the anticipated negative impact on the financial performance of the RFU for the year 2020/21. The RFU has three committed facilities with a combined value of £94m with its bankers which expire in December 2021 (£50m), December 2022 (£25m) and August 2023 (£19m).

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1.3 Going concern (continued)

Notwithstanding this uncertainty, the Directors have a reasonable expectation that the Company as part of the wider RFU Group will have adequate resources to continue in existence for a period of not less than 12 months from the date of approval of these financial statements and have concluded that it is appropriate to adopt the going concern basis of preparation of these financial statements.

The Charity's financial statements do not include adjustments that would result if the Charity were unable to continue as a going concern.

1.4 Donations and grants receivable

Donations and grants are recognised in the Statement of Financial Activities when there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation.

Designated unrestricted funds represent approved grants where payment is subject to the recipient meeting certain conditions which have not been met at year end.

Restricted funds are incoming resources receivable specifically for the Community Rugby Programme, other project grants and the operation of the World Rugby Museum, as discussed in the Trustees' report.

1.6 Expenditure

Expenditure, including irrecoverable VAT, is accounted for in the Statement of Financial Activities on an accruals basis and classified under headings which aggregate all the costs which relate to that heading. Payments under contract are recognised to the extent that the contract has been completed in the year in question.

Support costs include the costs relating to the general administration of the charity within its objectives as opposed to the costs of issuing grants, Community Rugby Programme and operation of the World Rugby Museum.

1.7 Loans

Fixed asset investments are programme related investments and are a form of financial instrument. They are initially recognised at their transaction cost. They are subsequently measured at cost less impairment.

1.8 Grants

Grants awarded to clubs are recognised as a liability when approved by the Trustees, are communicated to the recipient and are subject to conditions that fall outside the control of the Foundation. In instances where such conditions fall within the control of the Foundation, the commitment is noted within contingent liabilities, as opposed to being recognised as a liability.

1.9 Debtors

Short term debtors are measured at the transaction price, less any impairment. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Creditors

Short term creditors are measured at the transaction price.

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1.11 Accounting judgements and estimates

The Trustees consider the significant accounting judgements and estimates that are relevant to the charity to be the consideration of recoverable value of the loans to rugby clubs, together with the timings and amounts repayable to the charity. A full review of loans repayable by clubs is performed on a quarterly basis. This review will consider if the loan in part or in full has become irrecoverable, an impairment loss is recognised in the statement of financial activities. From this year's review, management have concluded there is no impairment necessary.

Other significant accounting judgements and estimates include the appropriate recognition of income from grants and donations according to their criteria.

2. Donations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations from the RFU	-	24,100,000	24,100,000	31,130,000
Other donations	5,296	-	5,296	2,832
Sub total	5,296	-	5,296	2,832
Total donations	5,296	24,100,000	24,105,296	31,132,832

3. Taxation

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

4. Trustees expenses

During the year, no (2019: one) Trustee received out of pocket expenses (2019: £602) relating to travel, accommodation and subsistence costs.

The Trustees received no remuneration during the year (2019: nil). One trustee is an employee of the RFU. The trustee receives a salary from the RFU however this is not in relation to their role as a trustee of the RFF.

During the year, the Trustees have made no donations to the Charity (2019: £nil).

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

5. Analysis of expenditure on charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
World Rugby Museum	-	418,200	418,200	436,264
Grants to clubs (see note 6)	230,771	-	230,771	382,170
Community Rugby Programme (see note 7)	-	24,347,336	24,347,336	31,078,993
Club loans - RFU loan interest	37,212	-	37,212	48,583
Bad Debt Provision	24,029	-	24,029	-
Support costs (see note 10)	22,287	-	22,287	32,992
Total	314,299	24,765,536	25,079,835	31,979,002

6. Grants to clubs

	2020 £	2019 £
Groundsmatch grants	222,203	373,758
Helping hand grants	8,568	8,412
Exceptional grants	-	-
Total	230,771	382,170

No grants were awarded in 2019/20.

7. Community Rugby Programme

Expenditure on the Community Rugby Programme is made up of the following:

	2020 £	2019 £
Community rugby funding	24,100,000	30,600,000
Legacy Partners - Area 4	11,346	7,013
All Schools Programme	235,990	471,980
Total	24,347,336	31,078,993

Expenditure on Charitable activities, the Community Rugby Programme, was £24,347,336 (2019: £31,078,993), all of which was restricted (2019: All restricted).

8. Expenditure

Total expenditure includes the following charges

	2020 £	2019 £
Auditors' remuneration	6,000	6,000

The auditor's remuneration is solely for the performance of the year-end audit.

RUGBY FOOTBALL FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020****9. Loans**

The loans, which have been made to rugby clubs, are interest free and repayable over a maximum period of 15 years.

A reconciliation from last year's loans to this year's is set out below:

	2020	2019
	£	£
Loans due from clubs at 30 June	7,888,740	7,803,133
Loans repaid	(905,801)	(1,103,169)
Loans advanced	483,690	1,188,776
Loans written off	(24,029)	-
Loans due from clubs at 30 June	<u>7,442,600</u>	<u>7,888,740</u>

10. Support Costs

	2020	2019
	£	£
Professional fees	19,483	30,271
Insurance	1,893	1,536
Bank charges	591	583
Other	320	602
Total	<u>22,287</u>	<u>32,992</u>

All support costs have been identified as Governance costs for the basis of apportionment. The Charity does not have any employees.

11. Debtors: Amounts falling due within one year

	2020	2019
	£	£
Amounts owed by group undertakings (see note 19)	19,668,313	27,918,906
Prepayments and accrued income	-	-
Total	<u>19,668,313</u>	<u>27,918,906</u>

12. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Amounts owed to group undertakings (see note 19)	20,538,575	28,238,475
Comic Relief - Try for Change	-	240,003
Accruals and deferred income	19,585	3,583
Total	<u>20,558,160</u>	<u>28,482,061</u>

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

13. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Secured loan from the Rugby Football Union	6,672,802	6,672,802

The loan has been borrowed to fund advances to rugby clubs to develop their facilities. The loan bears interest at the Bank of England base rate, capped at 5 per cent, per annum. The repayment schedule of the loan is dependent on repayments from clubs but no repayments are due within the next year. The Foundation has the ability to borrow up to a maximum of £8,000,000 (2019: £8,000,000) from the Rugby Football Union.

14. Analysis of net assets between funds

	General & Designated Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Loans	7,442,600	-	7,442,600
Cash at bank and in hand	804,843	-	804,843
Debtors	132,500	19,535,813	19,668,313
Creditors due within one year	(1,369,418)	(19,188,742)	(20,558,160)
Creditors due in more than one year	(6,672,802)	-	(6,672,802)
Total	337,723	347,071	684,794

15. Movement in funds

Unrestricted funds

	General Unrestricted funds 2020 £	Designated Unrestricted funds 2020 £	Total Unrestricted funds 2020 £	Total Unrestricted funds 2019 £
At 1 July	190,565	456,161	646,726	577,639
Net surplus/(deficit) for the year	(41,020)	(267,983)	(309,003)	69,087
Movement in designated amounts	-	-	-	-
At 30 June	149,545	188,178	337,723	646,726

Restricted funds

	2020 £	2019 £
At 1 July	594,407	1,073,400
Net (deficit) for the year	(247,336)	(478,993)
At 30 June	347,071	594,407

RUGBY FOOTBALL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

15. Movement in funds (continued)

Restricted funds comprise two funds, the Community Rugby Programme and the World Rugby Museum. The Community Rugby Programme is for the promotion of participation in rugby for the benefit of the public and the World Rugby Museum is for the exhibition of historical information and artefacts relating to Rugby.

The brought forward and carried forward values of restricted funds relate entirely to the Community Rugby Programme, as each year the World Rugby Museum breaks even. For the year ended 30 June 2020 income for the World Rugby Museum was £418,200 and expenditure was £418,200.

The Community Rugby Programme fund has income of £24,100,000 and expenditure of £24,347,336.

Designated unrestricted funds represent approved grants where payment is subject to the recipient meeting certain conditions, which have not been met at year end. At the year-end these monies had not been paid and will be accounted for in 2020/21 provided that the conditions are met to the Foundation's satisfaction.

16. Contingent Liabilities

The Charity has classified the grant received from the Rugby Football Union, for the community rugby development programme, and the fee paid to Rugby Football Development Limited, as restricted funds.

Prior to 30 June 2020 the Rugby Football Foundation approached the Rugby Football Union to ascertain whether or not they would require that the net surplus/ (deficit) be returned to them, as is their right under the signed grant agreement. Consultation with the Rugby Football Union has confirmed that this will not be the case and therefore provision has not been made for this amount.

As explained in the Trustees' report, the Foundation no longer approves grants (2019: £456,161) or loans (2019: £966,183) although are committed to paying any grants and loans that have been approved but not paid, as they fall due.

17. Related party transactions

	2020	2019
	£	£
Amounts owed by RFU	19,535,813	27,915,332
Amounts owed by IPF	-	3,219
Amounts owed by RFDL	-	355
Amounts owed to RFU	6,672,802	6,672,802
Amounts owed to IPF	5,188	-
Amounts owed to RFU - loan interest	37,212	48,583
Amounts owed to RFDL	20,533,387	28,189,892

The Foundation is a quasi-subsiary of the Rugby Football Union. All transactions conducted with the Rugby Football Union and Rugby Football Development Limited (a fully owned subsidiary of the Rugby Football Union) have been summarised in the table above and are disclosed as amounts owed by/to group undertakings within debtors and creditors.

RUGBY FOOTBALL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

17. Related party transactions (continued)

In the year the following related party transactions have occurred:

- the Foundation received a grant £24,100,000 from the RFU (see note 2) (2019: £: £30,600,000)
- the Foundation was charged interest of £37,212 by the RFU in respect of the loan
- the Foundation was charged £24,100,000 for services provided to it by Rugby Football Development Limited under the Community Rugby Programme (2019: £30,600,000)
- the Foundation was charged £235,990 for services provided to it by Rugby Football Development Limited under the All Schools Programme (2019: £471,980)

18. Status of the company

The company is limited by guarantee.

19. Ultimate controlling party

The Rugby Football Foundation is limited by guarantee, so has no share capital and therefore no legal controlling party. On the basis of the Company being considered to be a quasi-subsiary of the Rugby Football Union, its financial results and position are consolidated into the Group accounts of the Rugby Football Union. Copies of these Group accounts can be obtained from Rugby House, Twickenham Stadium, 200 Whitton Road, Twickenham, Middlesex, TW2 7BA, UK. RFU is a registered society in England (company number IP27981R).

The Directors consider the Company's ultimate controlling party to be the Rugby Football Union, the governing body for rugby in England.

20. Financial instruments

The Charity has basic financial instruments including debtors, creditors and intragroup balances. All debtors and creditors are financial instruments measured at amortised cost.

The Charity is exposed to credit risk in relation to financial assets such as debtors and intragroup receivables.

The Charity is not exposed to significant interest rate or foreign currency rate risk.

21. Post Balance Sheet Event

A decision was made on 11th September 2020 by the trustees that the museum operations would no longer be operated out of the Rugby Football Foundation and would be transferred to another group entity Twickenham Experience Limited. It was a net nil operation which had budgeted expenditure for FY2021 being £470,291 and budgeted income of £470,291, which was split between RFU grant income of £390,541 and museum income £79,750.