

Charity Registration No 1127014

Company Registration No 06642112 (England and Wales)

**SKY BLUES IN THE COMMUNITY**  
**TRUSTEES' REPORT AND UNAUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**



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## **SKY BLUES IN THE COMMUNITY**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	D Busst J W Elliott A M Shaw J J Street N E Newbold
<b>Chief Officer</b>	D Busst
<b>Secretary</b>	D Busst
<b>Charity number</b>	1127014
<b>Company number</b>	06642112
<b>Registered office</b>	Ricoh Arena Phoenix Way Coventry West Midlands CV6 6GE
<b>Independent examiner</b>	Edwards Chartered Accountants Harmony House 34 High Street Aldridge Walsall West Midlands WS9 8LZ
<b>Bankers</b>	The Co-operative Bank Olympic House 6 Olympic Court Salford Manchester M5 2QP

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# SKY BLUES IN THE COMMUNITY

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# **SKY BLUES IN THE COMMUNITY**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2010**

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The trustees present their report and accounts for the year ended 31 December 2010

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Under those articles, the trustees are required to retire by rotation.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2003) and follow the recommendations in Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP) published in 2005.

#### **Structure, governance and management**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The company's memorandum and articles of association are the primary governing documents of the charity.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

D Busst  
J W Elliott  
A M Shaw  
J J Street  
N E Newbold

New trustees are recruited at the invitation of the current trustees and are appointed as trustees when such appointment has been approved by all the existing trustees. No limit is placed upon the period of trusteeship once a trustee has been appointed.

Newly appointed trustees are provided with a thorough introduction to the workings of the charity, and are provided with all necessary information which will enable them to properly fulfil their role as trustees.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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

#### **Objectives and activities**

The objectives of the charity, in accordance with its memorandum of association, is to promote community participation in healthy recreation through football and other sports for the benefit of the public across Coventry and Warwickshire. In the furtherance of this object the directors, as the charity trustees, have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under the Act.

# **SKY BLUES IN THE COMMUNITY**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2010**

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The significant activities for achieving objectives are,

- to increase the opportunity for residents of Coventry and Warwickshire to participate in football and other sports, for a more physically active lifestyle
- to actively promote opportunities for disadvantaged and marginalised communities to participate in positive activities, regardless of age, gender, race, infirmity, disablement, poverty or social and economic circumstances
- to promote participation in healthy activities, through providing facilities for the playing of football and other sports, whilst improving health awareness through a variety of mediums
- to advance the education and learning of children, young people and adults by promoting accredited training and personal developments opportunities
- working in partnership with key local, regional and national organisations to allow the company to achieve its charitable objectives and the listed activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake

#### **Achievements and performance**

The trustees believe the main achievements during the year can be broken down into the following themes

Sports delivery - 40 after school clubs, 50 Saturday morning clubs, 12 curriculum schools over the school year and 60 holiday courses during children's school holidays have been provided

Education - a literacy for life campaign was run at 2 schools targeting children under 5 years old who are underachieving in literacy

Social inclusion - On Target is an estate based project run on Friday and Saturday evenings to deter younger people from anti-social behaviour

Disability - 30 hours per week are spent with children requiring special education needs in Coventry and Warwickshire across 4 age groups

Health - 3 schools have taken part in regular sporting activity on a weekly basis to target obesity in Year 5 children

In all, some 10,000 children were engaged in activities across Coventry and Warwickshire in 2010

#### **Financial review**

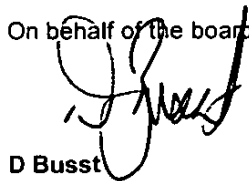
The net income for the year amounted to £43,671 all of which is attributable to general reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### **Plans for the future**

The charity plans continuing the activities as outlined above in the forthcoming years, subject to satisfactory funding arrangements

On behalf of the board of trustees



**D Busst**  
Trustee

Dated 16 September 2011

# SKY BLUES IN THE COMMUNITY

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SKY BLUES IN THE COMMUNITY

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I report on the accounts of the charity for the year ended 31 December 2010, which are set out on pages 4 to 14

#### **Respective responsibilities of trustees and examiner**

The trustees, who are also the directors of Sky Blues In The Community for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993, the 1993 Act, and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- (i) examine the accounts under section 43 of the 1993 Act,
- (ii) to follow the procedures laid down in the general directions given by the Charity Commission under section 43(7)(b) of the 1993 Act, and
- (iii) to state whether particular matters have come to my attention

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention

- (a) which gives me reasonable cause to believe that in any material respect the requirements
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
  - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities,
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



**Edwards Chartered Accountants**

Harmony House  
34 High Street  
Aldridge  
Walsall  
West Midlands  
WS9 8LZ

Dated 16 September 2011

## SKY BLUES IN THE COMMUNITY

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
<b>Incoming resources from generated funds</b>					
Donations and legacies	2	3,603	-	3,603	-
Incoming resources from charitable activities	3	205,473	167,133	372,606	326,919
Other incoming resources	4	-	-	-	3,075
<b>Total incoming resources</b>		<b>209,076</b>	<b>167,133</b>	<b>376,209</b>	<b>329,994</b>
<b>Resources expended</b>					
	5				
<b>Charitable activities</b>					
Activities within the Community		165,546	141,321	306,867	79,863
Governance costs		25,671	-	25,671	189,646
<b>Total resources expended</b>		<b>191,217</b>	<b>141,321</b>	<b>332,538</b>	<b>269,509</b>
<b>Net income for the year/ Net movement in funds</b>		<b>17,859</b>	<b>25,812</b>	<b>43,671</b>	<b>60,485</b>
Fund balances at 1 January 2010		60,485	-	60,485	-
<b>Fund balances at 31 December 2010</b>		<b>78,344</b>	<b>25,812</b>	<b>104,156</b>	<b>60,485</b>

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

# SKY BLUES IN THE COMMUNITY

## BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	10		2,723		3,729
<b>Current assets</b>					
Debtors	11	7,724		27,661	
Cash at bank and in hand		101,084		55,090	
		<u>108,808</u>		<u>82,751</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(7,375)</u>		<u>(25,995)</u>	
<b>Net current assets</b>			<u>101,433</u>		<u>56,756</u>
<b>Total assets less current liabilities</b>			<u>104,156</u>		<u>60,485</u>
<b>Income funds</b>					
Restricted funds			25,812		-
Unrestricted funds			<u>78,344</u>		<u>60,485</u>
			<u>104,156</u>		<u>60,485</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2010. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts were approved by the Board on 16 September 2011.

  
D Busst  
Trustee

Company Registration No. 06642112



# SKY BLUES IN THE COMMUNITY

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

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### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

#### 1.2 Incoming resources

Incoming resources are accounted for on an accruals basis and shown in the Statement of Financial Activities represent amounts receivable in relation to donations, coaching fees, contributions, subscriptions and grants

#### 1.3 Resources expended

All expenditure is accounted for on the accruals basis. In particular, the costs of charitable activities represents all costs of the charity less those apportioned to governance costs

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line

#### 1.5 Pensions

The charity makes pension contributions for certain employees. Contributions are charged in the accounts as they become payable

#### 1.6 Fund structure

The charity has a restricted income fund to account for situations where a donor requires that funding must be spent on a particular programme or purpose. All other funds are unrestricted income funds

#### 1.7 Donated services

The charity does not include donated services and facilities in the Statement of Financial Activities as the charity is unable to reasonably quantify or measure the value of these services. See note 15 for explanation of the type of services and facilities donated

## SKY BLUES IN THE COMMUNITY

### NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

#### 2 Donations and legacies

	2010 £	2009 £
Donations and gifts	<u>3,603</u>	<u>-</u>
<b>Donations and gifts</b>		
Unrestricted funds		
S A Forensic Accountants	2,993	-
Rotary Club	360	-
Shortbreaks	250	-
	<u>3,603</u>	<u>-</u>

# SKY BLUES IN THE COMMUNITY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 3 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
Activities within the community	<u>205,473</u>	<u>167,133</u>	<u>372,606</u>	<u>326,919</u>

Included within income relating to activities within the community are the following grants

#### Unrestricted funds

Schools	44,938	61,180
Holiday courses	68,893	69,337
Saturday club	10,909	10,772
FL Trust	-	34,000
PPA income	20,820	39,165
Disability income	20,186	51,137
Shootouts	2,505	2,645
Lottery grant	-	6,100
Prince's Trust	-	1,500
Sponsorship	-	10,850
Charitable income Coventry City	-	36,209
Development centre	32,169	-
Wood End Cov Fusion Wages	3,105	-
Other miscellaneous income	1,948	4,024

#### Restricted funds

Football League Trust	40,800	-
Football League Trust future jobs fund	45,671	-
On target	30,000	-
Disability income	41,797	-
Kick the habit	8,365	-
Prince's Trust	500	-
	<u>372,606</u>	<u>326,919</u>

### 4 Other incoming resources

	Total 2010 £	Total 2009 £
Other income	<u>-</u>	<u>3,075</u>

# SKY BLUES IN THE COMMUNITY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 5 Total resources expended

	Staff costs £	Other costs £	Total 2010 £	Total 2009 £
<b>Charitable activities</b>				
<u>Activities within the Community</u>				
Activities undertaken directly	225,804	81,063	306,867	79,863
<b>Governance costs</b>	8,093	17,578	25,671	189,646
	<u>233,897</u>	<u>98,641</u>	<u>332,538</u>	<u>269,509</u>

# SKY BLUES IN THE COMMUNITY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 6 Activities undertaken directly

	2010 £	2009 £
Other costs relating to activities within the community comprise		
<b>Unrestricted funds</b>		
Hire of pitches	9,280	17,205
Prizes and trophies	1,946	4,855
Equipment	812	9,075
Motor expenses	8,144	12,506
Trips and tours	-	1,446
Repairs and renewals	134	133
Training	2,302	3,651
Match day tickets	11,000	20,000
Rates and water	-	884
Insurance	-	659
Telephone	-	1,292
Postage and stationery	-	5,717
Advertising	-	822
Depreciation	-	185
Bank charges	-	710
Sundries	-	723
Development costs	6,859	-
Stadium tour costs	523	-
<b>Restricted funds</b>		
On target costs	212	-
Kick the habit costs	5,349	-
Disability costs	956	-
Hire of pitches	7,593	-
Prizes and trophies	1,592	-
Equipment	664	-
Motor expenses	6,663	-
Repairs and renewals	110	-
Training	1,884	-
Match day tickets	9,000	-
Development costs	5,612	-
Stadium tour costs	428	-
	<b>81,063</b>	<b>79,863</b>

## SKY BLUES IN THE COMMUNITY

### NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

#### 7 Governance costs

	2010	2009
	£	£
Other governance costs comprise		
Rates and water	2,627	-
Insurance	2,385	-
Telephone	1,592	-
Postage and stationery	5,872	-
Advertising	1,294	-
Depreciation	1,006	-
Accountancy	1,862	2,174
Bank charges	66	-
Sundries	874	-
	<u>17,578</u>	<u>2,174</u>

#### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year other than those noted below,

David Busst (Chief Officer) is a trustee. Total emoluments for qualifying services for the year totalled £43,925 (2009 £42,000)

# SKY BLUES IN THE COMMUNITY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was

	2010 Number	2009 Number
Full time	12	11
Part time	15	13
	<u>27</u>	<u>24</u>

#### Employment costs

	2010 £	2009 £
Wages and salaries	219,814	171,425
Social security costs	8,093	11,105
Other pension costs	5,990	4,942
	<u>233,897</u>	<u>187,472</u>

There were no employees whose annual remuneration was £60,000 or more

### 10 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 January 2010 and at 31 December 2010	<u>3,404</u>	<u>620</u>	<u>4,024</u>
<b>Depreciation</b>			
At 1 January 2010	71	224	295
Charge for the year	851	155	1,006
<b>At 31 December 2010</b>	<u>922</u>	<u>379</u>	<u>1,301</u>
<b>Net book value</b>			
At 31 December 2010	<u>2,482</u>	<u>241</u>	<u>2,723</u>
At 31 December 2009	<u>3,333</u>	<u>396</u>	<u>3,729</u>

# SKY BLUES IN THE COMMUNITY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

<b>11 Debtors</b>	<b>2010</b>	<b>2009</b>	
	<b>£</b>	<b>£</b>	
Trade debtors	<b>7,384</b>	26,652	
Prepayments and accrued income	<b>340</b>	1,009	
	<b>7,724</b>	<b>27,661</b>	
<b>12 Creditors amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>	
	<b>£</b>	<b>£</b>	
Trade creditors	-	20,000	
Accruals	<b>7,375</b>	5,995	
	<b>7,375</b>	<b>25,995</b>	
<b>13 Pension and other post-retirement benefit commitments</b>			
<b>Defined contribution</b>	<b>2010</b>	<b>2009</b>	
	<b>£</b>	<b>£</b>	
Contributions payable by the company for the year	<b>5,990</b>	<b>4,942</b>	
<b>14 Analysis of net assets between funds</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 December 2010 are represented by			
Tangible fixed assets	2,723	-	<b>2,723</b>
Current assets	82,996	25,812	<b>108,808</b>
Creditors amounts falling due within one year	(7,375)	-	<b>(7,375)</b>
	<b>78,344</b>	<b>25,812</b>	<b>104,156</b>



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## **SKY BLUES IN THE COMMUNITY**

### **NOTES TO THE ACCOUNTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2010***

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#### **15 Related parties**

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

The charity receives financial support from the football club to the extent that premises are provided, webspace on the club website and editorial space in the match day programmes granted, free of any charges. In addition, the charity receives subsidised match day tickets from the football club which are recharged to the charity at £20,000 (2009 £20,000) for the year