

YORK CITY SUPPORTERS' SOCIETY LIMITED

REPORT & FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2011



YORK CITY SUPPORTERS' SOCIETY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2011

Contents	Page
Board report	1 – 2
Independent Examiner's Report	3
Income and expenditure account	4
Balance sheet	5
Notes to the financial statements	6 – 8

YORK CITY SUPPORTERS' SOCIETY LIMITED

BOARD REPORT

YEAR ENDED 30 JUNE 2011

The Board of the York City Supporters' Society Limited ("the Trust") has pleasure in presenting its Annual Report and Financial Statements covering the year to 30 June 2011.

Principal Activities

The Trust was set up with the following principles (as described in the Trust's Rules):

- To strengthen the bonds between York City Football Club and the community which it serves and to represent the interests of the community in the running of the Club;
- To benefit the 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;
- To provide and maintain facilities for the enjoyment of professional football in the area;
- To promote coaching schemes to develop the football skills of young people and to widen the interest in football regardless of the sex or ethnic origin of those involved; and
- To further the development of the game of football nationally and internationally and the upholding of its rules.

Society Status

The Trust is incorporated with Limited Liability under the Industrial and Provident Societies Acts 1965 to 1978. The Trust was registered with the Registrar of Friendly Societies on 30 January 2002.

The Trust has been a full member of Supporters Direct during the year however, in view of Supporters Direct requirement for the Trust accounts to be audited (at considerable cost) where income exceeds £25,000, the Board considered that membership should be restricted to Associate member for the current year.

Membership

At 30 June 2011 the Trust had 701 current members (30 June 2010: 717) of which 529 were Life Members (2010: 531). Each member is allotted one share of £1 each in the Trust.

Trust Board

Trust Board members who have served during the year to 30 June 2011 are:

Simon Mallett - Chairman
Steve Beck
Mike Brown
Matt English
Ian Hey
Martyn Jones
Kirsten Ovenden
Sam Plaxton
Mark Woodhouse
James Goodwill
Thom Feeney (resigned from Trust Board during the year)
Mike Palfrey (resigned from Trust Board during the year)
James Richardson (resigned from Trust Board during the year)

Review of the year

The Trust has faced a revised role during the current year however, that still includes essential input and oversight to the running of the Club.

The Trust retains a 25% ownership stake with a variety of special additional shareholder rights, many of which relate to protections about the ground situation.

Currently the Trust has no Board member serving as a Club Director. The Trust is entitled to have two representatives on the Club Board.

YORK CITY SUPPORTERS' SOCIETY LIMITED

BOARD REPORT (*Continued*)

YEAR ENDED 30 JUNE 2011

Review of the year (continued)

The Trust Board are aware that the position of Club Director is not a role to be undertaken lightly and will involve various duties which it is essential that the Board member can commit to on an ongoing basis.

The Trust Board will keep this position under continuous review.

The Trust Board would like to encourage more volunteers who can work to promote the vision of a thriving community-focused York City, with a high quality permanent home in the city, managed on a long-term sustainable basis and achieving at a good level within the Football League structure.

Review of the Trust's Financial Results

During the year ended 30 June 2011 the income recognised in the Trust's Accounts is £8,634 (2010: £11,296)

A donation of £6,500 was made to the Youth Development Fund that represented 71% of income.

In addition to membership subscriptions and donations, the Trust and Club relies on the work and efforts of City supporters to raise funds.

Over the past few years, it has been pleasing to see more supporters being actively involved in fundraising initiatives through their association with one of the various supporter groups.

This has meant however, that events which have previously been run and accounted for through the Trust are now being carried out by other supporter groups, resulting in much lower levels of income showing in the Trust accounts.

However, the ultimate aim of these events, whether run by the Trust or other supporter groups, is to support the finances and operations of York City Football Club on an annual basis and to that extent the Club benefits whoever organises the events and raises the money.

The fundraising work of all supporter groups is encouraged by the Trust to support the Football Club. Thanks to all those people who have contributed, particularly those who help organise events.

During the year ended 30 June 2011 the expenditure recognised in the Trust's Accounts is £9,828 (2010: £7,974). This included:

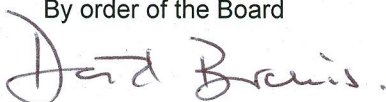
- Cost of fundraising
- Professional fees paid to Townends Accountants Limited for the Independent Examination of the Trust accounts and to Cobbett's (Manchester) the Trust's solicitors for legal advice.
- Around £1,230 (2010: £800) was expended on various matters relating to the operations of the organisation.

The Trust had an overall deficit for the year of £1,194 (2010: surplus £3,322), being the excess of expenditure over income. As at 30 June 2011 the Trust held £5,249 (2010: £12,318) cash at bank and in hand.

Thanks

Thank you to all those people who positively contribute in whatever way. Please continue to provide positive support to the Trust and the Club.

By order of the Board



David Brewis
Trust Secretary
17 January 2013

YORK CITY SUPPORTERS' SOCIETY LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS

YEAR ENDED 30 JUNE 2011

Independent Examiner's Report to the Members of York City Supporters' Society Limited on the accounts for the year ended 30 June 2011 set out on pages 4 to 8.

This report is made solely to the society's members, as a body. My examination work has been undertaken so that I might state to the society's members those matters I am required to state to them in an examiners' report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the society and the society's members as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of Society Board Members and the examiner

The Society Board Members consider that an audit is not required for this year as an appropriate resolution was approved by members at the last AGM and that an independent examination is therefore appropriate.

It is my responsibility to:

- examine the accounts
- follow the procedures laid down in the General Directions given by Supporters Direct; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's statement

My examination was carried out in accordance with General Directions given by Supporters Direct. An examination includes a review of the accounting records kept by the Society and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Society Board Members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- a) which gives me reasonable cause to believe that, in any material respect, the Society Board Members have not met the requirements to ensure that:
- i) proper accounting records are kept;
 - ii) accounts are prepared which agree with the accounting records and comply with generally accepted accounting requirements; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

I can also confirm that, in my opinion, the accounts have been properly prepared in accordance with the Industrial and Provident Societies Act 1965 and the Friendly and Provident Societies Act 1968.

Consolidation

The Society has not prepared group accounts as it has obtained exemption from doing so from the Chief Registrar of Friendly Societies on the grounds that the businesses of the Society and subsidiary company differ so greatly that they cannot be treated as a single entity.

In my opinion the grounds for exemption have applied during the current financial year.



B Davis FCA
Townends Accountants LLP
Chartered Accountants
York

17 January 2013

YORK CITY SUPPORTERS' SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Year ended 30 June 2011 £	Year ended 30 June 2010 £
Income			
Membership subscriptions		7,010	7,170
Donations and other fundraising		1,608	4,103
Bank interest		16	23
Total Income for the year		8,634	11,296
Expenditure			
Donations to York City Youth Team		6,500	6,500
Other donations		200	
Venue hire and meeting costs			
Dinner and other fundraising and promotion costs		425	635
Insurance		133	
Purchases for Resale		122	
Printing, postage, stationery & other admin costs		1,103	443
Legal and professional costs		1,230	306
Sundry expenses		115	90
Bank charges			
		9,828	7,974
Surplus (deficit) for the year before taxation		(1,194)	3,322
Taxation	2	-	-
Surplus (deficit) for the year after taxation		(1,194)	3,322

There are no recognised gains or losses other than the surplus for the year

The notes on pages 6 to 8 form part of these financial statements

YORK CITY SUPPORTERS' SOCIETY LIMITED

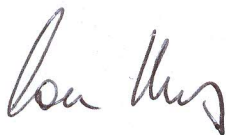
BALANCE SHEET

AT 30 JUNE 2011

	Notes	£	2011 £	2010 £	£
Fixed assets					
Investments	3		212,500		212,500
Current assets					
Debtors	4	-	-	-	-
Stock Purchases	4a	550			
Cash at bank and in hand	5	5,248		12,318	
			<u>5,798</u>	<u>12,318</u>	
Creditors: amounts falling due within one year	6	(5,310)		(5,310)	
Net current assets/liabilities			488		7,008
Total assets less current liabilities			<u>212,988</u>		<u>219,508</u>
Creditors: amounts falling due after more than one year	7		(190,090)		(195,400)
			<u>22,898</u>		<u>24,108</u>
Capital and reserves					
Share Capital	8		701		717
Income and Expenditure account	9		22,197		23,391
			<u>22,898</u>		<u>24,108</u>

These financial statements were approved by the Board on 17 January 2013 and signed on its behalf by:

I Hey



Chairman

S Beck



Treasurer

The notes on pages 6 to 8 form part of these financial statements.

YORK CITY SUPPORTERS' SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and on a going concern basis.

Income

Income represents the donations, subscriptions and other fundraising events during the period inclusive of value added tax where applicable.

Life time memberships are taken to income and expenditure account over a period of 10 years.

Investments

Investments are stated at cost.

Consolidation

The Society has not prepared group accounts as it has obtained exemption from doing so from the Chief Registrar of Friendly Societies on the grounds that the businesses of the Society and subsidiary company differ so greatly that they cannot be treated as a single entity.

2. Taxation

There is no taxation due on the surplus for the year.

3. Fixed Asset Investments

	2011 £	2010 £
Investment in York City Football Club Limited	212,500	212,500

As at 30 June 2006 the Trust owned 100% of the issued Ordinary "A" Shares in York City Football Club Limited. In addition, at 30 June 2006 there were in issue 37,500 Ordinary "B" Shares which were held by Trust member and Football Club director, Mr J. McGill. Consequently the Trust owned 85% of the total issued share capital of York City Football Club Limited.

The current market value of the Trust's investment has not been quantified and therefore no adjustment has been made to the cost to reflect any change to its value that might have taken place.

On 6th June 2006 at the Special General Meeting of Trust members, 78% of voting members approved the motion for the Trust Board to complete the arrangements such that, in overview, Jason McGill's company J M Packaging Limited ("JMP") holds 75% ownership of York City Football Club Limited for £1 million of cash investment in the Club, and the Trust holds 25% ownership plus certain special additional shareholder rights.

As at 30 June 2010 the Trust owned 25% of the total issued share capital in York City Football Club Limited. At 30 June 2010 there were in issue in York City Football Club Limited, 137,500 Ordinary "A" shares (fully owned by York City Supporters' Society Limited) and 412,500 Ordinary "B" shares (fully owned by JMP).

The most recent accounts figures for York City Football Club Limited are not yet available to the Trust.

YORK CITY SUPPORTERS' SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2011

	2011 £	2010 £
4. Debtors		
Other debtors	-	-
4a. Stock in hand	550	-
5. Cash at Bank and in Hand		
Co-Op Bank current account	5,169	12,239
Amounts on deposit	79	79
	5,248	12,318
6. Creditors		
Amounts falling due within one year:		
Deferred income (Membership subscriptions in advance)	5,310	5,310
	5,310	5,310
7. Creditors		
Amounts falling due after more than one year:		
York City Supporters' Society Loan Notes 2003 Issue	176,900	176,900
Bootham Crescent Loan Notes 2004 Issue	9,200	9,200
Life membership subscriptions in advance	3,990	9,300
	190,090	195,400

In February 2003 the Trust launched a Loan Notes Issue as part of its fundraising efforts for the 'Rescue Package' for York City Football Club.

Key features of the Loan Notes 2003 Issue include:

- Loan Notes issued to Noteholders in denominations of £100;
- Loan Notes are non-interest bearing and unsecured;
- The monies are only repayable to Noteholders in very limited circumstances; and
- Loan Notes are only transferable with the prior written consent of the Trust Secretary.

In the opinion of the Trust Board, there will be no redemptions of Loan Notes in the foreseeable future.

In June 2004 the Trust launched a Loan Notes Issue to provide supporters and friends of York City the opportunity to make a contribution towards the proposed arrangements for the Trust/Club to gain ownership of Bootham Crescent.

Key features of the Loan Notes 2004 Issue include:

- Loan Notes issued to Noteholders in denominations of £100;
- Loan Notes are non-interest bearing and unsecured;
- The monies are only repayable to Noteholders in very limited circumstances; and
- Loan Notes are only transferable with the prior written consent of the Trust Secretary.

YORK CITY SUPPORTERS' SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2011

	2011 £	2010 £
8. Share Capital		
Shares of £1 each		
Shares in issue at start of year	717	755
New shares issued during the year	-	-
Membership lapsed	(16)	(38)
Shares in issue at end of year	<u>701</u>	<u>717</u>

The shares of the Trust have the nominal value of £1 each and may not be transferred or withdrawn. No member may hold more than one share individually or jointly.

If a member ceases to be a member, the share registered in the name of that member is cancelled and the amount subscribed for the share becomes the property of the Trust.

Shares do not carry any right to interest, dividend or bonus.

The members have the rights and powers available to them under the law relating to Industrial and Provident Societies and are to decide in particular the issues specifically reserved to them by the Trust's Rules.

	2011 £	2010 £
9. General fund		
At 30 June 2010	23,391	20,069
Surplus (deficit) for the year	(1,194)	3,322
At 30 June 2011	<u>22,197</u>	<u>23,391</u>

10. Related party transactions

Donations of £ Nil (2010: £ Nil) were made to York City Football Club Limited, the company in which the Society has an interest.