

**YORK CITY SUPPORTERS' SOCIETY LIMITED**  
**REPORT & FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2019**



**YORK CITY SUPPORTERS' SOCIETY LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2019**

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# YORK CITY SUPPORTERS' SOCIETY LIMITED

## BOARD REPORT

### YEAR ENDED 30 JUNE 2019

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The Board of the York City Supporters' Society Limited ("the Trust") is pleased to present its Annual Report and Financial Statements covering the year to 30 June 2019.

#### **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 is an Associate Member of Supporters Direct.

#### **Membership**

At 30 June 2019 the Current Trust membership stands at 903 of which 326 (and 3 Juniors) are annual members and 577 are life members. This represents a decrease of members of 53 in the year since 30 June 2018. 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 2019 are:

Martyn Jones  
Mike Brown – Chairman  
Sarah Stelling  
Bill Owen (resigned July 2018)  
Stephen Lambert  
Richard Hall  
Judith Lockwood (appointed January 2019, resigned June 2019)  
Colin Sanderson (resigned October 2018)

#### **Review of the year**

The Trust retains a 25% shareholding in the football club with additional comprehensive rights and protections relating to the new stadium development and the future finance and governance of the club. Designed to protect the football club and the interests of its supporters, these provisions were enshrined in various contracts and the club's Articles of Association following a restructuring in 2007.

Over several years, the Trust sought to ensure that contractual, constitutional and statutory commitments were being met by the club board and majority shareholder. Multiple requests for information to which the Trust is constitutionally entitled were refused by the club board. Other shareholder rights held by the Trust have also been systematically ignored or denied.

# YORK CITY SUPPORTERS' SOCIETY LIMITED

## BOARD REPORT (*Continued*)

YEAR ENDED 30 JUNE 2019

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### ***Review of the year (continued)***

During the course of our correspondence with the club board, majority shareholder and club chairman we were advised that any further dialogue would need to be made via solicitors. In October 2018, the Trust appointed global legal firm DLA Piper to assist us in a due diligence process relating to the imminent move to the new stadium, the sale of Bootham Crescent and certain other legal and financial matters. The initial letters sent to each individual on the club board, simply reminded them of their obligations and again requested provision of certain information to which the Trust are entitled. The response received was derisory and utterly contemptuous.

Under the club's constitution, the club board are not entitled to enter into any agreement to lease a property (except Bootham Crescent) without the Trust's written consent. Working with DLA Piper and City of York Council, we have made significant progress in ensuring that the move to the new stadium will include the necessary oversight and scrutiny by the Trust. This work is progressing into 2020 and we hope to conclude matters in January.

Throughout the year the Trust has made a considerable effort to raise its profile within the local community. This has included improved member engagement, numerous fundraising events and a whole host of outreach initiatives. With the support of our fantastic membership and army of volunteers, the Trust has been truly revitalised throughout the year. We hope to take this momentum forward in the coming months and years.

### **Review of the Trust's Financial Results**

During the year ended 30 June 2019 the income recognised in the Trust's Accounts is £15,877 (2018: £4,029)

During the year ended 30 June 2019 the expenditure recognised in the Trust's Accounts is £10,829 (2018: £3,707).

The Trust had an overall surplus for the year of £5,048 (2018: £322), being the excess of income over expenditure. As at 30 June 2019 the Trust held £14,822 (2018: £10,037) 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



Mike Brown  
Chairman

20 January 2020

**YORK CITY SUPPORTERS' SOCIETY LIMITED**  
**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS**  
**YEAR ENDED 30 JUNE 2019**

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Independent Examiner's Report to the Members of York City Supporters' Society Limited on the accounts for the year ended 30 June 2019 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

20 January 2020

**YORK CITY SUPPORTERS' SOCIETY LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	Year ended 30 June 2019		Year ended 30 June 2018	
		£	£	£	£
<b>Income</b>					
Membership subscriptions		1,243		3,459	
Donations and other fundraising		3,392		570	
Shirt sales		6,549		-	
Legends' match		3,383		-	
Bank interest		-		-	
Beer sales		1,310		-	
		-----		-----	
<b>Total Income for the year</b>			15,877		4,029
<b>Expenditure</b>					
AGM and SGM costs		250		140	
Badges		-		890	
Website costs		208		208	
Insurance		129		-	
Fundraising costs		458		350	
Shirt costs		5,839		-	
Offside Trust donation		500		-	
Legends' match costs		711		-	
Beer costs		715		-	
Membership costs		-		368	
Leaflets		-		511	
Paypal costs		528		299	
Keith Walwyn shirt		-		200	
FCA registration and SD membership		411		305	
Legal and professional costs		360		366	
Sundry expenses		528		70	
Google		192		-	
		-----		-----	
			10,829		3,707
<b>Surplus for the year before taxation</b>			5,048		322
Taxation	2		-		-
			-----		-----
<b>Surplus for the year after taxation</b>			5,048		322
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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 2019**

	Notes	2019	2018
		£	£
<b>Fixed assets</b>			
Investments	3	212,500	212,500
<b>Current assets</b>			
Stock		441	-
Debtors	4	3,000	-
Cash at bank and in hand	5	14,882	10,037
		<u>18,323</u>	<u>10,037</u>
<b>Creditors: amounts falling due within one year</b>	6	<u>(4,451)</u>	<u>(880)</u>
<b>Net current assets/liabilities</b>		<u>13,872</u>	<u>9,157</u>
<b>Total assets less current liabilities</b>		<u>226,372</u>	<u>221,657</u>
<b>Creditors: amounts falling due after more than one year</b>	7	<u>(189,270)</u>	<u>(189,550)</u>
		<u>37,102</u>	<u>32,107</u>
<b>Capital and reserves</b>			
Share Capital	8	903	956
Income and Expenditure account	9	36,199	31,151
		<u>37,102</u>	<u>32,107</u>

These financial statements were approved by the Board on 20 January 2020 and signed on its behalf by:



M Brown

Chairman



S Lambert

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 2019

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### 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

	2019 £	2018 £
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 6<sup>th</sup> 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 2014 the Trust owned 25% of the total issued share capital in York City Football Club Limited. At 30 June 2014 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 have been made available to the Trust.

**YORK CITY SUPPORTERS' SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
<b>4. Debtors</b>		
Prepaid Dinner costs	3,000	-
	<hr/>	<hr/>
<b>5. Cash at Bank and in Hand</b>		
Co-Op Bank current account	13,927	9,245
Amounts on deposit	80	80
Paypal account	375	212
Cash	500	500
	<hr/>	<hr/>
	14,882	10,037
	<hr/>	<hr/>
<b>6. Creditors</b>		
Amounts falling due within one year:		
Deferred income (Membership subscriptions in advance)	550	520
Deferred income (Dinner receipts)	2,385	-
Accruals	1,516	360
	<hr/>	<hr/>
	4,451	880
	<hr/>	<hr/>
<b>7. Creditors</b>		
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	3,170	3,450
	<hr/>	<hr/>
	189,270	189,550
	<hr/>	<hr/>

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 2019**

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	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>8. Share Capital</b>		
<b>Shares of £1 each</b>		
Shares in issue at start of year	956	677
Net new shares issued during the year	(53)	279
	<u>903</u>	<u>956</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.

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>9. General fund</b>		
At 30 June 2018	31,151	30,829
Surplus for the year	5,048	322
	<u>36,199</u>	<u>30,151</u>

**10. Related party transactions**

No donations were made to York City Football Club Limited (2018 £0), the company in which the Society has an interest.