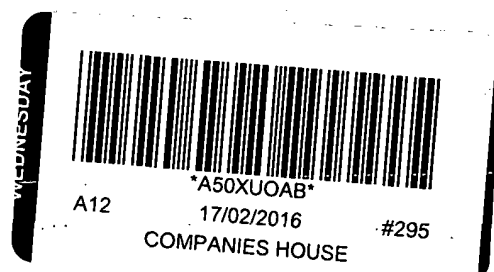


Registered number: 6412345
Charity number: 1124896

Newcastle United Foundation

Trustees' report and financial statements

31 July 2015



Newcastle United Foundation

Contents

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 7
Trustees' responsibilities statement	8
Independent auditor's report to the members of Newcastle United Foundation	9 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 23

Newcastle United Foundation

Reference and administrative details of the company, its trustees and advisers **Year ended 31 July 2015**

Trustees

Jonathan Edwards CBE (resigned 11 February 2016)
Susan Justice
John Irving (resigned 12 June 2015)
Simon Esland (resigned 3 December 2014)
John Marshall
Wendy Taylor (resigned 11 February 2016)
Lee Charnley
Brian Thorpe (appointed 6 February 2015)
Neil Winskill (appointed 3 September 2015)
Claire Alexander (appointed 11 February 2016)

Company registered number

6412345

Charity registered number

1124896

Registered office

St James' Park
Newcastle upon Tyne
NE1 4ST

Independent auditor

UNW LLP
Chartered Accountants & Statutory Auditor
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Barclays Bank PLC
Newcastle upon Tyne
NE99 1LG

Solicitors

Ward Hadaway
102 Quayside
Newcastle upon Tyne
NE1 3DX

Newcastle United Foundation

Trustees' report Year ended 31 July 2015

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Newcastle United Foundation (the company) for the ended 31 July 2015. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

Constitution

Newcastle United Foundation is a company limited by guarantee, governed by its memorandum and articles of association dated 25 October 2007 and amended on 29 January 2010. On 8 July 2008 it registered as a charitable company with the Charity Commission (registered number 1124896).

Method of appointment or election of Trustees

As set out in the articles of association, trustees are appointed by members. The subscribers to the memorandum and such other persons or organisations as are admitted to membership in accordance with its articles are members of the charity.

Trustee induction and training

New trustees receive an induction pack which includes the memorandum and articles of association, business plan and recent financial performance of the charitable company. Trustees, once appointed, receive relevant ongoing training.

Organisational structure and decision making

Our trustees meet four times a year for formal board meetings, in addition to which the Head of Foundation meets with the chair of the trustees on a monthly basis for a business review meeting. Trustees provide leadership for the Foundation's strategy and monitor our performance to ensure we are staying focused on our declared mission. The trustees also provide valuable networking support and access to various other stakeholders.

The Head of Foundation is appointed by the trustees to manage the day-to-day operations of the charitable company and lead the senior management team. The senior management team ensures the Foundation achieves its mission and its business plan, and works together to look at all the key issues involved with running the organisation. During the year the senior management team comprised: Head of Foundation - Kate Bradley, Development Manager – Sarah Medcalf, Head of Finance – Claire Alexander and Football Development Manager – Giles Sandercock. The managers lead their own teams, in addition to forming the overall management team of the Foundation. This team meets monthly.

During the year Kate Bradley was on maternity leave from February to October although remained in touch with the senior management team during her absence. Sarah Medcalf was also on maternity leave from October to May.

The Foundation's delivery is broadly split into two areas, namely football and sports participation and education programmes, all of which are supported by our fundraising activities.

Newcastle United Foundation

Trustees' report (continued) **Year ended 31 July 2015**

Related party relationships

Although Newcastle United Foundation is governed and financed independently of Newcastle United Football Club (the Club), the Club supports the charitable company in many ways, including through gifts in kind of match tickets, accommodation and merchandise.

The Foundation is grateful for the support of the Club's Managing Director, Lee Charnley, Head of Finance, Claire Alexander, and Head of Media, Wendy Taylor and for the ongoing support of other Club staff in areas such as accounts, payroll, IT, HR, facilities and the press office.

Risk management

The trustees have a comprehensive risk register to identify and mitigate the risks the charitable company may face on an annual basis. The risk register review is aligned to the business plan review to ensure that developments in the organisation are properly assessed for relevant risks.

Objectives and Activities

Policies and objectives

In the year Newcastle United Foundation worked with over 45,000 individuals across a range of football and sports participation and education programmes.

The Foundation's mission is:

To use the local passion for football to encourage learning and promote healthy lifestyles that will make a real difference to the lives of children, young people and families in our region.

The Foundation's aims are:

- To promote active and healthy lifestyles, particularly in disadvantaged communities
- To inspire people to learn and reach their potential
- To help build safe, strong, active communities

We do this by using the Newcastle United brand to engage, inspire and motivate.

The Foundation's values are:

- Put people at the heart of everything we do
- Ensure quality and professionalism underpins our work
- Use our charitable funds and support wisely
- Promote equality and diversity

We class our area of benefit as the local authority areas of Newcastle, Gateshead, North Tyneside and Northumberland.

Newcastle United Foundation

Trustees' report (continued) Year ended 31 July 2015

Activities for achieving objectives

The Foundation employed 48 full time equivalent staff and 4 lottery sellers (2014: 43) along with 17 sessional coaches (2014: 11) during the year to work across all its activities throughout Newcastle, Gateshead, North Tyneside and Northumberland. The Foundation plays an important role in increasing access to and encouraging active participation in football and sport, in line with the Football Association, Sport England's strategy and NHS strategies. Using the brand of Newcastle United, the Foundation's projects also make an impact on health, crime and anti-social behaviour and on raising educational standards within the local community.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

Review of activities

In the year over 47,000 people took part in our programmes. In the review of 2014/15 we have not just focused on who we helped and what we did, but on where we worked for public benefit.

Local authority	Football	Education	Total
Newcastle	7,903	10,904	18,807
North Tyneside	4,992	6,050	11,042
Northumberland	3,414	6,108	9,522
Gateshead & South Tyneside	3,279	2,784	6,036
County Durham	473	1,923	2,396
Total			47,830

Participation figures by programme area

Highlights:

- Primary school football coaching participation was 9,717, largely due to investment from the Premier League School Sport Programme
- Numbers attending holiday soccer schools grew to almost 2,000 children
- 644 girls joined the Women and Girls Programme
- We coached 906 young people through Premier League 4 Sport
- Players on the disability football programme reached 2,286
- Match Fit participation figures reached 6,936
- 814 students took part in the Enterprise Academy
- 172 young people were supported back into training, education or employment
- Over 2000 young people now play football with Kicks

Newcastle United Foundation

Trustees' report (continued) Year ended 31 July 2015

School partnerships:

Local authority	Primary	Secondary	SEN
Newcastle	43	10	3
North Tyneside	39	11	5
Gateshead	39	8	5
Northumberland	50	7	10

Financial review

The lack of growth in the last financial year can be attributed to two events. Firstly, the Head of Foundation and the Development Manager each took six months maternity leave during the year (at different times). The trustees took the decision not to replace these senior posts to minimise potential disruption by recruiting short term cover and planned for a reduction in income. Secondly, the Foundation was on course to deliver a major end of season fundraising dinner. This was postponed until this financial year at the Club's request.

Voluntary income has increased by £20,000. Income from activities for generating funds has decreased significantly from the previous year. In the previous year this figure was unusually high due to the Steve Harper 20 year Charity Match.

Income from charitable activities increased by £94,000 in the year. It comprises income from football coaching and education sessions of £186,000 (2014: £192k), the sale of other services such as schools coaching and business enterprise courses of £333,000 (2014: £243k), contractual payments from public bodies of £232,000 (2014: £236k), corporate subscriptions and project sponsorship income of £20,000 (2014: £20k) and grant income of £670,000 (2014: £657k). The Premier League Charitable Fund is a key funder, providing grant income of £560,000 (2014: £486k).

Expenditure on generating funds has decreased by £313,000 in the year, primarily due to costs incurred on the Steve Harper 20 Year Charity Match which have not been repeated in 2015. Included within this figure are head office support costs of £12,000 (2014: £64k). Support costs are allocated on the basis of income generated.

Charitable activities expenditure is 92% of total spend. The cost of charitable activities largely comprises salaries and subsistence costs, with the increase of £25,000 attributable to a rise in full time equivalent staff numbers in the year from 43 to 48, offset by savings in senior posts.

Total incoming resources for the year were £1,754,688 (2014: £2,217,550) and total outgoing resources were £1,748,459 (2014: £2,038,309).

Investment policy and performance

The trustees have powers to invest funds as they see fit as set out in the Memorandum and Articles of Association. At the present time, surplus cash reserves are held in short to medium term deposit accounts.

Newcastle United Foundation

Trustees' report (continued) **Year ended 31 July 2015**

Reserves policy

A large proportion of the Foundation's annual running costs are met by the receipt of grant funding (subject to any relevant performance conditions).

The trustees seek to maintain the level of free reserves to cover at least three months running costs of the current activities and monitor the position twice a year. At present free reserves stand at £514,000 and are within the target range.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Plans for the future

The Foundation is working towards the achievement of six strategic objectives within a five year business plan for 2014 to 2018:

1. Continue to deliver a quality programme of activities each year which meet the needs of local people;
2. Increase the reach of the Foundation and access to its work by the wider community;
3. Increase knowledge and understanding of the Foundation's work and the value it brings to the community;
4. Identify and communicate the impact of the Foundation's work;
5. Maintain financial sustainability of the Foundation;
6. Maintain high quality and effective management and governance of the Foundation.

Newcastle United Foundation

Trustees' report (continued) Year ended 31 July 2015

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

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

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

This report was approved by the trustees on 11 February 2016 and signed on their behalf by:



John Marshall
Trustee

Newcastle United Foundation

Trustees' responsibilities statement Year ended 31 July 2015

The trustees (who are also directors of Newcastle United Foundation for the purposes 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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



Independent auditor's report to the members of Newcastle United Foundation

We have audited the financial statements of Newcastle United Foundation for the year ended 31 July 2015 set out on pages 11 to 23. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of trustees and auditor

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



Independent auditor's report to the members of Newcastle United Foundation


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Andrew Wilson BA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

11 February 2016

Newcastle United Foundation

Statement of financial activities (incorporating income and expenditure account) Year ended 31 July 2015

		Unrestricted funds	Restricted funds	Total funds	Total funds Year ended 31 July 2014 As restated (note 1.1)
	Note	Year ended 31 July 2015 £	Year ended 31 July 2015 £	Year ended 31 July 2015 £	£
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	213,475	-	213,475	193,582
Activities for generating funds	3	94,574	-	94,574	673,085
Investment income	4	4,432	-	4,432	3,287
Incoming resources from charitable activities	5	779,740	662,467	1,442,207	1,347,596
Total incoming resources		1,092,221	662,467	1,754,688	2,217,550
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	6	59,010	-	59,010	39,052
Costs of generating funds	7	77,434	-	77,434	410,194
Charitable activities	8	888,979	718,936	1,607,915	1,581,862
Governance costs	11	4,100	-	4,100	7,201
Total resources expended		1,029,523	718,936	1,748,459	2,038,309
Movement in total funds for the year -					
Net income/(expenditure) for the year		62,698	(56,469)	6,229	179,241
Total funds at 1. August 2014		521,009	45,038	566,047	386,806
Total funds at 31 July 2015		583,707	(11,431)	572,276	566,047

The notes on pages 13 to 23 form part of these financial statements.

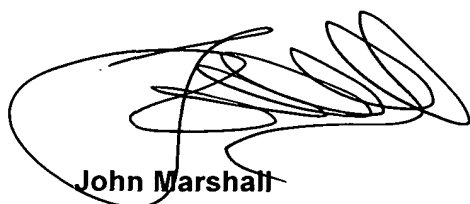
Newcastle United Foundation

Balance sheet At 31 July 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	14		12,666		23,610
Current assets					
Debtors	15	62,034		67,992	
Cash at bank and in hand		885,209		756,177	
		<u>947,243</u>		<u>824,169</u>	
Creditors: amounts falling due within one year	16	<u>(387,633)</u>		<u>(281,732)</u>	
Net current assets			559,610		542,437
Total assets less current liabilities			<u>572,276</u>		<u>566,047</u>
Charity funds					
Restricted funds	17	(11,431)			45,038
Unrestricted funds	17	583,707			521,009
Total funds			<u>572,276</u>		<u>566,047</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the trustees on 11 February 2016 and signed on their behalf by:



John Marshall

Company registered number: 6412345

The notes on pages 13 to 23 form part of these financial statements.

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

The classification of income has been reviewed by the trustees and amounts have been reclassified to better reflect the nature of the operations of the charity. This has not impacted on the final reported result in either year but comparatives have been restated to remain consistent with the new classifications.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

1. Accounting policies (continued)

1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party. The full value of the support provided by Newcastle United Football Club Limited cannot be quantified and consequently has not been included as a gift in kind in these financial statements.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 3 - 5 years straight line
Computer equipment	- 3 - 5 years straight line

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Gifts, donations and legacies	72,020	-	72,020	54,279
Grants received from Charitable Foundations	100,637	-	100,637	110,897
Sponsorship	40,818	-	40,818	28,406
	<u>213,475</u>	<u>-</u>	<u>213,475</u>	<u>193,582</u>

3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds As restated (note 1.1) £
Fundraising events	11,390	-	11,390	571,690
Online auctions and sale of goods & services	31,292	-	31,292	38,750
Matchday lottery	51,892	-	51,892	59,645
Corporate subscriptions and partnerships	-	-	-	3,000
	<u>94,574</u>	<u>-</u>	<u>94,574</u>	<u>673,085</u>

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

4. Investment income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	4,432	-	4,432	3,287

5. Incoming resources from charitable activities

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds As restated (note 1.1) £
Football coaching & education - fees received	186,506	-	186,506	191,623
Sale of services as part of charitable activities	333,402	-	333,402	242,982
Contractual payments from governments or public authorities	231,734	-	231,734	236,393
Grants received for the provision of services	8,098	662,467	670,565	656,598
Corporate subscriptions and partnerships	20,000	-	20,000	20,000
	<u>779,740</u>	<u>662,467</u>	<u>1,442,207</u>	<u>1,347,596</u>

6. Costs of generating voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Direct costs	32,219	-	32,219	19,837
Support costs	26,791	-	26,791	19,215
	<u>59,010</u>	<u>-</u>	<u>59,010</u>	<u>39,052</u>

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

7. Cost of generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Fundraising events	11,607	-	11,607	242,345
Online auctions and sale of goods and services	18,273	-	18,273	19,144
Matchday lottery	16,391	-	16,391	20,628
Corporate subscriptions and partnerships	-	-	-	4,952
Wages and salaries	17,521	-	17,521	53,737
National insurance	1,358	-	1,358	4,316
Pension	415	-	415	961
Support costs	11,869	-	11,869	64,111
Total	<u>77,434</u>	<u>-</u>	<u>77,434</u>	<u>410,194</u>

8. Expenditure by charitable activity

Summary by fund type

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Football and sports development	555,664	262,185	817,849	668,992
Education programmes	333,315	456,751	790,066	686,748
Grants paid	-	-	-	226,122
	<u>888,979</u>	<u>718,936</u>	<u>1,607,915</u>	<u>1,581,862</u>

Grants paid in 2014 comprise donations made to Great North Children's Hospital, Sir Bobby Robson Foundation, Alan Shearer Foundation, TOMA Fund, Clarke Lister and Sport Newcastle with proceeds from the Steve Harper 20 Year Charity Match.

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

9. Direct costs

	Football and sports development £	Education £	Total 2015 £	Total 2014 £
Direct project	248,313	235,421	483,734	414,865
Wages and salaries	443,742	420,704	864,446	734,852
Social security costs	30,955	29,348	60,303	57,358
Pension costs	5,982	5,672	11,654	11,754
Depreciation	3,622	3,433	7,055	6,746
	<u>732,614</u>	<u>694,578</u>	<u>1,427,192</u>	<u>1,225,575</u>

10. Support costs

	Football and sports development £	Education £	Voluntary income £	Generating funds £	Total 2015 £	Total 2014 £
General office costs	27,168	29,663	8,323	3,687	68,841	99,897
Wages and salaries	51,441	58,313	16,361	7,248	133,363	98,098
Social security costs	2,867	3,251	912	404	7,434	6,922
Pension costs	1,208	1,369	384	170	3,131	2,119
Depreciation	2,551	2,892	811	359	6,613	6,455
	<u>85,235</u>	<u>95,488</u>	<u>26,791</u>	<u>11,868</u>	<u>219,382</u>	<u>213,491</u>

11. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor's remuneration	4,100	-	4,100	3,880
Consultancy fees	-	-	-	3,321
	<u>4,100</u>	<u>-</u>	<u>4,100</u>	<u>7,201</u>

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

12. Net incoming resources

Net incoming resources is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: -owned by the company	13,668	13,202
Auditor's remuneration		
Audit of these financial statements	<u>4,100</u>	<u>3,880</u>

13. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,015,330	886,687
Social security costs	69,095	68,596
Pension costs	15,200	14,834
	<u>1,099,625</u>	<u>970,117</u>

The average monthly number of employees during the year was as follows:

	2015 No.	2014 No.
Football & sports development	25	21
Education programmes	16	16
Fundraising	2	2
Support staff	5	4
	<u>48</u>	<u>43</u>

No employee received remuneration amounting to more than £60,000 in either year.

An average of 17 (2014: 11) sessional coaches were employed during the year, along with 4 (2014: 7) matchday lottery sellers.

The trustees are not entitled to, and did not receive, any remuneration for their services to the charitable company in the year (2014: £nil). Expenses reimbursed amounted to £nil (2014: £nil).

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

14. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 August 2014	2,883	41,679	44,562
Additions	-	3,938	3,938
Disposals	(1,987)	-	(1,987)
At 31 July 2015	896	45,617	46,513
Depreciation			
At 1 August 2014	1,072	19,880	20,952
Charge for the year	299	13,369	13,668
On disposals	(773)	-	(773)
At 31 July 2015	598	33,249	33,847
Net book value			
At 31 July 2015	298	12,368	12,666
At 31 July 2014	1,811	21,799	23,610

15. Debtors

	2015 £	2014 £
Trade debtors	47,729	47,495
Other debtors	458	-
Prepayments and accrued income	13,847	20,497
	62,034	67,992

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

16. Creditors:

Amounts falling due within one year

	2015 £	2014 £
Trade creditors	18,940	15,637
Amounts due to Newcastle United Football Company Limited	5,134	20,408
Other creditors	672	1,799
Accruals and deferred income	362,887	243,888
	<u>387,633</u>	<u>281,732</u>

Deferred income

Deferred income at 1 August 2014	145,523
Resources deferred during the year	234,590
Amounts released from previous years	<u>(145,523)</u>
Deferred income at 31 July 2015	<u>234,590</u>

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

17. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Designated funds				
Designated funds	70,000	-	-	70,000
General funds				
General funds	451,009	1,092,221	(1,029,523)	513,707
Total Unrestricted funds	521,009	1,092,221	(1,029,523)	583,707
Restricted funds				
Premier League Charitable Fund	37,238	484,721	(526,534)	(4,575)
BBC Children in Need	-	25,000	(25,000)	-
BIG Lottery Fund (Family Football)	-	21,687	(21,687)	-
BIG Lottery Fund (Well-being in the East)	-	6,387	(6,387)	-
Byker Community Trust	-	6,707	(6,707)	-
Newcastle City Council	7,800	10,091	(17,891)	-
Northumbria Police & Crime Commissioner	-	57,375	(57,375)	-
People's Postcode Trust	-	10,000	(10,000)	-
Talent Match North East (Wise Group)	-	40,499	(47,355)	(6,856)
	45,038	662,467	(718,936)	(11,431)
Total of funds	566,047	1,754,688	(1,748,459)	572,276

Designated funds comprise amounts set aside from the surplus generated by the 2013 Steve Harper 20 year charity match towards a future health initiative.

Restricted funds are those funds where the income received is restricted to provide specific programmes and activities within the wider programme of the Foundation.

The deficit on the restricted funds balance at 31 July 2015 is attributable to the timing of expenditure incurred, which is being offset against future income streams for the same programmes.

Newcastle United Foundation

Notes to the financial statements Year ended 31 July 2015

18. Analysis of net assets between funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	12,144	522	12,666	23,610
Current assets	840,400	106,845	947,245	824,169
Creditors due within one year	(268,837)	(118,798)	(387,635)	(281,732)
	<u>583,707</u>	<u>(11,431)</u>	<u>572,276</u>	<u>566,047</u>

19. Related party disclosures

The trustees consider that Newcastle United Limited and its subsidiary Newcastle United Football Club Limited (NUFC) are related parties of the charity by virtue of significant influence.

John Irving and Lee Charnley, both trustees of the Foundation during the year, were also directors of NUFC during the year.

The charity receives substantial in-kind support from NUFC, in particular the licence to use the Club's brand and certain rights to use office space at the stadium and playing facilities at the first team training centre. Whilst not easily quantifiable, the impact on the charity, were these facilities not to be made available free of charge, would be hugely significant in both operational and financial terms.

NUFC is also a significant donor to the charity, through other quantifiable gifts in kind such as matchday tickets, staff kit and vehicles, all of which amounted to £46,160 (2014: £101,393).

During the year NUFC processed the charity's payroll and pension schemes for a total value of £1,106,750 (2014: £943,456) which the charity repays in full to NUFC on a monthly basis. No service charge or mark-up fee was paid to NUFC by the charity for the provision of this service. The amount owing to NUFC by the charity in relation to payroll repayments at the year end was £5,134 (2014: £15,522).

In the year ending 31 July 2014 NUFC acted as agent for the charity in relation to the Steve Harper 20 year charity match, providing support, organising ticketing, security and other matters. Amounts paid during that year to NUFC by the charity to reimburse NUFC for such costs incurred as agent amounted to £24,708 and amounts paid to the charity in relation to cash collected on its behalf for the ticket sales was £417,850. No service charge or mark-up fee was paid to NUFC by the charity in relation to the provision of these services.

Other payments made by the charity to NUFC during the year amounted to £122,416 (2014: £113,219), including stadium tours, match tickets for resale and training wear for staff and participants, together with recharges of costs incurred on the charity's behalf, including staff time, telephone usage and office supplies.