**Report of the Trustees and**

**Financial Statements for the year ended 31 August  2013**

**for**

**Swindon Town Community Mutual Limited**

**Swindon Town Community Mutual Limited**

Contents of the Financial Statements for year ended 31 August 2013

Page

|  |  |
| --- | --- |
| Society Information | 1 |

|  |  |
| --- | --- |
| Report of the Board of Trustees | 2&3 |

|  |  |
| --- | --- |
| Chairman’s Report | 4 |

|  |  |
| --- | --- |
| Report of the Independent Auditor | 5 |

|  |  |
| --- | --- |
| Income and Expenditure | 6 |

|  |  |
| --- | --- |
| Balance Sheet | 7 |

|  |  |
| --- | --- |
| Notes to the Financial Statements | 8-10 |

|  |  |
| --- | --- |
| Profit and Loss Account | 11 |

**Swindon Town Community Mutual Limited**

Society Information for the year ended 31 August 2013

**TRUSTEES:** J Ward

A Jones

P Robson

P Stokes

S Mytton

A Smith

S Brooks

**SECRETARY:** C Ponting

**REGISTERED OFFICE:** 42 Elmina Road

Swindon

Wiltshire

SN1 2BG

**REGISTERED NUMBER:** IP29254R (England and Wales)

**INDEPENDENT ASSESSOR:** L Morgan

**Swindon Town Community Mutual Limited**

Report of the Board of Trustees for the year ended 31 August 2013

The trustees present their report with the financial statements of the company for the year to 31 August 2013.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was to:

1. Strengthen the bonds between the Club and the community which it serves and to represent the interests of the community in the running of the club.
2. Benefit present and future members of the community served the by Club by promoting, encouraging and furthering the game of football as a recreational facility, sporting activity and focus for community involvement.
3. Provide and maintain facilities for the enjoyment of professional football.
4. Promote coaching schemes to develop the football skills of young people and to widen interest in football regardless of the sec or ethnic origin of those involved.
5. To further the development of the game of football nationally and internationally and the upholding of its rules.
6. To encourage and promote the principle of supporter representation on the board of the club and ultimately to be the vehicle for democratic elections to the board of the Club.

**TRUSTEES**

The trustees during the period under review were:

A Jones

J Ward

P Robson

P Stokes

S Mytton (Appointed March 2013)

A Smith (Appointed March 2013)

S Brooks (Appointed March 2013)

The beneficial interests of the directors holding office on 31 August 2013 in the issued share capital of the company were as follows:

31.8.13

**Ordinary £1 shares**

J Ward 1

A Jones 1

P Robson 1

P Stokes 1

S Mytton 1

A Smith 1

S Brooks 1

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Friendly and Industrial and Provident Society law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and or the surplus or deficit of the society for that period. In preparing those financial statements, the trustees are required to:

|  |  |  |
| --- | --- | --- |
| - | select suitable accounting policies and then apply them consistently; | |
| - | make judgments and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Friendly and Industrial and Provident Societies Act 1968. 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.

**Swindon Town Community Mutual Limited**

Report of the Trustees for the year ended 31 August 2013

**AUDITOR/INDEPENDENT ASSESSOR**

Mr. Lionel Morgan was proposed to act as the Auditor/Independent Assessor in accordance with Section 5(1) of the Friendly and Industrial and Provident Societies Act 1968.s385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

...............................................................................

C Ponting - Secretary

Date:   .............................................

**Swindon Town Community Mutual Limited**

Report of the Board of Trustees for the year ended 31 August 2013

Chairman’s Report and Review of the period.

2013 was an eventful year at Swindon Town.

Our famously outspoken manager left and was replaced by a lesser known, quieter man who would later quit and be replaced by his assistant. Three different managers in one year.

Off the pitch, our benefactor Andrew Black wanted out, and by the end of the year we’d also have had three different Chairmen and owners.

It had been rumoured that Andrew Black wanted to sell the club, but I don’t think anyone was ready for the sudden urgency and the end of January deadline, especially with things going so well on the field of play. The headlines read that Swindon Town were once again considering administration, evoking bad memories of the not-so-distant past, and initiating a sudden revival of fans’ interest in the Trust.

When Andrew Fitton’s original consortium had originally bought the club, they had proceeded to run it in an open and business-like way, and supporters concentrated exclusively on what was happening on the pitch. All the then-board members could do was to keep the Trust in existence, in case an emergency arose.

At the end of January it was confirmed that the club had been sold to an unnamed consortium, and many raised concerns about who they were, and how the club was going to be run from then on. The Trust’s AGM was lively, with a good attendance by Trust members, including the local MP Justin Tomlinson, and former STFC Chairman, Jeremy Wray. It was at this time that I joined the Trust for the first time. I too went along to the AGM and expressed various concerns, and in doing so, found myself drafted onto the board to help out.

My knowledge of Trust activities until then had been mainly limited to the very dark days of the early and mid ‘noughties’. In particular, the famous ‘Orange’ hat campaign, put together to promote the proposed Bill Power takeover, however I was also aware of the loan signings they had funded.

Anyway, as a newly elected Trust board member I attended the ‘welcome’ meeting with Jed McCrory and Steve Murrall, which was an interesting evening at the Swindon Advertiser offices.

It’s safe to say that the questions put to the new incumbents were uncomfortable for them, and the evening did not go as planned. We probably came away with more questions rather than answers.

It had become clear that dealing with the new owners of the club and building a relationship was going to take time, and would require a local contact to attempt bridge-building with Jed McCrory and Co. It was following this meeting that London-based John Ward asked me to step up to replace him as Chairman of the Trust, which I accepted, albeit whilst wondering what I was getting myself into! (Incidentally, at this point I would like to say that John has been a tough act to follow, and I thank him for all of his support over the course of the year).

The first thing I did was send the trust board a summary of my independent views of the Trust, and promote a vision of where improvements could be made. I had garnered opinion from friends and fellow supporters and identified the perceived areas of weakness. I felt positive that we could implement some improvements that would help the Trust be clear about their objectives and to also promote greater communication and help identify with the broader supporter base.

**I also asked myself - what are the Trust really there for?**

I believe many consider this to be:

- To raise awkward questions and challenge the current club custodians

- To raise funds for players during times when the club is strapped for cash

…and more generally, to get active during perceived ‘bad times’

In fact, if you research Supporters’ Direct and the message that they send out, and also look at many other Supporters’ Trusts around the country (and the World) – there is so much more to it than that.

When taking over as Chairman I wanted to give the trust a fresh start, and simplify the message we are trying to put out. To do this, we very clearly established our SAFE motto on the newly rebranded Trust website [www.truststfc.com](http://www.truststfc.com/)

The website addressed many of the criticisms that I had seen aimed at the Trust, e.g. the anonymity of the board members, the aims and the motives of the trust, the general direction etc. and also provided a platform for better communication – a crucial aspect (backed up by an active Twitter account and mailing list that we also maintain).

**So what next for the Trust?**

The Trust board continues to meet on a monthly basis and has already established contact with Steve Anderson, the new General Manager of the football club. At time of writing we are due to have a meeting with both Steve and Lee Power to discuss our plans for 2014, and it’s hoped that together we can work productively and positively towards improving our football club.

We will continue to liaise with Supporters’ Direct and other Supporters’ Trusts, and put together information that will help guide supporters towards a future which delivers the following:

* A more democratic, transparent and accountable structure for Swindon Town
* A financially sustainable club that lives within it’s means
* Improved social value and community benefit
* Greater engagement of stakeholders, generating opportunities for volunteering, democratic participation, skills development and enabling fans to take responsibility

**Report of the Independent Assessor to the Shareholders of Swindon Town Community Mutual Limited**

I have audited the financial statements of Swindon Town Community Mutual Limited for the period ended 31 August 2013 on pages six to eleven.

This report is made solely to the society’s members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. The audit work has been undertaken so that I might state to the company's members those matters which I am required to state to them in an auditors' 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 audit work, for this report, or for the opinions I have formed.

**Respective responsibilities of Trustees and auditors**

The Trustees responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968. I also report to you whether in my opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, I have reported to you if, in my opinion, the society has not kept proper accounting records, if I have not received all the information and explanations required for the audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

I have read the Report of the Trustees and considered the implications for the report if I become aware of any apparent misstatements within it.

**Basis of audit opinion**

I conducted the audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In my opinion:

|  |  |
| --- | --- |
| - | the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the society’s affairs as at 31 August 2013 and of its income for the period then ended; |
| - | the financial statements have been properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968. |
|  |  |

Lionel Morgan

31 Farrfield

Upper Stratton

Swindon

Wiltshire

SN2 7QJ

Date: ............................................

**Swindon Town Community Mutual Limited**

**Income and Expenditure Account for the year ended 31 August 2013**

**Year ended Year Ended**

**31.8.13 31.8.12**

Notes £ £ £ £

**NET INCOME** 3,373 2,265

Administrative expenses (565) (11,345)

|  |  |  |
| --- | --- | --- |
|  |  |  |

2,808 (9,080)

Other operating income - -

|  |  |  |
| --- | --- | --- |
|  |  |  |

2 2,808 (9,080)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Interest receivable and similar income | 13 | | | 9 | | | | | |
|  | 13 | | | |  |  | 9 | | | |
| 2,821 |  | | | | | (9,071) |
|  |  | | | | |  |

**Swindon Town Community Mutual Limited**

**Balance Sheet as at 31 August 2013**

**2013 2012**

Notes £ £ £ £

**FIXED ASSETS**

Tangible assets 4 - -

Investments 5 110 110

|  |  |  |
| --- | --- | --- |
|  |  |  |

110 110

**CURRENT ASSETS**

Stocks 31 31

Debtors 6 - -

Cash at bank 12,429 9,076

|  |  |  |
| --- | --- | --- |
|  |  |  |

12,460 9,107

**CREDITORS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Amounts falling due within one year | 7 | 3,044 | | | 2,624 | | |
|  |  | |  |

**NET CURRENT ASSETS** 9,416 6,483

|  |  |  |
| --- | --- | --- |
|  |  |  |

**TOTAL ASSETS LESS CURRENT**

**LIABILITIES** 9,526 6,593

|  |  |  |
| --- | --- | --- |
|  |  |  |

**CREDITORS**

|  |  |  |  |
| --- | --- | --- | --- |
| Amounts falling due after more than one year | 7 | - | - |

9,526 6,593

|  |  |  |
| --- | --- | --- |
|  |  |  |

**CAPITAL AND RESERVES**

Called up share capital 8 182 70

Retained surplus 9 9,344 6,523

|  |  |  |
| --- | --- | --- |
|  |  |  |

**SHAREHOLDERS' FUNDS** 9,526 6,593

|  |  |  |
| --- | --- | --- |
|  |  |  |

# ON BEHALF OF THE BOARD OF TRUSTEES

............................................................................... ...............................................................................

J Ward - Chairman A Jones - Treasurer

...............................................................................

C Ponting - Secretary

**Swindon Town Community Mutual Limited**

Notes to the Financial Statements for the year ended 31 August 2013

1. **ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Income**

Income represents the donations, subscriptions and other fundraising events during the period appropriage.

Lifetime memberships are taken to income and expenditure account over a period of twenty five years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lese, over the lease term, whichever is the shorter. .

Office equpiment - 25% on reducing balance

Fixtures and fittings - 25% on reducing balance

Property improvements - 25% on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. **NET INCOME**

The net income is stated after charging:

**Year Ended Year Ended**

**31.8.13 31.8.12**

£ £

Depreciation - owned assets -

Auditors' remuneration 0 0

|  |  |  |
| --- | --- | --- |
|  |  |  |

Directors' emoluments and other benefits etc - -

|  |  |  |
| --- | --- | --- |
|  |  |  |

3. **TAXATION**

The society is exempt from corporation tax.

**Swindon Town Community Mutual Limited**

Notes to the Financial Statements – continued for the year ended 31 August 2013

4. **TANGIBLE FIXED ASSETS**

Swindon Town Community Mutual has no tangible fixed assets.

£

|  |  |
| --- | --- |
|  |  |

5. **FIXED ASSET INVESTMENTS**

Unlisted

investments

£

**COST**

At 31 August 2013 11,418

|  |  |
| --- | --- |
|  |  |

**NET BOOK VALUE**

At 31 August 2012 110

|  |  |
| --- | --- |
|  |  |

At 31 August 2013 110

|  |  |
| --- | --- |
|  |  |

The investment is in Swindon Town Football Club.

The shares have been revalued due to the revaluation of shares from 50p per share, to 1p announced at the

Swindon Town AGM on 25th October 2008.

An additional 11,000 shares were purchased in June 2010.

Another revaluation took place at the Swindon Town FC AGM in July 2012, after the club passed a resolution to

sub-divide each existing share of £1 into one new-ordinary share of 1p and one deferred share of 99p

(sub-division). With the new deferred shares having no voting rights, and no new share certificate issued, the

deferred shared will be, for practical purposes, valueless, so have been written down in the accounts.

|  |  |
| --- | --- |
| 6. | **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR** |

**2013 2012**

£ £

Other debtors - -

|  |  |  |
| --- | --- | --- |
|  |  |  |

|  |  |
| --- | --- |
| 7. | **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR** |

**2013 2012**

£ £

Accruals and deferred income (Workings see note 10) 3,044 2,624

|  |  |  |
| --- | --- | --- |
|  |  |  |

£10,500 of long term creditor receipts converted into STFC shares in June 2010.

8. **CALLED UP SHARE CAPITAL**

Authorised:

Number: Class: Nominal **2013 2012**

value: £ £

1,000 Ordinary £1 1,000 1,000

|  |  |  |
| --- | --- | --- |
|  |  |  |

Allotted, issued and fully paid:

Number: Class: Nominal **2013 2012**

value: £ £

182 Ordinary £1 182 70

|  |  |  |
| --- | --- | --- |
|  |  |  |

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 become 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.

9. **RETAINED SURPLUS**

Retained

Surplus

£

**At 31 August 2012** 6,523

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Net surplus/(deficit) for the period | 2,821 | | |
|  |  | |

**At 31 August 2013** 9,344

|  |  |
| --- | --- |
|  |  |

10. **LIFE MEMBERS**

As at 31st August 2013, there were 48 life members, of which 2 are children, which were part of the family deal, and

there was also a Supporters Direct Corporate membership, so there were 45 paid life members, with receipts spread over

25 years.

2003 18 life members joined ( 11 years used @ £4) £56 x 18 = £ 1008

2004 3 life members joined ( 10 years used @ £4) £60 x 3 = £ 180

2005 2 life members joined ( 9 years used @ £4) £64 x 2 = £ 128

2006 5 life members joined ( 8 years used @ £4) £68 x 5 = £ 340

2007 10 life members joined ( 7 years used @ £4) £72 x 10 = £ 720

2012 1 life member joined ( 2 years used @ £4) £92 x 1 = £ 92

2013 6 life members joined (1 year used @ £4) £96 x 6 = £ 576

Total creditors to be b/f £3044

11. **RED ARMY FUND**

As at 31st August 2013, there was a balance on the account of £10,977.78. These funds are ‘ring-fenced’ for the

purposes of buying/paying for loans of players for Swindon Town Football Club, or if the fund is ‘wound-up’, to use the

funds towards the local community of Swindon football clubs. This fund cannot be used towards the running costs of the

Trust.

**Swindon Town Community Mutual Limited**

**Profit and Loss Account for the year ended 31 August 2013**

**Year Ended Year Ended**

**31.8.13 31.8.12**

£ £ £ £

**Turnover**

Subscriptions received 738 285

Fund raising income - -

Donations received 2,635 1,980

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 3,373 |  |  | 2,265 |

**Other income**

Sundry receipts - -

Deposit account interest 13 9

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 13 | | |  |  | 9 | | |
|  |  | | | |  |

3,386 2,274

**Expenditure**

Light and heat - -

Telephone - -

Printing, post and stationery - -

Sponsorship costs - -

Sundry expenses 360 330

Loss on shares revaluation - 10,898

Membership Fees 105 105

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 465 | | |  |  | 11,333 | | |
|  |  | | | |  |

2,921 (9,059)

**Finance costs**

Bank charges 100 12

|  |  |  |
| --- | --- | --- |
|  |  |  |

2,821 (9,071)

**Depreciation**

Improvements to property - -

Plant and machinery - -

Fixtures and fittings - -

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | - | | | |  |  | - | |
| 2,821 | |  | | | | (9,071) | |
|  |  | | | | |  | |