

Registered Number: IP030872

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2016



3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
PO6 3TH

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2016

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PORTSMOUTH SUPPORTERS SOCIETY LIMITED

SOCIETY INFORMATION

FOR THE YEAR ENDED 30TH JUNE 2016

Society Board	Olly Birch	(Resigned 14th July 2015)
	Ashley Brown	(Chairman from 12th October 2015)
	Eric Coleborn	(Co-opted 12th October 2015)
	Simon Colebrook	(Elected 7th October 2015, Treasurer from 12th October 2015)
	Thomas Dearie	(Acting Chairman until 12th October 2015, resigned 24th November 2015)
	Johnny Ertl	(Elected 7th October 2015)
	Daniel Fearnley	(Resigned 14th July 2015)
	John Kimbell	
	Clare Martin	(Elected 7th October 2015)
	Scott McLachlan	(Elected 7th October 2015)
	Geoffrey Paul	(Treasurer to 24th September 2015, resigned 24th September 2015)
	Bradley Saunders	(Co-opted 29th February 2016)
	Michael Saunders	
	Mark Trapani	
	Pamela Wilkins	(Vice Chairman from 12th October 2015)

Society Board Officers

Secretary Dr Mark Farwell

**Assistant secretary/
Legal advisor** Jo Collins

Membership secretary Steve Hatton

Registered Office Fratton Park
Frogmore Road
Southsea
PO4 8RA

Registered Number IP030872 (England and Wales)

Auditors Taylorcocks Chartered Accountants
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 2016

The board presents its report with the financial statements of the Society for the year ended 30th June 2016.

Principal Activity

The principal activity of the Society in the year under review was the involvement in running Portsmouth Football Club ("the Club") as a community owned football club. The Club is now owned by Portsmouth Community Football Club Limited, a Company limited by shares, registered number 07940335, set up originally by the Society, which is governed by a Shareholders Agreement dated the 19th April 2013. Under this agreement the Society appoints three directors to the Company's Board. Three other individual shareholders of the Company, who share the same ideals as the Society, are also directors of the Board. During the year under review the Society purchased shares in the Company to the value of £94,000 and held a shareholding of 48.5% as at 30th June 2016.

Society Board

Details of the Society Board are shown on page 1.

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

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.

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

REPORT OF THE SOCIETY BOARD *(continued)*

FOR THE YEAR ENDED 30TH JUNE 2016

In so far as the board are aware:

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

Auditors

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

Signed On Behalf of the Society Board

.....
Board member

Approved by the board on

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

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

FOR THE YEAR ENDED 30TH JUNE 2016

We have audited the financial statements of Portsmouth Supporters Society Limited for the year ended 30th June 2016 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of society board and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 30th June 2016 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and with the Co-operative and Community Benefit Societies Act 2014.

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

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

FOR THE YEAR ENDED 30TH JUNE 2016

Matters on which we are required to report by exception

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

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



Statutory Auditor

Office: Portsmouth

Date.....

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 2016

		Year ended 30 June 2016 £	Year ended 30 June 2015 £
INCOME	2	28,723	169,676
Administrative expenses		23,740	22,625
OPERATING SURPLUS		4,983	147,051
Interest receivable and similar income		17	81
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		5,000	147,132
Less tax on bank interest received		3	16
SURPLUS FOR THE FINANCIAL PERIOD		4,997	147,116

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

BALANCE SHEET

AS AT 30TH JUNE 2016

	Note	2016		2015	
		£	£	£	£
FIXED ASSETS					
Investments	4		2,750,000		2,656,000
CURRENT ASSETS					
Cash at bank	5	53,465		142,865	
Debtors	6	400		-	
			<u>53,865</u>	<u>142,865</u>	
CREDITORS: Amounts falling due within one year					
	7		<u>47</u>	<u>44</u>	
NET CURRENT ASSETS			53,818		142,821
TOTAL ASSETS LESS CURRENT LIABILITIES			2,803,818		2,798,821
 CAPITAL AND RESERVES					
Community share capital	8		2,750,000		2,696,000
Reserves	9		53,818		102,821
SHAREHOLDERS FUNDS			2,803,818		2,798,821

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, 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 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2015).

Consolidation

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

Income

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

2. INCOME

The income received by the Society is as follows:

	2016	2015
	£	£
Membership fees	9,409	9,122
Donations to acquire shares in Portsmouth Football Club Limited	-	144,900
Other donations and fundraising events	19,314	15,654
	<u>28,723</u>	<u>169,676</u>

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

The figure of £144,900 includes £40,000 of donations made which are held by the Society's solicitors but which had not yet been converted into shares in the Company as at 30th June 2015.

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2016

3. TAXATION

The tax charge on the bank interest received for the period was £3 (2015 - £16).

4. FIXED ASSET INVESTMENTS

Investments in Portsmouth Community Football Club Limited

	£
COST	
At 1st July 2015	2,656,000
Additions	94,000
At 30th June 2016	<u>2,750,000</u>
NET BOOK VALUE	
At 30th June 2016	<u>2,750,000</u>
At 31st June 2015	<u>2,656,000</u>

The investment represents 48.5% of the issued share capital of Portsmouth Community Football Club Limited, a company incorporated in England which operates as a professional football club.

As at 30th June 2015 Portsmouth Community Football Club Limited had net assets of £4,896,171 (2014 - £4,456,053) and incurred profit in the year to 30th June 2015 of £2,118 (2014 – loss of £171,286).

5. CASH AT BANK

The cash at bank figures includes a balance of £nil (2015 – £40,890) held on behalf of the Society by the Society's solicitors in respect of outstanding investment transactions.

6. DEBTORS

	2016	2015
	£	£
Other debtors	400	-
	<u>400</u>	<u>-</u>

7. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Taxation	47	44
	<u>47</u>	<u>44</u>

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2016

8. COMMUNITY SHARE CAPITAL

	2016	2015
	£	£
Balance at 1st July 2015	2,696,000	2,531,000
Issue of £1,000 Community shares	54,000	165,000
Balance at 30th June 2016	<u>2,750,000</u>	<u>2,696,000</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.

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

9. RESERVES

	2016	2015
	£	£
Balance at 1st July 2015	102,821	120,705
Surplus for the period	4,997	147,116
Issue of £1,000 Community shares	(54,000)	(165,000)
Balance at 30th June 2016	<u>53,818</u>	<u>102,821</u>

10. CONTROLLING PARTY

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

PORTSMOUTH SUPPORTERS SOCIETY LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 2016

	Year ended 2016 £	Year ended 2015 £
INCOME		
Membership fees and donations	9,409	9,122
Sponsorships	-	5,000
Donations to acquire the share capital of Portsmouth Community Football Club Ltd	-	144,900
Income from general fundraising	494	3,319
Income from York2Pompey fundraising	18,821	7,335
	<u>28,723</u>	<u>169,676</u>
EXPENDITURE		
Donations (including match tickets)	110	12,067
Printing, postage and stationery	221	1,654
Travelling expenses	123	479
Licences, insurance and subscriptions	100	152
General fundraising costs	350	952
Website, marketing and advertising	1,502	702
IT costs	324	-
Legal and professional fees	460	-
12th Man legal fees	-	2,200
Accountancy fees	-	-
Administration on return pledges	-	262
Refund of over payments	300	-
Sundry expenses	17	48
York2Pompey fundraising costs	-	2,645
York2Pompey Donations	19,750	1,000
Bank charges and PayPal fees	483	464
	<u>23,740</u>	<u>22,625</u>
	<u>23,740</u>	<u>22,625</u>
OPERATING SURPLUS	4,983	147,051
Other interest receivable	17	81
SURPLUS ON ORDINARY ACTIVITIES	5,000	147,132