

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Financial Statements

31 May 2018

STEPHEN J BRIGHT

Chartered Accountant & Statutory Auditor
10 High Croft
Exeter
EX4 4JQ

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Financial Statements

Year ended 31 May 2018

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EXETER CITY AFC SUPPORTERS SOCIETY LIMITED
("THE TRUST")
The Report of the Trust Board
Year ended 31 May 2018

The Trust Board has pleasure in presenting its report and the financial statements of the Trust for the year ended 31 May 2018.

Status

The Trust is registered as a Co-operative and Community Benefit Society. It was incorporated on 21 January 2002 and took over the activities of the previously unincorporated Supporters Trust on that date.

Principal Activity and Objectives

The aims of the Trust on incorporation were to strengthen the bonds between Exeter City Football Club and the community which it serves, to represent the interests of the community in the running of the Club in all aspects of the game and to provide and maintain facilities for the enjoyment of professional football in the area. These remain the key objectives.

On 22 March 2003 the Trust adopted as its prime objective 'To prepare itself for shared or full ownership of Exeter City Football Club'. This objective was achieved on 4 September 2003 when the Trust acquired a majority shareholding in Exeter City AFC Limited.

Trust Board

The membership of the Trust Board as at 31 May 2018 was as follows:-

Elected members: Nick Hawker (Chair), Elaine Davis, Paul West, Paul Farley, Neil Le Milliere, Peter Martin, Laurence Overend, Clive Harrison, Matthew Phillips, Peter Holding, .

Officers: Graham Deasy (Secretary), Jenny Hogg (Web and Social Media), Alice Cooke (Press and Media), Steven Chudley (Finance Officer).

Review of the Year

In their 116th year in existence, City finished 4th in League 2, just 4 points off the automatic promotion places, and qualified for the play-offs. Unfortunately, City lost the play-off final at Wembley for the second successive year, this time to Coventry City. City progressed to the third round of the FA Cup being knocked out by WBA and went out in the first round of the EFL Cup to Charlton Athletic.

On 1st June 2018, the Club announced that, after managing the first team for 12 years, Paul Tisdale was being replaced by Matt Taylor.

Promotion to League 1 on a sustainable basis remains a primary focus for the Club and Trust.

The bulk of the regular work is carried out within four standing working groups:

- Finance and Governance
- Ownership and Membership
- Community
- Communication and Engagement Group

These Groups comprise of Trust Board members and invited others who have specialised knowledge and skills to help achieve the objectives of the Trust.

The Trust Board has four elected representatives on the Club Board, giving it parity with non Trust nominated Club Board members.

The Trust has continued to be represented in all areas of the Club.

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EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

The Report of the Trust Board *(continued)*

Year ended 31 May 2018

As at 31 May 2018, Trust membership stood at 3,393, (2017: 3,111).

Total funds raised in the year were £147,355, (2017: 152,260) excluding a £5,000 loan repaid by the Club. Administration Expenses totalled £29,109, (2017: £27,009), excluding donations to and items purchased for the Club of £107,722 (2017: £127,056), other donations of £4,945 (2017: £1,325) and donations to the 1931 Fund of £18,000 (2017: £22,000). Overheads accounted for 19.75% of total funds received (2017: 17.73%).

Statement of the responsibilities of the Trust Board

The Trust Board is responsible for preparing the Report of the Trust Board and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Trust Board to prepare Financial Statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company Law the Trust Board must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Trust and the surplus or deficit of the Trust for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Statement as to disclosure of information to the Auditor

So far as the Trust Board is aware, there is no relevant audit information of which the Trust's auditor is unaware and Trustees have taken all steps that they ought to have taken, in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

Auditor

The auditor, Stephen J Bright, has expressed his willingness to continue in office and a resolution for his reappointment will be proposed at the forthcoming Annual General Meeting.

This report was approved by the Trust Board on 8 October 2018 and signed on behalf of the Trust by:

Mr N Hawker
Chair

Mr G Deasy
Trust Secretary

Registered Office:
St. James Park
Stadium Way
Exeter
EX4 6PT

8 October 2018

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Independent Auditor's Report to the Members of EXETER CITY AFC SUPPORTERS SOCIETY LIMITED ("The Trust") for the year ended 31 May 2018

Opinion

We have audited the financial statements of EXETER CITY AFC SUPPORTERS SOCIETY LIMITED for the year ended 31 May 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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".

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 May 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Co-operative and Community Benefit Societies Act 2014.

Basis of 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 company 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 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.

As explained in note 3(b) to the financial statements the Trust has not prepared Accounts incorporating the affairs of its subsidiary company as required by Section 98 of the Co-operative and Community Benefit Societies Act 2014. Approval for this course of action has been received by the Financial Conduct authority in accordance with the provisions of Section 99(3) of that Act.

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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;

or the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust'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.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Independent Auditor's Report to the Members of EXETER CITY AFC SUPPORTERS SOCIETY LIMITED for the year ended 31 May 2018 *(continued)*

Other information

The other information comprises the information included in the Report of the Trust Board but does not include the financial statements themselves and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in The Report of the Trust Board for the financial year for which the financial statements are prepared is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

Responsibilities of the Trustees

As explained more fully in the Statement of Trust Board Responsibilities, the Trust Board is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Independent Auditor's Report to the Members of EXETER CITY AFC SUPPORTERS SOCIETY LIMITED for the year ended 31 May 2018 *(continued)*

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.

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

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. This description forms part of our auditor's report.

STEPHEN BRIGHT
Senior Statutory Auditor
For and on behalf of
STEPHEN J BRIGHT
Statutory Auditor
10 High Croft
Exeter
EX4 4JQ

8 October 2018

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Statement of Comprehensive Income

Year ended 31 May 2018

	Note	2018 £	2017 £
Turnover	4	147,355	152,260
Cost of sales		504	312
Gross profit		146,851	151,948
Administrative expenses		(159,776)	(177,390)
Other operating income		5,000	–
Operating profit/(loss)		(7,925)	(25,442)
Other interest receivable and similar income		198	271
Profit/(loss) before taxation		(7,727)	(25,171)
Tax on profit/(loss)		–	30
Profit/(loss) for the financial year and total comprehensive income		(7,727)	(25,201)

All the activities of the Trust are from continuing operations.

The Trust has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 9 to 12 form part of these financial statements.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Statement of Financial Position

31 May 2018

	Note	2018 £	£	2017 £
Fixed assets				
Investments	7		20,200	20,200
Current assets				
Stocks		2,436		2,741
Debtors	8	–		451
Cash at bank and in hand		80,547		77,795
		82,983		80,987
Creditors: amounts falling due within one year	9	15,179		5,738
Net current assets			67,804	75,249
Total assets less current liabilities			88,004	95,449
Net assets			88,004	95,449
Capital and reserves				
Called up share capital			3,393	3,111
General Reserve			84,611	92,338
Members' funds			88,004	95,449

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the Trust Board and authorised for issue on 8 October 2018, and are signed on behalf of the Trust Board by:

G Deasy.....
Secretary

N Hawker.....
Chair

P Holding.....
Trustee

Company registration number: IP29339R

The notes on pages 9 to 12 form part of these financial statements.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Statement of Changes in Equity

Year ended 31 May 2018

	Called up share capital £	General Reserve £	Total £
At 1 June 2016	3,320	117,539	120,859
Loss for the year	—	(25,201)	(25,201)
Total comprehensive income for the year	—	(25,201)	(25,201)
Cancellation of subscribed capital	(209)	—	(209)
Total investments by and distributions to members	(209)	—	(209)
At 31 May 2017	3,111	92,338	95,449
Loss for the year	—	(7,727)	(7,727)
Total comprehensive income for the year	—	(7,727)	(7,727)
Issue of shares	282	—	282
Total investments by and distributions to members	282	—	282
At 31 May 2018	<u>3,393</u>	<u>84,611</u>	<u>88,004</u>

The notes on pages 9 to 12 form part of these financial statements.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Notes to the Financial Statements

Year ended 31 May 2018

1. General information

The Trust is a private company limited by shares, registered in England and Wales. The address of the registered office is St. James Park, Stadium Way, Exeter, EX4 6PT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(b) Basis of consolidation

The Trust has one active subsidiary undertaking (See note 7), and, these financial statements comprise only the results of the parent undertaking, Exeter City AFC Supporters' Society Limited, ('the Trust').

In the opinion of the Trustees, the businesses of the Trust and that of the subsidiary are so different that they cannot reasonably be treated as a single undertaking and therefore, Group accounts have not been prepared. Approval has been obtained from the Financial Conduct Authority in this respect.

(c) Revenue recognition

Subscription income including associated donations is accounted for on receipt.

Voluntary income received by way of donations and gifts is included in the Statement of Comprehensive Income when received. Gifts in kind are valued and brought in as income at the date of receipt together with any related expenditure.

Fund raising income from events organised by the Trust is included in the Statement of Comprehensive Income when received. Fundraising proceeds which have not been received by the year end are included in income at the Trustees' estimate of their likely receivable amount.

(d) Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 May 2018

3. Accounting policies *(continued)*

(e) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

(f) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

(g) Grants received

Grants received are credited to income over the period during which the expenditure to which the grant relates is incurred. Any unexpended grants at the Balance Sheet date are carried forward in the accounts as deferred income.

4. Income

The entire income is derived from activities in the United Kingdom and is made up as follows:-

	2018 £	2017 £
Membership subscriptions and donations	127,871	128,314
Appeals and donations	18,000	22,000
Trading activities	1,054	1,432
Fundraising income	430	514
	<u>147,355</u>	<u>152,260</u>

5. Auditor's remuneration

	2018 £	2017 £
Fees payable for the audit of the financial statements	<u>1,475</u>	<u>1,465</u>

6. Staff costs

The average number of persons employed by the company during the year, amounted to 2 (2017:2).

Employees costs amounted to £12,938 (2017: £7,160) during the year. Of this £7,418 (2017 £nil) was paid to Officers. No salaries or wages were paid to Trustees..

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 May 2018

7. Investments

	Shares in group undertakings £
Cost	
At 1 June 2017 and 31 May 2018	<u>20,200</u>
Impairment	
At 1 June 2017 and 31 May 2018	<u>-</u>
Carrying amount	
At 31 May 2018	<u>20,200</u>
At 31 May 2017	<u>20,200</u>

The Trust holds 20,703 £1 Ordinary Shares and 577 Non Cumulative Preference Shares of £1 each in Exeter City AFC Limited which is registered in England and Wales and whose principal activity is that of a professional football club. This comprises 53.625% of the issued share capital of the company.

However, in view of the number of shares in issue whose owners can no longer be traced, it is believed this would increase to approximately 67% in the event of a vote.

Financial Statements for Exeter City AFC Limited for the year ended 30 June 2018 are not yet available.

Exeter City AFC Limited owned 100% of the issued share capital of The Pride of Devon Limited,, a dormant company incorporated in England and Wales, which was dissolved on 18 July 2017.

8. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	829,968	829,968
Less: Provision	(829,968)	(829,968)
Prepayments and accrued income	-	451
	<u>-</u>	<u>451</u>

In accordance with its objectives, the Trust has advanced loans to Exeter AFC Limited, its subsidiary, in which it has a controlling interest. Since the Trustees consider that it is doubtful that the loans advanced are likely to be repaid, provision has been made in full in these Financial Statements. At the Balance Sheet date, the amount provided in this respect was £829,968, (2017 - £829,968).

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 May 2018

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Corporation tax	57	85
Social security and other taxes	152	120
Other creditors	11,735	2,383
Accruals and deferred income	3,235	3,150
	<u>15,179</u>	<u>5,738</u>
	=====	=====

10. Related party transactions

As stated in noted 7, the Trust holds a majority shareholding in Exeter City AFC Limited. During the year the Society donated and purchased items for the benefit of that company at an aggregate cost of £107,722. (2017: £127,056).

11. Volunteers

The Trust relies on significant amounts of volunteer time and effort to function. During the year, Volunteers input 12,500 hours with a further 13,500 hours assisting the Club. The respective income and expenditure associated with this input has not been reflected in the financial statements.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Management Information

Year ended 31 May 2018

The following pages do not form part of the financial statements.

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Detailed Income Statement

Year ended 31 May 2018

	2018 £	2017 £
Turnover		
Membership subscriptions	78,048	77,184
Membership donations	49,823	51,130
Fund raising income	430	514
Gifts and donations (Alan Crockford -Exeter Exiles)	18,000	22,000
Other income	940	1,029
Retail commission	114	403
	<u>147,355</u>	<u>152,260</u>
Cost of sales		
Books/Car Stickers/Badges	504	312
	<u>146,851</u>	<u>151,948</u>
Gross surplus		
Overheads		
Administrative expenses - (see page 15)	159,776	177,390
Other operating income - (see page 15)	5,000	–
	<u>(7,925)</u>	<u>(25,442)</u>
Operating surplus/(deficit)		
Other interest receivable and similar income	198	271
	<u>(7,727)</u>	<u>(25,171)</u>
Surplus/(deficit) on ordinary activities		

This statement has not been audited

EXETER CITY AFC SUPPORTERS SOCIETY LIMITED

Notes to the Detailed Income Statement

Year ended 31 May 2018

	2018 £	2017 £
Administrative expenses		
AGM expenses	4,353	4,426
FCA annual return fee	205	195
Insurance	547	586
Printing postage and stationery	118	1,681
Trustees expenses	706	1,211
Sundry expenses	492	613
Heritage Suite - 2017/18 Season	2,460	3,582
Subscriptions	1,432	1,519
Membership secretaries	12,938	7,160
Donations to and items purchased for the Club - (see below)	107,722	127,056
Other donations and sponsorship - (see below)	4,945	1,325
Exeter Exiles - 1931 Fund	18,000	22,000
Advertising	800	730
Exhibition expenses - Looking at Football	—	1,305
Gazebos	1,069	—
Accountancy fees	1,860	1,800
Auditors remuneration	1,475	1,465
Bank and PayPal charges	654	736
	<u>159,776</u>	<u>177,390</u>
Other operating income		
Loan repaid - Exeter City AFC Limited	<u>5,000</u>	<u>—</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>198</u>	<u>271</u>
Donations to and items purchased for the Club		
Contribution to general running costs	99,996	99,996
Other contributions	—	5,000
St. James Park improvements	6,581	5,009
Warm up and GPS Kits	520	6,300
Shop bio-degradable carrier bags	300	—
Memorial plaques	325	—
Contribution to feasibility study – training ground development	—	2,000
Training ground improvements	—	8,751
	<u>107,722</u>	<u>127,056</u>
Other donations and sponsorship		
Player sponsorship	180	250
One Game One Community - Stonewall	108	325
Junior Grecians	2,500	—
Hall of Fame	957	—
ECFC Academy	350	—
ECFC Ladies	750	750
Torquay United Supporters' Club	100	—
	<u>4,945</u>	<u>1,325</u>