



30<sup>th</sup> October 2019

# **POMPEY SUPPORTERS' TRUST 10<sup>th</sup> ANNUAL GENERAL MEETING**

## **AGENDA AND MOTIONS**

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**Registered Address**  
Pompey Study Centre  
Anson Road  
Portsmouth  
Hampshire  
PO4 8TB

**Prepared by:** Dr Mark Farwell  
PST Secretary

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*By Order of the Board*

**Dr Mark Farwell**  
PST Secretary

Date: 30<sup>th</sup> October 2019

## **1.0. ORDINARY BUSINESS**

**1.1. APOLOGIES.** Colin Amery, Phil Bishop, Mike Broad, Edna Cahill, Jo Collins, John & Sue Harris, Steve Hatton, Chris Jeffery, Dorothy Jones, Mark Nightingale, Alan Scott, Geary Stephen, Margaret Thoyts, Michael Westbrook & Pam Wilkins.

## **1.2. REPORT BY PST CHAIRMAN SIMON COLEBROOK.**

This year sees the tenth anniversary of the PST's founding, and what a ten years it has been. We were formed out of early meetings in mid-2009 from fans who were concerned about the finances at Pompey after a period of high spending on players. Lifelong fans such as Ken Malley, Tony Foot, Barry & Mark Dewing and Micah Hall were early contributors to the movement to form a Supporters Trust. Joined by others such as Jo Collins, Pam Wilkins and Tony Goodall they drove the initiative forward to the point where the Trust was formally constituted under FCA Regulations with Tony Foot, Barry Dewing, Tony Goodall and Richard Sexton as the signatories.

After initially setting out to be the voice of the fans inside the club it soon became apparent that a much bigger task lay before the Trust. The story has been brilliantly documented in the documentary film "Our Club" which has had its online release this year.

Working in partnership with the Presidents we successfully saved the club, removed the debt and rehabilitated the toxic image that had been attached to it during the collapse. And, finally, when approached by a credible potential new owner, we placed that decision in the hands of the fans - something that never happens.

The achievement of Pompey fans in saving our club was unprecedented and it sadly looks like it may never be repeated.

Events at Bury this year have shown that the powers that run football have still not learnt the lessons from what happened to Pompey when irresponsible owners are allowed to run unchecked. It's a tragic story of serial mismanagement of a local community based football club and ultimately how this has deprived the fans of their club.

The Football Supporters Alliance (FSA), formed from the merger of Supporters Direct and the Football Supporters Federation, has long campaigned for better regulation of football and this campaign has stepped up in intensity now. It's a cause we feel strongly about with our own history and we hope to see a national mobilisation of football fans across the country to put pressure on the EFL and FA to strengthen the regulation of clubs and enforce standards of behaviour on owners.

The current system places the responsibility for deciding on how to regulate club in the hands of the owners themselves. It's not surprising that nothing changes - we are never likely to see owners of clubs vote for better rules on transparency of finances or controls on how they behave or who they can sell their clubs to.

The aim of the FSA campaign is for an independent regulator to be formed that will regulate the behaviour of clubs and bring forward rules on finance and transparency. The events at Bury have mobilised support in Parliament and we hope to see movement in the next few years.

Since last year, the Trust has now completed the process of refunding shareholders of the money received from the sale of the club. This has been a mammoth task, but hugely rewarding. It has been a great source of pride to be able to return the money so generously given to save the club.

Of the £2.75m received from the sale, we have returned £2.36m to shareholders. A fantastic gesture by our shareholders has seen Pompey in the Community receive £75k and Pompey History Society receive £34k. After deducting costs from the sale and the refund scheme the PST has £240k available from the sale of the club for use on a future project - more on that later.

I spoke last year on the Heritage and Advisory Board, the body set up to consult and engage with representatives of the fans. The biggest focus of attention of our representatives over that time has been to see progress on the stadium front. A lot of good work has gone on in catching up on repairs and renovating some areas of the stadium. We've also had sight of some of the plans for major work to Fratton Park.

However, we sense and share the frustration of fans who wish to see a significant step forward being made. The club has spoken about major works to the Milton End being close to the point of announcement. From our perspective, this would be most welcome. The encouragement this information would give to fans about our future development cannot be underestimated.

There has also been some frustration about the extent to which we can report the content of the discussions in the HAB meetings. We will continue to try to get more feedback from the meetings for the members.

Finally, I mentioned earlier the money we have available for a future project. At last year's AGM we presented the idea of funding a community pitch development in partnership with Pompey in the Community.

PITC changes lives. Whether its through their coaching for children and young people, the walking football teams they run for older people or sports for people who are wheelchair bound or who have other disabilities such as cerebral palsy. They also run citizenship training for disadvantaged youths, and help for bereaved people in adjusting to life without their partners. Thousands of people each week use their services and their lives are changed for the better.

We spent a large part of the year in discussion with a potential site that would provide PITC with their own pitches to save them the cost of pitch hire that runs into tens of thousands of pounds each year. Much time was spent conducting negotiations to take over the site and then provide it to PITC for their use. Ultimately though we were unable to come to a complete agreement on a deal.

However, another larger site has been identified and this offers a huge opportunity to make a transformational change to the future of PITC.

We will go into the full detail in the AGM on this opportunity but what I can say is that this will potentially give PITC a site under their ownership with 2 full size pitches with accompanying changing areas and other facilities.

It's going to be a massive project that will need a significant level of fundraising. There are some sources of grant funding that can help but we're going to need to engage in a big campaign to raise the money to get this started and attract the match funding. The PST can chip in with up to £250,000 from its funds and we will aim to go to the full membership soon with a proposal to match public donations up to this amount.

Ten years ago the PST started with the modest ideal to be able to get the club to listen to its fans. Since then we've saved a football club, changed the culture to become more

community focused and returned over £2m to the fans that enabled this to happen. This story is not finished though, and we now have the opportunity to make a massive difference to the community of Portsmouth.

**Simon Colebrook**  
PST Chairman

30<sup>th</sup> October 2019



### **1.3. MINUTES OF THE POMPEY SUPPORTERS' TRUST 9<sup>th</sup> AGM, HELD ON THURSDAY 20<sup>th</sup> SEPTEMBER 2018 IN THE VICTORY BAR AT FRATTON PARK.**

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#### **Present**

PST Elected Board Members - Simon Colebrook (SC), Donald Vass (DV), Barry Harmer, Eric Coleborn, Phil Sandys, Sam Piggott, Steve Hatton (SH)

PST Officers - Jo Collins, Mark Farwell

PST Members - 59 present.

#### **(i) Pre-meeting video presentation**

A short video message from Eric and Michael Eisner was shown. The pair reflected on a successful first season at the club, highlighting advancements in the club shop, kit and recruitment.

#### **(ii) Pre-meeting Q&A with Mark Catlin**

Mark Catlin gave us update from the club. He focused on iFollow developments having just arrived from a meeting with the EFL and explained PFC's opposition to live streaming of 3PM Saturday fixtures. He went on to praise Tornante and Kenny Jackett for the team's strong start to the season. Mark Catlin also took part in a Q&A with fans present, taking questions on player medicals, the Checktrade Trophy and the stadium.

### **1.0. Ordinary Business**

Chairman SC welcomed all to the meeting.

#### **1.1. Apologies**

PST Elected Board Members - Mike Briscoe, Clare Martin, Kate Osterholm, and Ashley Brown.  
PST Members - Phil Bishop, John Harris, Ray Johnson, Michael Parker, Phil Reed, Ian Saunders, Steve Tomlinson, Al Vernal

#### **1.2. Report by PST Chairman**

SC talked through the PST' year, including changes in personnel to the PST board and representatives for the Heritage and Advisory Board (HAB). He discussed how the HAB meetings operate and spoke about his faith in it. He gave thanks to SH and DV for their help with the share withdrawal scheme and went over the figures for its distribution. He explained that PST is currently working with Pompey in the Community (PITC), who do not currently receive any funding from the club. The PST is actively pursuing a community football facility for them and are hopeful that news can be announced on this soon.

#### **1.3. Minutes of the 8<sup>th</sup> PST AGM**

It was proposed by Simon Colebrook and seconded by Eric Coleborn that the minutes of the 8<sup>th</sup> PST AGM, held on Thursday 21<sup>st</sup> September 2017 should be accepted as a true record. (Carried nem con). Chair SC signed the minutes.

#### **1.4. Matters Arising from the 8<sup>th</sup> AGM**

##### **1.4.1. [Motion2.1] - Community Share Withdrawal Scheme**

SC confirms that scheme is in operation and is largely complete.

##### **1.4.2. [Motion2.2] - Move the PST election away from the holiday period**

SC explained that dates were moved forward to coincide with the football season and to ensure that HAB representatives were in place for the season ahead. No positive impact on turnout however, and the PST need to work harder on its publicising strategy.

### 1.4.3. [Motion2.3] - Redefine the PST mission and objectives

New direction was presented to members at an open meeting on the 15<sup>th</sup> February and details were published on the PST website. New PST rules to reflect these changes will be voted on in this AGM.

### 1.5. Treasurer's Annual Report

Treasurer DV presented his PST Treasurer's report and gave a brief overview of the PST's financial year. The PST makes around £500 a month through its normal membership income after typical monthly expenditure, unchanged from last year.

The PST made an overall surplus of £60k this year, owing to legal fees paid by Tornante. DV paid tribute to SC and SH for their work on the share withdrawal scheme, and gave a more detailed breakdown of the figures as to where the money has been redistributed, and explained that the PST is in a very healthy financial position with around £200k available to use on the community football facilities project.

DV thanked Taylorcocks for their auditing services for this year and explained that this was particularly helpful in a year in which more than £2.5m has come into the PST accounts and then back out again.

### 1.6. PST Audited Accounts 2017-2018 & Appointment of Auditors

It was proposed by Donald Vass and seconded by Simon Colebrook that the PST's audited accounts 2017-18 should be approved. (Carried nem con)

It was proposed by Donald Vass and seconded by Simon Colebrook that Taylorcocks should be re-appointed as the PST Auditors. (Carried nem con)

### 1.7. Election Results 2018

PST Secretary MF reported 147 members cast their vote, representing a turnout of 4.1%. The results were as follows:

1. Simon Colebrook	<u>116</u> votes (elected)
2. Kate Osterholm	<u>115</u> votes (elected)
3. Clare Martin	<u>112</u> votes (elected)
<hr/>	
4. David Maples	<u>29</u> votes
5. Sue Till	<u>29</u> votes

MF thanked all the candidates for taking part, the election management group for their help in organising the elections and to Moray McAulay for his assistance as the independent scrutineer.

### 1.8. Membership Report

SC read out the membership report from Membership Secretary SH. As at 31/7/2018 there were 2153 full members and 91 Junior members. SC reported that the PST had seen queues at the 'Pompey Bus' on matchdays and that he was encouraged by the appetite for renewal amongst ex-shareholders.

### 2.0. Special Business

#### Motion 2.1: Amendment of Society Rules

Following the sale of PST Community Shares in Portsmouth Community Football Club to Tornante LLC on Thursday, 3<sup>rd</sup> August 2017 - the amended Society Rules (amended 9<sup>th</sup>

February 2017) are not fit for purpose now that Portsmouth Supporters' Society Limited no longer holds ownership shares in Portsmouth Community Football Club. To that end, the PST Board asks this Ninth AGM to consider and pass the following motion by Special Resolution.

SC explained that this rule change was to remove references to owning the club and insert owning a "community asset". It also amends references to Directors to Heritage and Advisory Board. (Carried nem con)

**2.2. Pam Wilkins tribute**

SC thanked PW for her outstanding contribution to the PST across the last decade following her resignation earlier this year. PW was presented with flowers and a gift.

SC thanked attendees and closed the meeting.

Signed.....

Date .....



#### 1.4. MATTERS ARISING FROM THE NINTH ANNUAL GENERAL MEETING

##### **MOTION 2.1: AMENDMENT OF THE SOCIETY'S MODEL RULES**

“Section 16 of the Co-operative and Community Benefit Societies Act 2014 provides the means by which registered societies may amend their rules for all matters except for change of registered office and name changes. Following the sale of PST Community Shares in Portsmouth Community Football Club to Tornante LLC on Thursday, 3rd August 2017 - the amended Society Rules (amended 9th February 2017) are not fit for purpose now that Portsmouth Supporters' Society Limited no longer holds ownership shares in Portsmouth Community Football Club. To that end, the PST Board asks this Ninth AGM to consider and pass the following motion by Special Resolution:

THAT the Society shall adopt the following Rules which shall be amended or deleted and renumbered accordingly:

1. Delete Rule 2(iii): “The Club means Portsmouth Community Football Club” (p.2).
  2. Amend Rule 4: ‘Society’s Objects’ (p.3).
  3. Amend Rule 6.5: Replace “the Club” with Community Asset (company of Society)” (p.3).
  4. Amend Rule 6.8: Replace “owning or controlling the Club” with Community Asset owned or controlled by the Society” (p.3)
  5. Amend Rule 25a: Replace “Portsmouth Community Football Club” with “a Community Asset” (p.7).
  6. Amend Rule 26.3: Replace “Club” with “Heritage and Advisory” (p.8).
  7. Amend Rule 26.4: Replace “the Club” with “a Community Asset” (p.8).
  8. Delete Amend Rule 28.4: (p.8).
  9. Amend Rule 50.1: Replace “Portsmouth Community Football Club Ltd (or its successors)” with “a Community Asset” (p.12).
  10. Amend Rule 57.3: Replace “Portsmouth Community Football Club Ltd (or its successors)” with “a Community Asset” (p.13).
  11. Amend Rule 101.1: Replace “Portsmouth Community Football Club Ltd (or its successors)” with “a Community Asset (Company or Society)” (p.19).
- And,
12. Amend Rule 105: Replace “Club’s” with “Society’s” (p.20)”

##### **MOTION CARRIED NEM CON**

##### **ACTION (PST BOARD)**


The Ninth PST Annual General Meeting, held at Fratton Park on Thursday, 20<sup>th</sup> September 2018, approved the PST Board motion to amend the Society’s Model Rules following the sale of PST Community Shares in Portsmouth Community Football Club to Tornante LLC on Thursday, 3<sup>rd</sup> August 2017. To that end, the amendments above were made and approved by the Financial Conduct Authority (FCA) of 12 Endeavour Square London E20 1JN FCA on Tuesday, 16 July 2019. (Amended rules attached to the Annual Report 2019).

**Dr Mark Farwell**  
PST Secretary

30<sup>th</sup> October 2019

### 1.5. PST BOARD ELECTION RESULT 2019

**192** members voted as follows on the 9<sup>th</sup> July 2019 (Turnout: 8.87%):

No	CANDIDATE	VOTES	RESULT	POSITION	MARGIN	NEXT
1.	ASHLEY BROWN	<b>168 (87%)</b>	ELECTED	1	<b>27</b>	2
2.	PHIL SANDYS	<b>141 (73%)</b>	ELECTED	2	<b>104</b>	3
3.	DAVID MAPLES	<b>37 (19%)</b>		3	<b>N/A</b>	N/A
	<b>Total Votes Cast:</b>	<b>192</b>				
	<b>Turnout:</b>	<b>8.87%</b>				
<b><u>ELECTION MANAGEMENT GROUP</u></b>						
Moray McAulay (Independent Election Scrutineer)						
Mark Farwell (PST Secretary)						
Steve Hatton (Membership Secretary)						
<b><u>Signed on Behalf of the EMG</u></b>						
 Dr Mark Farwell						

### PST BOARD 2019-2020 (ELECTED MEMBERS & CO-OPTED MEMBERS)



**Ashley Brown**  
(EO UFO)



**Mike Briscoe**  
(Next Generations)



**Eric Coleborn**  
(Events)



**Simon Colebrook**  
(Chairman)



**Barry Harmer**  
(Co-opted-Stadium)



**Samantha Piggott**  
(Inclusion/Diversity)



**Clare Martin**  
(Community)



**Kate Osterholm**



**Phil Sandys**  
(Communications)



**Donald Vass**  
(Treasurer)

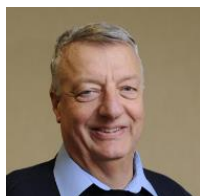
### OFFICERS



**Jo Collins**  
PST Advisor



**Mark Farwell**  
PST Secretary



**Steve Hatton**  
Membership

### Heritage & Advisory Board Representatives 2019-2020:

Ashley Brown, Clare Martin & Phil Sandys.

## 1.6. ANNUAL TREASURER'S REPORT

### Audited financial statements for the year ending 30 June 2019

#### 1. Summary

This year was always likely to see a significant reduction in income, owing to the share withdrawal scheme which began in the previous year and saw a huge number of former shareholders donating a portion of their refunds back to the Trust or paying for long term membership. Although most share withdrawals were processed in the previous financial year, resulting in nearly £55,000 in additional income, the scheme continued to formally run until September this year and so a further £6,600 can be seen in this set of accounts.

The Trust's general operations – chiefly, income from memberships – continues to earn around £6,000 a year after expenditure. This has, to date, been largely unaffected by the reduction in membership following the sale of the club, with the general activities of the Trust netting roughly the same amount for several years in a row.

There were two large, one off expenses this year - a donation of £250 was made from the PST accounts to the Pompey Pals' memorial information board fundraiser and a £2,100 fee was spent on a property survey relating to a forthcoming PST project.

#### 2. Audited financial statements for the year ending 30 June 2019

	2019			2018			
	General Activities	Share Withdrawals	Total for year	General Activities	Share Withdrawals	Takeover Activities	Total for year
	£	£	£	£	£	£	£
<b>Income</b>							
General Income	9,605	6,625	16,230	8,073	54,850		62,923
Compensation for legal fees						58,500	58,500
<b>TOTAL INCOME</b>			<b>16,230</b>				<b>121,423</b>
<b>Expenditure</b>							
General Expenditure	-5,553	-111	-5,664	-3,184	-2,781		-5,965
Takeover Bid Costs						-56,618	-56,618
<b>TOTAL EXPENDITURE</b>			<b>-5,664</b>				<b>-62,583</b>
<b>NET OPERATING SURPLUS</b>				4,889	52,069	1,882	58,840
Interest Receivable	689		689	1,187			1,187
Less tax on interest received	-131		-131	-226			-226
<b>DEFICIT/SURPLUS FOR YEAR</b>	4,610	6,514	<b>11,124</b>	5,850	52,069	1,882	<b>59,801</b>

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#### 3. Funds available for future projects

The PST remains in good financial health and ended the financial year with £186,638 available in cash reserves. In addition to this, we continue to hold £117,000 allocated to uninstructed or retained shares. With only modest outgoings, and a reliable income stream of memberships, we are well-placed moving forward and are in a position where we are able to use the large cash reserves built up over the last few years to help finance a major project.

#### 4. Reappointment of Auditors

Many thanks to Taylor Cocks for once again auditing the PST accounts. I recommend their reappointment as auditors for 2020.

**Donald Vass**  
PST Treasurer

30<sup>th</sup> October 2019



1.7. PST AUDITED ACCOUNTS 2018 - 2019



30<sup>th</sup> October 2019

**PORTSMOUTH SUPPORTERS' SOCIETY LIMITED**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR END**

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**30<sup>th</sup> JUNE 2019**

**Registered Address**  
Pompey Study Centre  
Anson Road  
Portsmouth  
Hampshire  
PO4 8TB

Registered Number: IP030872(England and Wales)

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30TH JUNE 2019**

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3 Acorn Business Centre  
Northarbour Road  
Cosham  
Portsmouth  
PO6 3TH

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2019**

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**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**SOCIETY INFORMATION**

**FOR THE YEAR ENDED 30TH JUNE 2019**

**Society Board**

Eric Coleborn	(Elected 21 September 2017, Term Expires 20 June 2020)
Donald Vass (Treasurer)	(Elected 21 September 2017, Term Expires 20 June 2020)
Sam Piggott	(Elected 21 September 2017, Term Expires 20 June 2020)
Mike Briscoe	(Elected 21 September 2017, Term Expires 20 June 2020)
Simon Colebrook (Chair)	(Elected 01 July 2018, Term Expires 30 June 2021)
Clare Martin (Vice-Chair)	(Elected 01 July 2018, Term Expires 30 June 2021)
Kate Osterholm	(Elected 01 July 2018, Term Expires 30 June 2021)
Ashley Brown	(Elected 01 July 2018, Term Expires 30 June 2021)
Phil Sandys	(Elected 01 July 2018, Term Expires 30 June 2021)
Barry Harmer	(Co-opted 27 November 2017)

**Society Board Officers**

**Secretary** Dr Mark Farwell

**Membership secretary** Steve Hatton

**Registered Office** Pompey Study Centre  
Anson Road  
Portsmouth  
PO4 8TB

**Registered Number** IP030872 (England and Wales)

**Auditors** TC Group  
3 Acorn Business Centre  
Northharbour Road  
Cosham  
Portsmouth  
PO6 3TH

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**REPORT OF THE SOCIETY BOARD**

**FOR THE YEAR ENDED 30TH JUNE 2019**

The board presents its report with the financial statements of the Society for the year ended 30th June 2019.

**Objects of the Society**

The Society's objects are, either itself or through a subsidiary company or society trading for the benefit of the community and acting under its control:

- i. to strengthen the bonds between Portsmouth Football Club and the community which it serves and to represent the interests of the community in the running of the Club;
- ii. to benefit present and future members of the community served by the Club by promoting encouraging and furthering the game of football as a recreational facility, sporting activity and focus for community involvement;
- iii. to further the development of the game of football nationally and internationally and the upholding of its rules;
- iv. to encourage the Club to take proper account of the interests of its supporters and of the community it serves in its decisions;
- v. to encourage and promote the principle of supporter representation on the board of any company owning or controlling the Club and ultimately to be the vehicle for democratic elections to the board;
- vi. to promote, develop and respect the rights of members of the community served by the Club and people dealing with the Society as set out in the Charter of Fundamental Rights of the European Union, having regard in particular to the need to provide information to members and conduct the affairs of the Society in accessible and appropriate ways;
- vii. to build up and develop a positive, proactive relationship with the owners and management of the Club and to promote dialogue between the Club and its supporters on substantial issues including but not limited to stadium development, ticket prices, community relations, diversity and equality issues;
- viii. to work in partnership with supporters, directors, staff, players, Portsmouth City Council, other statutory bodies and other official and independent supporters' associations, publications and organisations in order to further the footballing and financial success of the Club, enhancing the Club's benefit to the community it serves.
- ix. to be a positive, inclusive and broadly representative group, open, accessible and democratically run for all supporters of the Club regardless of their age, disability, sex, orientation, race or religious



**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**REPORT OF THE SOCIETY BOARD *(continued)***

**FOR THE YEAR ENDED 30TH JUNE 2019**

**Society Board**

Details of the Society Board are shown on page 1.

**Responsibilities of the Society Board**

The board are responsible for preparing the Society 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.

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 TC Group as auditor for the ensuing year will be proposed at the annual general meeting.

**Signed On Behalf of the Society Board**



.....  
Board member

Approved by the board on 28/10/19

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

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

**FOR THE YEAR ENDED 30TH JUNE 2019**

**Opinion**

We have audited the financial statements of Portsmouth Supporters Society Limited for the year ended 30th June 2019 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the society's members, as a body, in accordance with section 87 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.

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 30th June 2019 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.

**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 society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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 Society Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Society Board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society'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.

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

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

**FOR THE YEAR ENDED 30TH JUNE 2019**

**Other information**

The Society Board is responsible for the other information. The other information comprises the information included in the annual report<sup>4</sup>, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

**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.

**Responsibilities of the Society Board**

As explained more fully in the Society Board Responsibilities Statement set out on page 2, the Society Board is responsible for the preparation of the financial statements which give a true and fair view and for being satisfied that they give a true and fair view, and for such internal control as it 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 Society Board is responsible for assessing the society'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 Society Board either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

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

**FOR THE YEAR ENDED 30TH JUNE 2019**

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.

**Auditor's responsibilities for the audit of the financial statements**

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 on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors report.



Graham Figgins, FCA

For and on behalf of TC Group  
Statutory Auditor

Office: Portsmouth

Date: 29/10/19

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 30TH JUNE 2019**

	Note	Year ended 30 June 2019 £	Year ended 30 June 2018 £
<b>INCOME</b>	<b>2</b>	<b>16,230</b>	62,923
Administrative expenses		<b>(5,664)</b>	(4,083)
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>10,566</b>	58,840
Interest receivable and similar income		<b>689</b>	1,187
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>11,255</b>	60,027
Less tax on bank interest received		<b>(131)</b>	(226)
<b>SURPLUS/(DEFICIT) FOR THE FINANCIAL PERIOD</b>		<b>11,124</b>	59,801
 <b>ANALYSIS OF SURPLUS/(DEFICIT)</b>			
Surplus/(Deficit) on General Activities		4,610	5,850
Surplus/(Deficit) on Share Withdrawals		6,514	52,069
Surplus/(Deficit) on Takeover Bid		-	1,882
		<b>11,124</b>	59,801

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**BALANCE SHEET**

**AS AT 30TH JUNE 2019**

	Note	2019		2018	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investments			-		-
<b>CURRENT ASSETS</b>					
Cash at bank		311,393		448,612	
Debtors	4	-		-	
		<u>311,393</u>		<u>448,612</u>	
<b>CREDITORS: Amounts falling due within one year</b>	5	<u>7,755</u>		<u>5,098</u>	
<b>NET CURRENT ASSETS</b>			<u>303,638</u>		<u>443,514</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>303,638</u>		<u>443,514</u>
<b>CAPITAL AND RESERVES</b>					
Community share capital	6		117,000		268,000
Reserves	7		186,638		175,514
<b>SHAREHOLDERS FUNDS</b>			<u>303,638</u>		<u>443,514</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 28/10/19, and are signed on their behalf by:



Board member



Board member



Secretary

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2019**

**1. ACCOUNTING POLICIES**

**Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic and Ireland" ("FRS 102"). The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

**Income**

Income includes all amounts received in the period in respect of membership fees, donations (general and PayPal), sale of merchandise and other income. The nature of memberships is such that all benefits of memberships are received upon subscription. As such, all membership subscriptions are recognised as income in the period in which they are received.

**2. INCOME**

The income received by the Society is as follows:

	<b>2019</b>	2018
	<b>£</b>	£
Membership fees and donations	<b>9,605</b>	8,034
Membership fees and donations (community share withdrawal)	<b>6,625</b>	54,850
Other donations and fundraising events	-	39
	<b><u>16,230</u></b>	<u>62,923</u>

Included within the figure of £6,625 as shown above, is an amount of £3,575 representing future membership fees effectively paid in advance as part of the share withdrawal.

**3. TAXATION**

The tax charge on the bank interest received for the period was £131 (2018 - £226).

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2019**

**4. DEBTORS**

	<b>2019</b>	2018
	<b>£</b>	£
Other debtors	-	-
	<u>-</u>	<u>-</u>

**5. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2019</b>	2018
	<b>£</b>	£
Other creditors	<b>7,350</b>	4,825
Accruals	-	-
Taxation	<b>404</b>	273
	<u><b>7,755</b></u>	<u>5,098</u>

**6. COMMUNITY SHARE CAPITAL**

	<b>2019</b>	2018
	<b>£</b>	£
Balance at 1st July 2018/17	<b>268,000</b>	2,750,000
Withdrawal of Community shares to individuals	<b>(151,000)</b>	(2,391,550)
Withdrawal of own Community shares held by Portsmouth Supporters Society	-	(90,450)
Balance at 30th June 2019/18	<u><b>117,000</b></u>	<u>268,000</u>

The Community shares represent funds received by the Trust for the purpose of acquiring and increasing the investment in Portsmouth Community Football Club ("The Club"). Community shareholders do not have any right or entitlement to distributions on the solvent dissolution or winding up of the Trust beyond the payment of outstanding interest and repayment of paid-up share capital.

During the year ended 30th June 2018 the investment in The Club was sold to The Tornante Company. As a result community shareholders were given the option to withdraw their funds. To date, 2,633,000 shares have been withdrawn. 90,450 of these relate to Portsmouth Supporters Society's own investment in community shares. Upon withdrawal this amount was transferred back to general reserves.

**7. RESERVES**

	<b>2019</b>	2018
	<b>£</b>	£
Balance at 1st July 2018/17	<b>175,514</b>	25,263
Surplus/(deficit) for the period	<b>11,124</b>	59,801
Conversion of community shares to general reserve	-	90,450
Balance at 30th June 2019/18	<u><b>186,638</b></u>	<u>175,514</u>



**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2019**

**8. CONTROLLING PARTY**

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

**9. SALE OF THE SOCIETY'S SHARES IN PORTSMOUTH COMMUNITY FOOTBALL CLUB LIMITED**

**Community Share Withdrawal Scheme**

Subsequent to the receipt of the proceeds of the sale during the year ended 30th June 2018, the Society Board invited applications for the withdrawal of funds by Community Shareholders as part of a Community Share Withdrawal Scheme. The proceeds of the sale have been applied as follows:

	<b>Funds available for general use £</b>	<b>Funds allocated to community shares £</b>
Proceeds from sale	91,450	2,658,550
Cost of Community Share Withdrawal Scheme	(2,781)	-
Cost of sale of club	(33,008)	-
Interest received	1,187	-
Bank charges	(350)	-
Refunded to Shareholders	-	(2,364,072)
Donated by Shareholders to Pompey in the Community	-	(75,363)
Donated by Shareholders to Pompey History Society	-	(34,290)
Society Memberships paid in advance	40,400	(40,400)
Donated by Shareholders to the Society	21,075	(21,075)
Shares retained by Shareholders	40,000	(40,000)
Deceased shareholders	4,000	(4,000)
Income/(Expenditure) from Withdrawal Scheme	70,523	(2,579,200)
Funds held at 30th June 2018	161,973	79,350

At 30 June 2018 the funds held and allocated to Community Shares represent the following:

	2019 £
Shares awaiting instruction	73,000
Outstanding refunds to Shareholders	1,800
Outstanding donations to Pompey in the Community	2,440
Outstanding donations to Pompey History Society	2,110
Funds held at 30th June	79,350

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2019**

**10. MEMBERS**

At 30 June 2018 the society had 2,250 members (2018 – 2,413).

**PORTSMOUTH SUPPORTERS SOCIETY LIMITED**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 30TH JUNE 2019**

	Year ended 2019 £	Year ended 2017 £
<b>INCOME</b>		
Membership fees and donations (share withdrawal)	6,625	54,850
Membership fees and donations	9,605	8,034
Income from general fundraising	-	39
	<u>16,230</u>	<u>62,923</u>
<b>EXPENDITURE</b>		
Donations (including match day tickets)	250	-
Printing, postage and stationery	37	176
Travelling expenses	-	191
Licences, insurance and subscriptions	127	100
General fundraising costs	-	315
Website, marketing and advertising	165	247
IT costs	1,274	862
Legal and professional fees	2,595	480
Takeover Bid costs	-	56,618
Compensation for legal costs of takeover	-	(58,500)
Costs of share withdrawal scheme	111	2,781
Sundry	450	-
Bank charges and PayPal fees	655	813
	<u>5,664</u>	<u>4,083</u>
Income from sale of investments	-	2,750,000
Cost of investments disposed	-	(2,750,000)
	<u>-</u>	<u>-</u>
Profit/(Loss) on sale of investments	-	-
	<u>5,664</u>	<u>4,083</u>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>10,566</b>	<b>58,840</b>
Bank interest receivable	689	1,187
<b>SURPLUS/ (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>11,255</b>	<b>60,027</b>
Less tax on bank interest received	131	226
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES</b>	<b>11,124</b>	<b>59,801</b>
<b>ANALYSIS OF SURPLUS/(DEFICIT)</b>		
Surplus/(Deficit) on General Activities	4,610	5,850
Surplus/(Deficit) on Share Withdrawals	6,514	52,069
Surplus/(Deficit) on Takeover Bid	-	1,882
	<u>11,124</u>	<u>59,801</u>

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**1.8. APPROVE PST AUDITED ACCOUNTS 2018-2019 AND APPOINTMENT OF AUDITORS**

**1.8.1. APPROVE AUDITED PST ACCOUNTS (2018-2019)**

Proposed: Simon Colebrook

Seconded: Donald Vass

**1.8.2. APPOINTMENT OF AUDITORS**

To appoint TaylorCocks of 3 Acorn Business Centre, Northharbour Road, Cosham, Portsmouth, PO6 3TH as auditors for the ensuing year and authorise the Society Board to fix their remuneration.

Proposed: Simon Colebrook

Seconded: Donald Vass

## 1.9. PST MEMBERSHIP REPORT

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### Membership Report to the Tenth AGM 30<sup>th</sup> October 2019

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#### 1. Membership @ 31<sup>st</sup> July 2019

**2250** Full Members + 72 Junior members.

**1045** Paid up adult members

**1205** Ex-shareholders

Inc: **260** Lifetime members

**81** Unclaimed shares

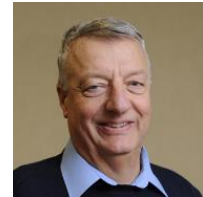
**37** Retained shares (Inc: 2 with no contact details)

**827** Paid memberships

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Steve Hatton  
Membership Secretary

30<sup>th</sup> October 2019



## 2.0. SPECIAL BUSINESS

### 2.1. Motion: 2.1: Board to provide Trust members with reports of the Heritage & Advisory Board meetings.

“This Society notes the provision for the Heritage and Advisory Board provided for within the sale of PST shares in Portsmouth Community Football Club to the Tornante Company LLC (Tornante Terms Sheet Annex C).

This Society further notes that the only provision for confidentiality relates to financial information provided to Board Members.

This AGM instructs the PST Board to ensure that Trust members are provided with reports of the Heritage & Advisory Board meetings to enable Trust members to be aware of the discussions at these meetings and to provide input to PST Representatives on the Board” [112 words]<sup>(1)</sup>

Proposed: David Maples

Seconded: Tim Harris

### 2.2. PST Community Pitch Project. (Simon Colebrook and Clare Martin)

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<sup>(1)</sup> **NB.** A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, vote in his/her stead. A proxy may demand, or join in demanding, a poll. A proxy may not be a company. Please refer to Rules 49 to 56 of the PST Constitution. Members to notify the Secretary of proxy appointments and apologies by 12pm on the 23<sup>rd</sup> October 2019 at [mark.farwell@pompeytrust.com](mailto:mark.farwell@pompeytrust.com)



# APPENDICES

## APPENDIX 1



# Portsmouth Supporters' Society Limited New Model Rules 2019



**Register No: 30872**




**RULES  
OF  
PORTSMOUTH SUPPORTERS' SOCIETY  
LIMITED**

**Registered Under the Industrial  
And Provident Societies Acts 1965-78**

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The development of the original Model Rules for a Supporters Community Mutual was promoted and funded by the Co-operative Party with help and advice from Co-operatives UK, DWF Solicitors and Supporters Direct  and their contribution is hereby gratefully acknowledged.

## RULES

### NAME AND DEFINITIONS

1. The name of the Society is to be Portsmouth Supporters Society Limited and it is called “the Society” in the rest of these Rules; and the surrounding area of Portsmouth, Hampshire and West Sussex is called “the Area”.

### INTERPRETATIONS

2. In these Rules:

“the Act” refers to the Industrial and Provident Societies Act 1965 or any Act or Acts amending or in substitution of it or them for the time being in force;

“Address” means a postal address or, for the purposes of electronic communication, email address or telephone number for receiving text messages;

“The Society Board” or “the Society Board Members” means all those persons appointed to perform the duties of directors of the Society within the meaning of the Act;

“Society Board Meeting” includes, except where inconsistent with any legal obligation a physical meeting, a meeting held by electronic means and a meeting held by telephone;

Society Board Member means a director of the Society and includes any person occupying the position of director, by whatever name called;

“Electronic Means” shall include email, video links and secure authenticated website transactions;

“Member” has the meaning as detailed under ‘Membership’ in these Rules;

“Person” means, unless the context requires otherwise, a natural person, unincorporated body, firm, partnership, corporate body or any representative of an unincorporated body, firm, partnership or corporate body;

“Registrar” means the Financial Conduct Authority or any successor body in function;

“Rules” means the Society’s Rulebook;

“Writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

### 3. COMMUNITY BENEFIT PURPOSE

The business of the Society is to be conducted for the benefit of the community served by the Society and not for the profit of its members.

### OBJECTS

4. The Society’s objects are to benefit the community by;

4.1 Be a leading voice for Pompey fans, lead on club engagement, scrutinise and

- challenge when required;
- 4.2 Work to enhance the social, cultural and economic value and benefit of the Club to its Communities;
- 4.3 Work in partnership with all key stakeholders across the city and the club;
- 4.4 Work with the club to encourage financial responsibility and prudence enabling the Club to be run sustainably;
- 4.5 Be a leading voice on diversity and inclusion;
- 4.6 Be prepared to revisit the concept of mutual ownership, if required.

## POWERS

- 5. The Society may achieve these objects in whole or in part through an interest or interests in companies or societies provided that the objects of the companies or societies are consistent with the Society's Objects.
- 6. In order to achieve its objects the Society may either itself or through a subsidiary company or society acting under its legal control or in which it seeks legal control:
  - 6.1 buy, sell and lease property;
  - 6.2 borrow;
  - 6.3 grant security over its property and assets;
  - 6.4 establish promote and maintain for the purposes of the Society any lawful fund raising scheme;
  - 6.5 promote means to give supporters greater opportunity to invest in the Society or a community asset (company or society);
  - 6.6 promote means to give supporters greater opportunity to donate to the Society;
  - 6.7 indemnify or take out and maintain insurance for the benefit of people who are or were:
    - 6.7.1 members of the Society Board; or
    - 6.7.2 officers; or
    - 6.7.3 employees; or
    - 6.7.4 trustees of a pension fund of the Society or any subsidiary against any liability which they may have as a result of their involvement with the Society or its subsidiaries;
  - 6.8 indemnify or take out and maintain insurance for the benefit of people who are or were elected or nominated by the Society to serve on the board of any company (community asset) owned or controlled by the Society;
  - 6.9 so far as permitted by these Rules take out and maintain insurance against any risks to which the Society may be exposed;

6.10 co-operate with other supporters organisations, co-operatives and societies conducted for the benefit of the community at local, national and international levels; and

6.11 do anything else which is necessary or expedient to achieve its objects.

#### **APPLICATION OF SURPLUS**

7. The profits or surpluses of the Society are not to be distributed either directly or indirectly in any way whatsoever among members of the Society but shall be applied;

7.1 to maintain prudent reserves;

7.2 on expenditure to achieve the Society's objectives; and

7.3 to pay interest on or repaying issued share capital in accordance with the provisions of these Rules.

#### **ASSET LOCK**

8. NOT USED

#### **MEMBERSHIP**

9. The members of the Society are the people whose names are entered in the register of members.

9.1 Membership is open to any individual, unincorporated body, firm, partnership or corporate body who or which:

9.1.1 is a supporter of the Club; or

9.1.2 has an interest in the game of football and is in sympathy with the objects of the Society; and

9.1.3 (if an individual) is 16 years of age or older;

9.2 agrees to respect commercial confidentiality in relation to business decisions of the Society; and

9.3 agrees to be bound by these Rules and by Rules 3 and 7 in particular. The Society Board shall have power to refuse membership to any person who does not in the opinion of the Society Board meet these requirements.

10. Every member holds one ordinary share in the capital of the Society. No member may hold more than one ordinary share in the Society either individually or jointly. Members are able to purchase Community Shares, a different type of share. (see rule 20)

11. The Society Board will decide, and issue a form of application for membership, the first payment to be made at the time of application for membership. The sum of £1 from the first payment shall be applied to purchase an ordinary share in the Society.

12. The Society Board will have the power to offer associate or affiliate status with or without payment or subscription to corporate or unincorporated bodies which support the aims of the Society. The Society may designate a share in the capital of the Society as being held on behalf of any unincorporated organisation The Society Board

shall have the right to offer a class of junior membership with or without payment to minors under the age of 16, but no person under the age of 16 shall be entitled to a share in the Society or be entitled to vote at any general meeting of the Society.

13. No person under the age of 16 may be an officer of the Society.
14. A corporate body or firm or an unincorporated organisation which is a member may by resolution of its governing body appoint any person it thinks fit to be its deputy and revoke such an appointment. A copy of any such resolution signed by two members of the governing body and in the case of a local authority by the authorised officer of the Council shall be sent to the Secretary of the Society. The deputy will be entitled to exercise all rights of membership on behalf of the body including seeking election as an officer and speaking and voting at any general meeting. References in these Rules to a member being present in person include members which are corporate or unincorporated bodies being present through their deputy.

## SHARES

15. The Society has ordinary shares and may have Community Shares in accordance with the provisions set out in Rule 20.
16. The following provisions apply to shares in the Society:
  - 16.1 shares shall be withdrawable only in accordance with the provisions of these Rules;
  - 16.2 shares shall not be transferable except on death or bankruptcy or with the consent of the Society Board;
  - 16.3 application for shares shall be made to the Society Board who shall allot to members, upon their admission, the share or shares for which they have applied provided that the total number of shares allotted to any member shall not exceed the maximum shareholding permitted by these Rules or by law; and
  - 16.4 shares shall be paid for in full on allotment.

## ORDINARY SHARE PROVISIONS

17. The ordinary shares of the Society shall be of the nominal value of £1.00.
18. If a member ceases to be a member, the ordinary share registered in the name of that member is to be cancelled and the amount subscribed for the share is to become the property of the Society.
19. Ordinary shares shall not be withdrawable and do not carry any rights to interest, dividend or bonus.

## COMMUNITYSHARE PROVISIONS

20. In order to fund its business, the Society may issue Community Shares. Community Shares may be issued in such denomination and upon such terms as the Society Board shall decide, subject to the Rules, and in particular the following provisions:

- 20.1 Community Shares shall not be withdrawable except with the consent of the Society Board;
- 20.2 The Society Board may specify a date or dates on which Community Shares may be withdrawn and may make provision for the withdrawal of different issues of shares on different dates;
- 20.3 The Society Board may pay interest to holders of Community Shares as compensation for the use of such funds, but the rate of interest shall be no higher than the Society Board considers to be necessary to attract the funding needed for the business of the Society and shall not in any event be higher than 2% above clearing bank base rate from time to time. The rate may vary within these limits between different issues of shares;
- 20.4 No withdrawal of Community Shares or payment of interest on them shall be made except from trading surpluses and any withdrawal or payment shall be at the discretion of the Society Board having regard to the long term interests of the Society, the need to maintain prudent reserves and the Society's primary commitment to community benefit;
- 20.5 Community Shares may only be issued to members;
- 20.6 On the solvent dissolution or winding up of the Society, holders of Community Shares shall have no financial entitlement beyond payment of outstanding interest and repayment of paid-up share capital.

#### **REMOVAL OF MEMBERS**

- 21. A member shall cease to be a member if they:
  - 21.1 fail after written demand to pay their annual subscription;
  - 21.2 die (in the case of an individual);
  - 21.3 cease to exist (in the case of a body corporate);
  - 21.4 are the nominee of a corporate body or firm or an unincorporated organisation firm which is wound up or dissolved;
  - 21.5 are the nominee of a corporate body or firm or an unincorporated organisation which removes or replaces them as nominee;
  - 21.6 are not the holder of a fully paid up share;
  - 21.7 are expelled under these Rules; or
  - 21.8 withdraw from membership by giving at least one month's written notice to the Secretary.
- 22. A member may be expelled for conduct prejudicial to the Society in accordance with any Disciplinary Policy adopted by the Society (which must have regard to any guidance issued by Supporters Direct).

## ORGANISATION

23. The powers of the Society are to be exercised by the members and the Society Board as set out in the Rules which follow.

## RIGHTS AND POWERS OF MEMBERS

24. The members have the rights and powers available to them under the law relating to Community Benefit Societies and are to decide in particular the issues specifically reserved to them by these Rules.

25. The members may by a resolution carried by not less than two-thirds of the members voting at a general meeting but not otherwise give directions to the Society Board. A member wishing to propose a Members' resolution for consideration at a general meeting shall give notice in writing to the Secretary of such wish, and of the justification for, form and content of the resolution, not later than noon 28 days before that meeting is to be held. The following provisions apply to any directions given:

- 25.1 any direction must:

25.1.1 be consistent with these Rules and with the Society's contractual, statutory and other legal obligations; and

25.1.2 not affect the powers and responsibilities of the Society Board under Rule 26;

- 25.2 Any person who deals with the Society in good faith and is not aware that a direction has been given may deal with the Society on the basis that no decision has been given.

- 25a The members shall each have one vote in any resolution at a general meeting or written resolution, with the exception of any resolution relating to the sale or disposal of the shares held by the Society in a community asset. A vote relating to the sale or disposal of the shares held by the Society in a community asset shall be restricted to members who are the registered holders of one or more Community Shares.

## DUTIES AND POWERS OF SOCIETY BOARD

26. The Society Board is to ensure that the business of the Society is conducted in accordance with these Rules and with the interests of the community and in accordance with the Board Membership and Conduct Policy adopted by the Society (which must have regard to any guidance issued by Supporters Direct). The Society Board:

26.1 may exercise all the Society's powers which are not required by these Rules or by statute to be exercised by the Society in a general meeting;

26.2 may delegate any of its powers to committees consisting of such of its own number (and others provided that Society Board Members remain in the majority on such committees) as it thinks fit who shall, in the function entrusted to them, conform in all respects to the instruction given to them by the Society Board. The following provisions apply to any such delegation:

26.2.1 any delegation may be revoked and its terms may be varied; and

- 26.2.2 the proceedings of any sub-committee shall be governed by the rules regulating the proceedings of the Society Board so far as they are capable of applying.
- 26.3 shall appoint and remove Society representatives on the Heritage and Advisory Board in accordance with the PST Board Membership and Conduct Policy;
- 26.4 shall receive all information from a community asset in confidence and shall respect commercial confidentiality in respect of business decisions by a community asset.

## GENERAL MEETINGS

- 27. The Society shall, within six months of the end of the financial year, hold a general meeting of the members as its annual general meeting and shall specify the meeting as such in the notices calling it. The Society is to ensure that all general meetings are accessible so as to encourage participation in them by members. All general meetings are to be held in accordance with the Society's Standing Orders for General Meetings, which shall be determined by the Society Board of Members and should have regard to any guidance issued by Supporters Direct.
  - 28. The business of an annual general meeting shall normally comprise, where appropriate:
    - 28.1 the receipt of the accounts and balance sheet and of the reports of the Society Board and auditor;
    - 28.2 the appointment of an auditor;
    - 28.3 the results of the election;
    - 28.4 the audit of any other aspect of the performance of the Society;
    - 28.5 the application of any surplus; and
    - 28.6 the transaction of any other business included in the notice convening the meeting.
- The business of any general meeting shall comprise:
- 28.7 consideration of any member's resolution, notice of which has been given to the Secretary in accordance with Rule 27;
  - 28.8 consideration of any resolution proposed by the Society Board; and
  - 28.9 consideration of any other business relating to the affairs of the Society which any member or the Society Board may wish to raise but no resolution may be put to the vote of the meeting under this item.
- 29. All general meetings other than annual general meetings are called special general meetings.
  - 30. The Secretary, at the request of the Society Board may convene a general meeting of the Society. The purpose of the general meeting shall be stated in the application and notice of the meeting.



The Society Board upon an application by not less than 50 members or 5% of the membership, whichever is the greater, delivered to the Society's registered office, shall convene a general meeting. The purpose of the special general meeting shall be stated in the application and notice of the meeting. No business other than that stated in the notice of the meeting shall be conducted at the meeting.

31. A special general meeting called in response to a members' requisition must be held within 28 days of the date on which the requisition is delivered to the registered office. The meeting is not to transact any business other than that set out in the requisition and the notice convening the meeting.
32. If, within one month from the date of the receipt of the application, the Society Board has not convened a special general meeting, the Secretary or any three Members of the Society acting on behalf of the signatories to the application may convene a special general meeting, and shall be reimbursed by the Society for any costs incurred in convening such a meeting.
33. Notice of a general meeting is to be given either:
  - 33.1 in writing; or
  - 33.2 where a member has agreed to receive notice in this way, by such electronic means as the Society Board shall decide at least 14 clear days before the date of the meeting. The notice must:
    - 33.3 be given to all members and to the members of the Society Board and to the auditors;
    - 33.4 state whether the meeting is an annual or special general meeting;
    - 33.5 give a time, date and a place of the meeting; and
    - 33.6 indicate the business to be dealt with at the meeting.
34. Any notice to a member may be given either:
  - 34.1 personally; or
  - 34.2 by sending it by post in a prepaid envelope addressed to the member at their registered address; or
  - 34.3 by leaving at that address; or
  - 34.4 (if a register of e-mail addresses is maintained by the Society and the member has notified the Society of an e-mail address) by e-mail to their registered e-mail address.

Notices or communications sent by first class post to members at their registered address are deemed to have been duly served 48 hours (excluding Sundays) after being posted. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. The proceedings at a general meeting are not invalid if:

- 34.5 there has been an accidental omission to send a notice to a member or members; or
- 34.6 the notice is not received by a member or members.

35. A member present either in person or by proxy at any meeting of the Society shall be deemed to have received notice of the meeting and where requisite, of the purposes for which it was called.
36. Before a general meeting can do business there must be a quorum present. Except where these Rules say otherwise a quorum is 20 members or 5% of the members entitled to vote at the meeting whichever is lower.
37. The Society Board may decide where a general meeting is to be held and may also in the interests of democracy;
  - 37.1 arrange for the annual general meeting to be held in a different part of the Area each year;
  - 37.2 make provision for a general meeting to be held at different venues either simultaneously or at different times. In making such provision the Society Board shall also fix an appropriate quorum for each venue, provided that the aggregate of the quorum requirements shall not be less than the quorum set out in the previous Rule.
38. It is the responsibility of the Society Board, the Chair of the meeting and the Secretary to ensure that at any general meeting:
  - 38.1 the issues to be decided are clearly explained;
  - 38.2 sufficient information is provided to members to enable rational discussion to take place;
  - 38.3 where appropriate, representatives of the Society, experts in relevant fields or representatives of special interest groups are invited to address the meeting.
39. If the chair of a general meeting or the Secretary considers that steps should be taken to ensure:
  - 39.1 the safety of people attending a general meeting; or
  - 39.2 the proper and orderly conduct of the meeting;
  - 39.3 they may take whatever steps are necessary to deal with the situation. They may in particular, if they think it necessary:
    - 39.3.1 require people to prove their identity;
    - 39.3.2 arrange security searches;
    - 39.3.3 stop certain things being taken into the meeting;
    - 39.3.4 refuse to allow members into the meeting or have members removed from the meeting, where the behaviour of those members is or is likely to be violent or disruptive.
40. An auditor appointed in accordance with these Rules they shall be entitled to attend general meetings of the Society and to receive all notices of and communications relating to any general meeting which any member is entitled to receive. The auditor shall be entitled to be heard at any meeting on any part of the business of the meeting which is of proper concern to an auditor.

41. The Chair shall preside at general meetings. If he or she is absent or unwilling to act at the time any meeting proceeds to business then another Society Board Member shall facilitate the meeting. If no other Society Board Member is present or willing to act, the members present shall choose either one of their number or an independent person recommended by the Society Board to be the Chair for that meeting. If a quorum is not present within half an hour of the time the general meeting was due to commence, or if during a meeting a quorum ceases to be present, the Chair must adjourn the meeting for at least 7 days. If within half an hour of the time the adjourned meeting was due to commence a quorum is not present, the members present shall constitute a quorum.
42. The Chair of a general meeting may adjourn the meeting whilst a quorum is present if:
  - 42.1 The meeting consents to that adjournment; or
  - 42.2 It appears to the Chair that an adjournment is necessary to protect the safety of any persons attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.
43. When adjourning a meeting the Chair must specify the date, time and place to which it will stand adjourned or that the meeting is to continue at a date, time and place to be fixed by the Society Board.
44. If the meeting is adjourned for 14 days or more, at least 7 clear days' notice of the adjourned meeting shall be given in the same manner as the notice of the original meeting.
45. No business shall be transacted at an adjourned meeting other than business which could properly have been transacted at the meeting if the adjournment had not taken place.
46. Every member present in person or by proxy shall have one vote on any question to be decided in general meeting.
47. A resolution put to the vote at a general meeting shall be decided on a show of hands unless a paper poll is demanded in accordance with these Rules. Unless a paper poll is demanded, a declaration by the Chair that a resolution has on a show of hands been carried or lost recorded in the minutes of the proceedings of the general meeting shall be conclusive evidence of the fact without proof of the number or proportions of the votes recorded in favour or against such resolution.
48. In the case of equality of votes whether on a show of hands or a poll, the Chair shall not have a second or casting vote and the resolution shall be deemed to have been lost.

## RESOLUTIONS

49. Decisions at general meetings shall be made by passing resolutions:
  - 49.1 The following decisions must be made by extraordinary resolution:
    - 49.1.1 Any amendment to the Society's Rules;
    - 49.1.2 The decision to wind up the Society.

- 49.2 All other decisions shall be made by ordinary resolution.
50. An extraordinary resolution is one passed by a majority of not less than 75% of votes cast at a general meeting and an ordinary resolution is one passed by a simple majority (50%+1) of votes cast.
- 50.1 Only registered holders of one or more Community Shares may vote on a resolution relating to the sale or disposal of the shares held by the Society in a community asset.
51. Resolutions may be passed at general meetings or by written resolution or a combination of both. A written resolution may consist of several identical documents signed by one or more Members or as a result of an electronic poll.
52. A proxy may be appointed and the appointment may instruct the proxy to vote in a particular way or as he or she thinks fit. A proxy is to be appointed as follows:
- 52.1 in writing;
- 52.2 in any usual form or any other form which the Society Board may approve;
- 52.3 under the hand of the appointor or of their attorney duly authorised in writing; and
- 52.4 by depositing the appointment document at the registered office of the Society or at such other place within the United Kingdom as the Society shall specify not less than two clear days before the day fixed for the meeting at which the proxy is authorised to vote. Where the appointment document is exercised by an attorney on behalf of the appointor, the authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Society Board is to be lodged with the appointment document.
53. If this procedure is not followed the appointment of the proxy will be invalid.
54. The following further rules apply to proxies:
- 54.1 No person other than the Chair of the meeting or the Secretary can act as proxy for more than 3 members;
- 54.2 Any question as to the validity of a proxy is to be determined by the Chair of the meeting whose decision is to be final;
- 54.3 A proxy need not be a member of the Society.
55. A vote given or poll demanded by proxy or by the duly authorised deputy of a corporate or unincorporated body, shall be valid unless notice of termination of the authority is received by the Society at the registered office or at any other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded.
56. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered. Any objection made in due time about any vote whether tendered personally or by proxy is to be determined by the Chair of the meeting, whose decision is to be final. Every vote not disallowed at the meeting will be valid.

## POSTAL BALLOTS

57. Where:

- 57.1 the Society Board considers that a significant issue has arisen which should be determined by the members of the Society the issue shall be determined by a postal ballot of the members of the Society conducted in accordance with such procedure as the Society Board shall determine subject to the following principles:
  - 57.1.1 notice of the ballot shall be given to each member of the Society in the same way as notice of a meeting is to be given;
  - 57.1.2 the notice must set out clearly the issue to be decided;
  - 57.1.3 sufficient information must be provided to members to enable an informed decision to be made; and
  - 57.1.4 the date by which the voting papers are to be returned must be clearly stated.
- 57.2 In any case where a postal ballot is appropriate the Board may make such a provision as it thinks fit to permit notice of the ballot to be given and voting to be conducted by electronic means.
- 57.3 Only registered holders of one or more Community Shares may vote in a postal ballot relating to the sale or disposal of the shares held by the Society in a community asset.

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## CONSTITUTION OF THE SOCIETY BOARD

- 58. The Society shall have a Board of Society Board Members comprising not less than 6 and not more than 12 persons.
- 59. Only Members of the Society who are aged 16 years or more may serve on the Society Board.
- 60. Elected Society Board Members shall be elected only in accordance with the Election Policy adopted by the Society from time to time.
- 61. Society Board Members will normally serve for periods of three years in accordance with the Board Membership and Conduct Policy.
- 62. A retiring Society Board member shall be eligible for re-election.
- 63. At each annual general meeting one third of the Society Board members of the first elected by the members (to be chosen by lot) will resign from office. Thereafter, the one third of the elected Society Board Members who have served the longest at the date of the annual general meeting will resign. If at any time the number of elected directors is not divisible by three, the Society Board shall decide the number of elected Society Board Members to resign in accordance with this rule, which shall be approximately one third of the total number.
- 64. New Society Board Members shall be elected in accordance with the Society's Election Policy including by authenticated electronic means and postal ballot. The

Society's Election Policy shall have regard to any guidance issued by Supporters Direct.

65. The Society Board may at any time co-opt any Member of the Society or the representative of an organisation which is a Member to fill a casual vacancy in the Board of Directors, provided that at no time shall more than one-third of the members of the Society Board be co-opted members. A casual vacancy shall be deemed to exist if the number of Directors should drop below the minimum prescribed in these Rules or below the number elected at the preceding Annual General Meeting.
66. The Society Board may co-opt non-members and members to the Society Board in addition to the number of elected Society Board Members specified in these Rules provided that at all times the total number of non-members and members co-opted under Rule 68 shall be in the minority. A Society Board Member co-opted in accordance with this Rule shall serve for a fixed period determined by the Society Board at the time of co-option, subject to a review at least every twelve months, may be removed from office at any time by a resolution passed by a majority of the members of the Society Board, and may be remunerated in an amount (to be disclosed in the published accounts) from time to time, as fixed by the Society Board. Co-opted Society Board Members shall be selected by virtue of their specialist skills and experience considered to be of benefit to the Society.
67. In the event that the size of the Society Board should drop below the minimum number of members prescribed in these Rules, the Directors may act to increase their number or to call a General Meeting of the Society, but for no other purpose.
68. The Society Board shall ensure that the business of the Society is conducted in accordance with these Rules and with the interests of the community and in accordance with any bye-laws, policies or procedures adopted by the Society.

#### **SOCIETY BOARD MEETINGS**

69. Any two Society Board Members may, and the Secretary on the requisition of a Society Board Member shall, call a meeting of the Society Board by giving reasonable notice of the meeting to all Society Board Members. Notice of any meeting of the Society Board must indicate the date, time and place of the meeting and, if the Society Board Members participating in the meeting will not be in the same place, how they will communicate with each other.
70. The Society Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. All Society Board meetings are to be held in accordance with the Society's Standing Orders for Board Meetings, which shall be determined by the Society Board and shall have regard to any guidance issued by Supporters Direct.
71. A Society Board Member is able to exercise the right to speak at a meeting of the Society Board and is deemed to be in attendance when that person is in a position to communicate to all those attending the meeting. The Society Board Members may make whatever arrangements they consider appropriate to enable those attending a meeting of the Society Board to exercise their rights to speak or vote at it including by electronic means. In determining attendance at a meeting of the Board of Directors, it is immaterial whether any two or more Society Board Members attending are in the same place as each other.

72. Questions arising at any meetings shall be decided by a majority of votes cast. For the avoidance of doubt, abstentions are not to be classed as votes cast. In the case of an equality of votes the Chair shall have a casting vote.
73. A written resolution, circulated to all Society Board Members and signed by a simple majority of Society Board Members, shall be valid and effective as if it had been passed at a Society Board meeting duly convened and held. A written resolution may consist of several identical documents signed by one or more Society Board Members.
74. The Society Board may, at its discretion, invite other persons to attend its meetings with or without speaking rights and without voting rights. Such attendees will not count toward the quorum.

#### **QUORUM**

75. The quorum necessary for the transaction of business at a meeting of the Society Board shall be 50% of the Directors or 4 Elected Directors, whichever is the greater, or such greater number as the Society Board shall determine from time to time.
76. If at any time the total number of Society Board Members in office is less than the quorum required, the Society Board must not take any decisions other than to appoint further Society Board Members or to call a general meeting so as to enable the Members to appoint further Directors.

#### **CHAIR**

77. The Chair shall facilitate meetings of the Society Board. If he or she is absent or unwilling to act at the time any meeting proceeds to business then the Society Board Members present shall choose one of their number to be the Chair for that meeting. The appointment of a Chair shall be the first item of business at the meeting.

#### **DECLARATION OF INTEREST**

78. A Society Board Member shall declare an interest in any contract or matter in which s/he has a personal, material or financial interest in accordance with the Society's Board Membership and Conduct Policy.

#### **EXPENSES**

79. The Society may pay any reasonable expenses in accordance with the Society's Board Membership and Conduct Policy.

#### **TERMINATION OF A DIRECTOR'S APPOINTMENT**

80. A person ceases to be a Society Board Member as soon as one of the matters listed in the Board Membership and Conduct Policy as bringing membership of the Society Board to an end applies.

#### **OFFICERS**

81. The Society Board shall elect from among their own number a Chair, treasurer and such other Officers as they may from time to time decide in accordance with the Society's Board Membership and Conduct Policy. These Officers shall have such duties and rights as may be bestowed on them by the Society Board or by statute and any officer appointed may be removed by the Society Board.

## SECRETARY

82. The Society Board shall appoint a Secretary of the Society for such term at such remuneration and upon such conditions as they think fit. Any Secretary so appointed may be removed by them. A provision of the Act or these Rules requiring or authorising a thing to be done by or to a Society Board member and the Secretary shall not be satisfied by its being done by or to the same person acting in both capacities.

## COMMITTEES OF THE SOCIETY BOARD

83. The Society Board may delegate any of its powers to committees.
84. The Society Board will:
- 84.1 decide the membership of each committee;
  - 84.2 appoint the Chair of each committee;
  - 84.3 lay down the procedure to be adopted by each committee (including the quorum); and
  - 84.4 produce a written record of the scope and authority of each committee.

## FINANCIAL AUDIT

85. The Society Board shall in respect of each year of account ending of 30<sup>th</sup> June:
- 85.1 cause to be prepared a revenue account or revenue accounts which:
    - 85.1.1 deal with the affairs of the Society and any subsidiary company or society as a whole for that year; and
    - 85.1.2 give a true and fair view of the income and expenditure of the Society and any subsidiary society or company for that year;
  - 85.2 cause to be prepared a balance sheet giving at that date a true and fair view of the state of the affairs of the Society and any subsidiary company or society.
86. The Society Board is to lay a revenue account and balance sheet duly audited and signed by the auditor and incorporating the report of the auditor thereon before each annual general meeting, accompanied by a report by the Society Board on the position of the affairs of the Society, as the case may be. Every revenue account and balance sheet published is to be signed by the Secretary and by two Society Board Members acting on behalf of the Society Board.
87. The Society Board is not to cause to be published any balance sheet unless it has previously been audited by the auditor and it incorporates a report by the auditor that it gives a true and fair view of the income and expenditure, or the state of affairs of the Society, as the case may be. Every revenue account and balance sheet published by is to be signed by the Secretary and by two Society Board members acting on behalf of the Society Board.
88. A qualified auditor must be appointed to audit the Society's account and balance sheet for each financial year. In this Rule "qualified auditor" means a person who is



a qualified auditor under Section 7 of the Friendly and Industrial and Provident Societies Act 1968 and Section 25 of the Companies Act 1989.

89. The auditor shall, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968, make a report to the Society on the accounts examined by the and on the revenue account or accounts and the balance sheet of the Society for the year in question.

90. None of the following people can be appointed as auditor for the Society:

90.1 an officer or servant of the Society; or

90.2 a person who is a partner or close relative of or in employment or who employs an officer or servant of the Society.

91. Save as provided in this Rule any appointment of an auditor is to be made by resolution of a general meeting of the Society.

The Society Board may appoint an auditor to fill any casual vacancy occurring between general meetings of the Society.

92. An auditor appointed to audit the accounts and balance sheet of the Society for the preceding year of account (whether by a general meeting or by the Society Board) is to be re-appointed as auditor of the Society for the current year of account (whether or not any resolution re-appointing them has been passed) unless:

92.1 a resolution has been passed at a general meeting of the appointing somebody instead of them or providing expressly that they are not to be re-appointed; or

92.2 they have given to the Society notice in writing of their unwillingness to be re-appointed; or

92.3 they are not permitted by these Rules to the auditor; or

92.4 they have ceased to be an auditor of the Society by reason of incapacity; or

92.5 proper notice of an intended resolution to appoint another person in their place has been given but the resolution cannot be preceded with because of the health or incapacity of that other person.

93. A resolution at a general meeting of the Society:

93.1 appointing another person as auditor in place of a retiring auditor; or

93.2 providing expressly that a retiring auditor is not to be re-appointed will not be effective unless notice of the intention to move it has been given to the Society not less than twenty-eight days before the meeting at which it is to be moved.

If such notice is given the following procedure will be adopted:

93.3 the Society will send a copy of the notice to the retiring auditor;

93.4 if it is practicable to do so the Society will give notice of the intended resolution to the members with notice of the meeting;

- 93.5 if that is not practicable, the Society will publish details of the notice by advertisement not less than seven days before the meeting in a newspaper circulating in the area in which the Society conducts its business; and
- 93.6 if the retiring auditor makes any representations in writing to the Society in response to the notice or notifies the Society that they intend to make such representations, the Society will notify the members as required by Section 6 of the Friendly and Industrial and Provident Societies Act 1968.

#### **PERFORMANCE AUDIT**

94. A general meeting of the Society may require the Society Board to appoint appropriate people to act as auditors by the achievement of the Society of its objects or any aspect of the Society's performance of its obligations under these Rules.

#### **ANNUAL RETURNS**

95. The Society will make an annual return to the Registrar as required by the Act.
96. The Society will supply a copy of the last annual return with all supporting documents to any member on request and without charge.

#### **AMENDMENT TO RULES**

97. Unless these Rules say otherwise any Rule may be altered or rescinded, or any new rule may be made, by extraordinary resolution. No change to these Rules shall be valid until registered.
98. In the case of this Rule, Rule 3 and Rule 7 the quorum at any general meeting called to consider a resolution to amend shall be not less than one quarter of the members entitled to vote at the meeting when the meeting is called.

#### **CHANGES TO THE CONSTITUTION**

99. The Act provides that the Society may by special resolution as defined in the Act:
- 99.1 amalgamate with another society or a company registered under the Companies Acts;
- 99.2 transfer its engagements to another society or a company registered under the Companies Acts;
- 99.3 convert itself into a company registered under the Companies Acts.

The quorum at any general meeting called to consider such a resolution shall be 50% of the members entitled to attend and vote at the meeting unless the resolution proposes an amalgamation with or transfer of engagements to another industrial and provident society trading for the benefit of the community and having provisions in its rules substantially identical to Rule 3, 4, Rule 7 and this Rule.

#### **INVESTMENT AND BORROWING**

100. The funds of the Society, may to the extent permitted by the law for the time being in force and with the authority of the Society Board, be invested:
- 100.1 in the shares of any company or society;

100.2 in any manner expressly authorised by the Act;

but are not to be invested otherwise.

101. The Society may borrow money on such terms as the Society Board shall authorise save that any borrowing that would require a significant proportion of the Society's turnover to be apportioned to repaying such borrowing, or that would use the assets of the Society (and/or any subsidiaries) as security for such borrowing, shall require the approval of the Society in general meeting.

101.1 Only registered holders of one or more Community Shares may vote to approve any borrowing that would use the shares held by the Society in a community asset (company or Society) as security for such borrowing.

102. A duly appointed receiver or manager of the whole or part of the Society's property may assume such powers of the Society Board as he or she considers necessary to carry out his or her duties under the instrument of appointment.

## DISSOLUTION

103. The Society may be dissolved by the consent of three-quarters of the members who sign an instrument of dissolution in the form provided by the Registrar or by winding-up in the manner provided by the Act.

104. If on the winding-up or dissolution of the Society there remains, after the satisfaction of all its debts and liabilities any property whatsoever the same is to be transferred to:

104.1 a sporting charity or sporting charities operating in the Area and/or;

104.2 one or more societies established for the benefit of the community operating in the Area; and/or

104.3 one or more societies established for the benefit of the community in each case as determined by the members at a meeting called to decide the issue. Nothing belonging to the Society shall be transferred to any other society unless that Society has in its rules a rule substantially in the terms of this Rule.

## INDEMNITY

105. Subject to the following rule, any current or former Society Board Member may be indemnified out of the Society's assets against:

105.1 Any liability incurred by that Society Board Member in connection with any negligence, default, breach of duty or breach of trust in relation to the Society;

105.2 Any liability incurred by that Director in connection with the activities of the Society in its capacity as a trustee of an occupational pension scheme;

105.3 Any other liability incurred by that Director as an officer of the Society.

106. The above rule does not authorise any indemnity which would be prohibited or rendered void by any provision of law.

107. The Society Board may decide to purchase and maintain insurance, at the expense of the Society, for the benefit of any Society Board Member or former Board Member of the Society in respect of any loss or liability which has been or may be incurred by such a Director in connection with their duties or powers in relation to the Society.

#### MISCELLANEOUS ADMINISTRATIVE PROVISIONS

108. The Society Board may make or adopt bye-laws, policies or procedures for the conduct of the Society's business and may where it considers it to be necessary or appropriate arrange for them to be ratified by members in general meeting. Details of all bye-laws, policies and procedures in force shall be made available to members.
109. Anything done in good faith by any meeting of the Society Board shall be valid, notwithstanding that it is afterwards discovered that there was any defect in the appointment of any Board member or Board Members or that any one or more of them were disqualified and shall be as valid as if every Board Member has been duly appointed and was duly qualified to serve.
110. The Society will not be entitled to rely against other persons on any amendment to its Rules if the amendment had not been registered at the material time and the fact that the amendment had not been registered is not shown by the Society to have been known at that time to the person concerned.
111. The Society shall ensure that minutes are kept of all:
- 111.1 Proceedings at meetings of the Society; and
  - 111.2 Proceedings at meetings of the Board of Directors and its sub-committees which include names of the Society Board Members present, decisions made and the reasons for those decisions;
  - 111.3 Minutes of meetings will be read at the next meeting and signed by the Chair of that meeting. The signed minutes will be conclusive evidence of the events of the meeting.
112. The Society's registered office is Anson Road, Portsmouth. PO4 8TB. The Society will keep at the registered office:
- 112.1 a register in which the Secretary is to enter the following particulars:
    - 112.1.1 the name and addresses of the members;
    - 112.1.2 details of the share held by each member and the amount paid or agreed to be considered as paid for that share;
    - 112.1.3 a statement of other property in the Society whether in loans or loan stock held by each member;
    - 112.1.4 the date at which each person was entered in the register as a member and the date at which any person ceased to be a member;
    - 112.1.5 details of any deputy appointed by any corporate member;
    - 112.1.6 the names and addresses of the members of the Society Board with the offices held by them and the dates on which they assumed office.

- 112.2 a duplicate register in which the Secretary is to enter all the particulars in the original register of members other than those referred to in Rules 112.1.2 and 112.1.3;
- 112.3 a register of the holders of loan stock in which the Secretary is to enter such particulars as the Society Board direct and register all transfers of loan stock;
- 112.4 a register in which the Secretary is to enter such particulars of all mortgages and charges on land of the Society as the Society Board directs.
113. Subject to the provisions of the Data Protection Act the registers to be maintained by the Society and may be kept in electronic form. The Society must have regard to any guidance issued by Supporters Direct in relation to the maintenance of records.
114. The inclusion or omission of the name of any person from the original register of members shall, in the absence of evidence to the contrary, be conclusive evidence that such person is or is not a member of the Society.
115. The Society is to keep proper books of account with respect to its transactions and to its assets and liabilities in accordance with Sections 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968.
116. Members are entitled to inspect:
- 116.1 their own account;
- 116.2 the duplicate register.  
at the registered office at any reasonable time.
117. The Secretary is to deliver a copy of these Rules to every person on demand on payment of an amount fixed by Society Board subject to the statutory maximum.
118. No change in the address of the registered office is valid until registered by the Registrar. The Secretary shall notify the Registrar in the form prescribed.
119. The registered name of the Society is to be engraved in legible characters on its seal if it has one.
120. The registered name of the Society is to be displayed in a prominent place at the registered office and every other office or place in which the business of the Society is carried out. The registered name of the Society is also to be mentioned in all legible characters in all:
- 120.1 business letters, notices, advertisements and other official publications;
- 120.2 bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the Society;
- 120.3 bills, invoices, receipts and letters of credit of the Society.
121. For the avoidance of doubt the Society shall not engage in any activity by virtue of any of these rules that would require a permission from the Financial Conduct Authority (or any constituted body that succeeds its function) to carry on that regulated activity without first having applied for and obtained such permission.

## DISPUTES

122. Every unresolved dispute which arises out of these Rules between the Society and:
- 122.1 a member; or
  - 122.2 any person aggrieved who has ceased to be a member within the six months prior to the date of the dispute; or
  - 122.3 any person claiming through such member or person aggrieved; or
  - 122.4 any person bringing a claim under the Rules of the Society; or
  - 122.5 an officer of the Society.
- is to be submitted to an arbitrator agreed by the parties or nominated by the Chief Executive (or equivalent) of Supporters Direct. The arbitrator's decision will be binding and conclusive on all parties.
123. Any person bringing a dispute must deposit with Society the sum of £500 or such other reasonable sum as the Society Board shall decide. The arbitrator will decide how the costs of the arbitration will be paid and what should be done with the deposit.

SIGNATURES OF MEMBERS	FULL NAMES	DATE
.....	MR SIMON COLEBROOK (CHAIRMAN)	20.09.18
.....	MRS CLARE MARTIN (VICE-CHAIR)	20.09.18
.....	MR PHIL SANDYS (COMMUNICATIONS)	20.09.18
SIGNATURE OF SECRETARY	FULL NAME	DATE
.....	DR MARK FARWELL	20.09.18