

DRAFT

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Financial Statements

31 May 2017

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 2017

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EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED ("THE TRUST")

The Report of the Trust Board Year ended 31 May 2017

The Trust Board has pleasure in presenting its report and the financial statements of the Trust for the year ended 31 May 2017.

Status

The Society 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 2017 was as follows:-

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

Co-opted member: Nick Hawker.

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

In addition during the year, John Kanefsky and David Hitt served on the Trust Board, and Andy Beer served as Web and Social Media Officer.

Review of the Year

Despite a bad start to the 2016/17 season, City finished 5th in the League, winning the semi-final playoff against Carlisle and earned a place at Wembley in the play-off final against Blackpool. Unfortunately, City lost the final but on the back of this defeat they have started the 2017/18 season strongly. 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 other Club Board members.

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

Cont/d.....

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

The Report of the Trust Board (Continued)

Year ended 31 May 2017

As at 31 May 2017, Trust membership stood at 3,111, (2016: 3,319).

Total funds raised in the year were £152,260, (2016: 146,321). Administration Expenses totalled £27,009, (2016: £19,393), excluding Donations to and items purchased for the Club of £127,056 (2016: £107,206), Other donations of £1,325 (2016: £4,674) and Donations to the 1931 Fund of £22,000 (2016: £3,000). Therefore, overheads accounted for 17.73% of total funds received, (2016: 13.25%), and includes additional AGM expenses following a contested Election and the first time hire of the Heritage Suite from the Club on Match days with a view to attracting corporate funding/donations.

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 and signed on behalf of the Trust by:

Mr M Weiler
Chair

Mr G Deasy
Trust Secretary

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

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Independent Auditor's Report to the Members of EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED Year ended 31 May 2017

We have audited the financial statements of EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED for the year ended 31 May 2017 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".

This report is made solely to the Trustees, 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 Trust'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.

Respective responsibilities of director and auditor

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.

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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trust Board report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for my report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 May 2017 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.

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Independent Auditor's Report to the Members of EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED *(continued)*

Year ended 31 May 2017

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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. As explained in note 3(b) to the financial statements the Society 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.

Matters on which we are required to report by exception

I 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 our 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.

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

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EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Statement of Comprehensive Income

Year ended 31 May 2017

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	Note	2017 £	2016 £
Turnover	4	152,260	146,321
Cost of sales		<u>312</u>	<u>295</u>
Gross surplus		151,948	146,026
Administrative expenses		<u>177,390</u>	<u>134,273</u>
Operating (deficit)/surplus		(25,442)	11,753
Other interest receivable and similar income		<u>271</u>	<u>122</u>
Interest payable and similar expenses	7	<u>—</u>	<u>(4)</u>
(Deficit)/surplus before taxation		(25,171)	11,871
Tax on (deficit)/surplus		<u>30</u>	<u>55</u>
(Deficit)/surplus for the financial year and total comprehensive income		<u>(25,201)</u>	<u>11,816</u>

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 8 to 11 form part of these financial statements.

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Statement of Financial Position

31 May 2017

DRAFT

	Note	2017 £	£	2016 £
Fixed assets				
Investments	8		20,200	20,200
Current assets				
Stocks	9	2,741		1,908
Debtors	10	451		5,449
Cash at bank and in hand		77,795		98,840
		<u>80,987</u>		<u>106,197</u>
Creditors: amounts falling due within one year	11	<u>5,738</u>		<u>5,538</u>
Net current assets			<u>75,249</u>	<u>100,659</u>
Total assets less current liabilities			<u>95,449</u>	<u>120,859</u>
Net assets			<u>95,449</u>	<u>120,859</u>
Capital and reserves				
Called up Share Capital			3,111	3,320
General Reserve			<u>92,338</u>	<u>117,539</u>
Members funds			<u>95,449</u>	<u>120,859</u>

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

....., and are signed on behalf of the Trust Board by:

G Deasy.....
Secretary

M Weiler.....
Chair

E Davis.....
Trustee

Company registration number: IP029339R

The notes on pages 8 to 11 form part of these financial statements.

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Statement of Changes in Equity

Year ended 31 May 2017

DRAFT

	Called up share capital £	General Reserve £	Total £
At 1 June 2015	3,115	105,723	108,838
Surplus for the year	—	11,816	11,816
Total comprehensive income for the year	—	11,816	11,816
Issue of shares	205	—	205
Total investments by and distributions to owners	205	—	205
At 31 May 2016	3,320	117,539	120,859
Deficit 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 shareholders	(209)	—	(209)
At 31 May 2017	<u>3,111</u>	<u>92,338</u>	<u>95,449</u>

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Notes to the Financial Statements

Year ended 31 May 2017

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 the provisions of FRS 102 Section 1A, '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 surplus or deficit.

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 8), and, these financial statements comprise only the results of the parent undertaking, Exeter City AFC Supporters' Society Limited, ('the Trust') ('the Society').

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 for this treatment.

(c) Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 June 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

(d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(e) 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.

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

(f) Investments

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

(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.

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

4. Turnover

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

	2017	2016
	£	£
Membership subscriptions and donations	128,314	138,401
Appeals and donations	22,000	4,392
Trading activities	1,432	1,567
Fundraising income	<u>514</u>	<u>1,961</u>
	152,260	146,321

5. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>1,465</u>	<u>1,440</u>

6. Staff costs

The average number of persons employed by the company during the year, amounted to 1 (2016:1).

The Membership Secretaries were paid £7,160 (2016: £6,104) during the year. No salaries or wages were paid to Officers.

7. Interest payable and similar expenses

	2017	2016
	£	£
Other interest payable and similar charges	<u>-</u>	<u>4</u>

8. Investments

	Shares in group undertakings £
Cost	
At 1 Jun 2016 and 31 May 2017	<u>20,200</u>
Impairment	
At 1 Jun 2016 and 31 May 2017	<u>-</u>
Carrying amount	
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 2017 are not yet available.

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

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

9. Stocks

	2017	2016
	£	£
Stock of books/badges for re-sale	<u>2,741</u>	<u>1,908</u>

10. Debtors

	2017	2016
	£	£
	£	£
Amounts owed by group undertakings	829,958	834,958
Less: Provision	(829,958)	(829,958)
Prepayments and accrued income	451	449
	<u>451</u>	<u>5,449</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 can be repaid, provision has been made in full in these Financial Statements. At the Balance Sheet date, the amount provided in this respect was £829,958, (2016 - £829,958).

11. Creditors: amounts falling due within one year

	2017	2016
	£	£
Corporation tax	85	55
Social security and other taxes	120	104
Other creditors	2,383	2,309
Accruals and deferred income	3,150	3,070
	<u>5,738</u>	<u>5,538</u>

12. Related party transactions

As stated in note 8 the Society 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 £127,056 (2016 £107,206).

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 June 2015.

No transitional adjustments were required in equity or deficit or surplus for the year.

14. Volunteers

The Society relies on significant amounts of volunteer time and effort to function. During the year Volunteers input 12,500 volunteer 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 2017

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

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Detailed Income Statement

Year ended 31 May 2017

	2017 £	2016 £
Turnover		
Membership subscriptions	77,184	79,680
Membership donations	51,130	58,721
Fund raising income	514	1,961
Gifts and donations (Alan Crockford/Exeter Exiles)	22,000	4,392
Other income	1,029	1,308
Retail commission	403	259
	<u>152,260</u>	<u>146,321</u>
Cost of sales		
Cost of Sales - Books/Car Stickers/Badges	312	295
	<u>151,948</u>	<u>146,026</u>
Gross surplus		
Overheads		
Administrative expenses (see page 14)	177,390	134,273
	<u>(25,442)</u>	<u>11,753</u>
Operating (deficit)/surplus		
Other interest receivable and similar income	271	122
Interest payable and similar expenses	–	(4)
	<u>(25,171)</u>	<u>11,871</u>
(Deficit)/surplus on ordinary activities		

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

Notes to the Detailed Income Statement

Year ended 31 May 2017

	2017 £	2016 £
Administrative expenses		
AGM expenses	4,426	1,269
FCA annual return fee	195	195
Insurance	586	571
Printing postage and stationery	1,681	1,012
Trustees expenses	1,211	353
Sundry expenses	613	1,407
Heritage Suite - 2016/17	3,582	—
Subscriptions	1,519	631
Membership secretaries	7,160	6,104
Membership administration	—	1,430
Donations to and items purchased for the Club - (see note on page 15)	127,056	107,206
Other donations and sponsorship - (see note on page 15)	1,325	4,674
Memorial Plaque	—	638
Donations - 1931 Fund	22,000	3,000
Advertising	730	1,000
Exhibition expenses - Looking at Football	1,305	—
Accountancy fees	1,800	2,700
Auditors remuneration	1,465	1,440
Bank and PayPal charges	736	643
	<u>177,390</u>	<u>134,273</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>271</u>	<u>122</u>
Interest payable and similar expenses		
Interest on CT arrears	<u>—</u>	<u>4</u>

EXETER CITY AFC SUPPORTERS' SOCIETY LIMITED

NOTES TO THE DETAILED INCOME STATEMENT

YEAR ENDED 31 MAY 2017

a. Donations to and items purchased for the Club

	2017	2016
	£	£
Contribution to general running costs	99,996	99,996
Other contributions	5,000	-
St. James Park improvements	5,009	4,656
Contribution – GPS Kits	6,300	-
Contribution to feasibility study – training ground development2,000	-
Cat & Fiddle training ground improvements	8,751-
Blimp rental (Liverpool FA Cup home match)	-	1,254
Grecian Travel (Liverpool FA Cup replay at Anfield)	-	1,300
	-----	-----
	£127,056	£107,206
	=====	=====

b. Other Donations and Sponsorship

	2017	2016
	£	£
Sponsorship	250	1,954
One Game One Community	325	560
ECFC Ladies' Sponsorship	750	750
Cumbria Flood Appeal	-	250
ECFC Academy	-	500
Devon Partnership	-	660
	-----	-----
	£1,325	£4,674
	=====	=====