

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30TH JUNE 2014



3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
PO6 3TH

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2014

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PORTSMOUTH SUPPORTERS SOCIETY LIMITED

SOCIETY INFORMATION

FOR THE PERIOD ENDED 30TH JUNE 2014

Executive Board

Ken Malley (chairman with effect from 29th December 2014)
Ashley Brown (chairman until 29th December 2014)
Joanne Collins (resigned 31st July 2013)
Thomas Dearie (elected 23rd September 2013)
Dr Mark Farwell (elected 23rd September 2013)
Daniel Fearnley (resigned 31st July 2013, re-elected 29th
September 2014)
John Kimbell (elected 23rd September 2013)
Scott McLachlan (resigned 31st July 2013)
Michael Saunders
Stephen Tovey
Mark Trapani
Pamela Wilkins
Michael Williams

Secretary

Dr Mark Farwell (with effect from 2nd September 2014)
Tony Foot (resigned 2nd September 2014)

Registered Office

6 Marlborough Place
Brighton
Sussex
BN1 1UB

Registered Number

IP030872 (England and Wales)

Auditors

Taylorcocks Chartered Accountants
3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
PO6 3TH

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

REPORT OF THE EXECUTIVE BOARD

FOR THE PERIOD ENDED 30TH JUNE 2014

The board presents its report with the financial statements of the Society for the period ended 30th June 2014

Principal Activity

The principal activity of the Society in the period under review was the purchase of the business of Portsmouth Football Club ("The Club") from the Administrator of Portsmouth Football Club (2010) Limited on the 19th April 2013 and its subsequent running as a community owned football club. The Club is now owned by Portsmouth Community Football Club Limited, a Company limited by shares, registered number 07940335, set up originally by the Society, which is governed by a Shareholders Agreement dated the 19th April 2013. Under this the Society appoints three directors to the Company's Board. Three other individual shareholders of the Company, who share the same ideals as the Society, are also directors of the Board. During the period under review the Society purchased shares in the Company to the value of £2,499,000 and held a shareholding of 48.6% as at 30th June 2014.

Executive Board

Joanne Collins, Daniel Fearnley and Scott McLachlan did not stand for re-election in August 2013. In September 2013 Thomas Dearie, John Kimbell and Dr Mark Farwell were elected to act with the existing board, and Kenneth Malley, Stephen Tovey and Michael Williams were all re-elected to the board.

Ashley Brown, Mark Trapani and Michael Williams were appointed by the Executive Board to act as Directors of Portsmouth Community Football Club Limited throughout the period under review.

Responsibilities of the Executive Board

The board are responsible for preparing the Executive Board Report and the financial statements in accordance with applicable law and regulations.

Company law requires the board to prepare financial statements for each financial year. Under that law the board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the board 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 society and of the profit or loss of the society for that period. In preparing those financial statements, the board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The board are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

REPORT OF THE EXECUTIVE BOARD *(continued)*

FOR THE PERIOD ENDED 30TH JUNE 2014


In so far as the board are aware:

- there is no relevant audit information of which the society's auditor is unaware; and
- the board have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to re-appoint Taylorcocks as auditor for the ensuing year will be proposed at the annual general meeting.

Signed On Behalf of the Executive Board


.....

Board member

Approved by the board on.....9/2/15.....

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTSMOUTH SUPPORTERS SOCIETY LIMITED

FOR THE PERIOD ENDED 30TH JUNE 2014

We have audited the financial statements of Portsmouth Supporters Society Limited for the period ended 30th June 2014 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. 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 society's members, as a body, in accordance with part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of society executive board and auditor

As explained more fully in the Executive Board Responsibilities Statement set out on page 2, the Executive Board is responsible for the preparation of the financial statements which 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 (APB'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 society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Executive Board to identify material inconsistencies with the audited financial statements. 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 society's affairs as at 30th June 2014 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and with the Co-operative and Community Benefit Societies Act 2014.

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTSMOUTH SUPPORTERS SOCIETY LIMITED (continued)

FOR THE PERIOD ENDED 30TH JUNE 2014

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the society in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the society in accordance with the requirements of the legislation;
- the revenue account or the other accounts (if any) to which our report relates, and the balance sheet are not in agreement with the books of account of the society; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.




Statutory Auditor

Office: Portsmouth

Date:13/2/15.....

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 30TH JUNE 2014

		Period ended 30 June 2014 £	Year ended 31 March 2013 £
INCOME	2	2,640,168	18,962
Administrative expenses		<u>14,705</u>	<u>17,924</u>
OPERATING SURPLUS		2,625,463	1,038
Interest receivable and similar income		73	36
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>2,625,536</u>	<u>1,074</u>
Less tax on bank interest received		15	7
SURPLUS FOR THE FINANCIAL PERIOD		<u>2,625,521</u>	<u>1,067</u>

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

BALANCE SHEET

AS AT 30TH JUNE 2014


	Note	2014		31 March 2013	
		£	£	£	£
FIXED ASSETS					
Investments	4		<u>2,499,000</u>		-
			<u>2,499,000</u>		-
CURRENT ASSETS					
Stock		-		720	
Cash at bank	5	168,391		25,477	
Debtors	6	<u>2,990</u>		-	
			<u>171,381</u>	<u>26,197</u>	
CREDITORS: Amounts falling due within one year	7	<u>18,676</u>		<u>13</u>	
NET CURRENT ASSETS			<u>152,705</u>		26,184
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,651,705</u>		<u>26,184</u>
CREDITORS: Amounts falling due after more than one year			-		-
			<u>2,651,705</u>		<u>26,184</u>
RESERVES	8		<u>2,651,705</u>		<u>26,184</u>

The financial statements have been prepared in accordance with the provisions of the Co-operative and Community Benefit Societies Act 2014.

These financial statements were approved by the board and authorised for issue on 9/2/15, and are signed on their behalf by:



 KENNETH MALLEY
 Board member



 MICHAEL WILLIAMS
 Board member



 Dr Mark Farwell
 Secretary

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2014

1. ACCOUNTING POLICIES

Accounting convention

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).

Consolidation

In the opinion of the board, the investment held in Portsmouth Community Football Club Limited does not constitute control, and the results of that company are not consolidated in these accounts as a result.

Income

Income includes all amounts received in the period in respect of membership fees, donations (general and PayPal), sale of merchandise and other income.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. INCOME

The income received by the Society is as follows:

	2014	2013
	£	£
Membership fees	9,030	6,680
Donations to acquire shares in Portsmouth Football Club Limited	2,531,000	-
Other donations and fundraising events	100,138	12,282
	<u>2,640,168</u>	<u>18,962</u>

The donations made to the Society to acquire shares in Portsmouth Football Club Limited ("the Company") reflect individual investments of £1,000 made by members of the Society. These donations were made to enable the Society to purchase a proportion of the share capital of the Company and do not represent an individual investment in the Company.

Withdrawals of the donation value may only be made as a result of further investment by new participants, and are entirely at the discretion of the Board, subject to the availability of reserves. In any event the total withdrawals in any year will be limited to no more than 5% of the total.

The figure of £2,531,000 includes £32,000 of donations made which are held by the Society's solicitors but which had not yet been converted into shares in the Company as at 30th June 2014.

3. TAXATION

The tax charge on the bank interest received for the period was £15 (2013 - £7).

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2014

4. FIXED ASSET INVESTMENTS

Investments in Portsmouth Community Football Club Limited

	£
COST	
At 1st April 2013	–
Additions	2,499,000
At 30th June 2014	<u>2,499,000</u>
NET BOOK VALUE	
At 30th June 2014	<u>2,499,000</u>
At 31st March 2013	<u>–</u>

During the period the society acquired 48.6% of the issued share capital of Portsmouth Community Football Club Limited, a company incorporated in England which operates as a professional football club.

As at 30th June 2013 Portsmouth Community Football Club Limited had net assets of £3,388,339 and incurred losses in the period 7th February 2012 to 30th June 2013 of £513,661.

5. CASH AT BANK

The cash at bank figures includes a balance of £45,100 (2013 – £nil) held on behalf of the Society by the Society's solicitors in respect of outstanding investment transactions. This consists of £32,000 as shown in note 2 and £13,100 relating to initial deposits of £100 made by prospective members which were not subsequently converted into full "investments" of £1,000. This £13,100 is included within Other creditors in note 7.

6. DEBTORS

	2014	2013
	£	£
Other debtors	2,990	–
	<u>2,990</u>	<u>–</u>

7. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Taxation	28	13
Other creditors	18,648	–
Accruals	–	–
	<u>18,676</u>	<u>13</u>

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2014

8. RESERVES

	2014	2013
	£	£
Balance at 1st April 2013	26,184	25,117
Surplus for the period	<u>2,625,521</u>	<u>1,067</u>
Balance at 30th June 2014	<u><u>2,651,705</u></u>	<u><u>26,184</u></u>

9. CONTROLLING PARTY

In the opinion of the Executive Board there is no controlling party of the Society.

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 30TH JUNE 2014

	Period ended 2014 £	Year ended 2013 £
INCOME		
Membership fees	9,030	6,680
Donations	25,612	11,773
Donations to acquire the share capital of Portsmouth Community Football Club Ltd	2,531,000	-
Income from fundraising events	74,526	-
Merchandise and miscellaneous income	-	509
	<u>2,640,168</u>	<u>18,962</u>
EXPENDITURE		
Donations (including match tickets)	1,555	2,310
Printing, postage and stationery	1,827	1,882
Travelling expenses	394	60
Licences and insurance	252	207
Fundraising event costs	3,515	-
Website expenses	4,000	306
Legal and professional fees	598	12,640
Accountancy fees	-	-
Sundry expenses	845	167
Bank charges and PayPal fees	999	352
	<u>13,985</u>	<u>17,924</u>
Opening stock	720	720
Closing stock	-	(720)
	<u>14,705</u>	<u>17,924</u>
OPERATING SURPLUS	2,625,463	1,038
Other interest receivable	73	36
SURPLUS ON ORDINARY ACTIVITIES	<u>2,625,536</u>	<u>1,074</u>