

BEES UNITED
The Brentford Supporters' Trust

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

SOCIETY INFORMATION

FOR THE YEAR ENDED 31 MAY 2011

| | |
|-----------------------|---|
| Officers and advisers | David Merritt (Chairman) David Carpenter (Treasurer) Trevor Inns (Secretary) Donald Kerr Mark Chapman Andre Sawyer Mike Rice Greville Waterman Trevor Mant |
| Company Number | IP29244R |
| Registered Office | Griffin Park Braemar Road Brentford Middlesex TW8 0NT |
| Auditors | Levy + Partners Limited Chartered Accountants and Statutory Auditors 86/88 South Ealing Road Ealing London W5 4QB |
| Bankers | The Co-operative Bank P O Box 250 Skelmersdale WN8 6WT Barclays Bank PLC United Kingdom House 180 Oxford Street London W1D 1EA |

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

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BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

BOARD MEMBERS' REPORT

FOR THE YEAR ENDED 31 MAY 2011

The Board Members present their report with the financial statements of the Society for the year ended 31 May 2011.

Principal activities

The Society's principal activity during the year continued to be that of a football supporter society.

Constitution

The Society is registered under the Industrial and Provident Societies Acts 1965-1978.

Guiding Principles:

The Society is run on the following fundamental principles:

- Accountability - through annual elections to the Society Board in line with Supporters' Direct recommended practice ;
- Democracy - by fully involving members in key decisions of the society and operating in an engaging manner;
- Inclusive - by setting a membership fee that is affordable to all and open to all;
- Open - by being transparent in all our activities.

Principal Aims :

The Society was set up with the following principal aims:

- To maintain a senior Professional football club in the local community;
- To bring the benefits of football closer to the community;
- To have elected supporter representation on the Board of the Club;
- To raise sufficient funds to invest in the club in pursuance of the above.

Board Members

| Currently Serving | Year elected | Until |
|---|---------------------|--------------|
| Elected Directors | | |
| David Merritt (Chairman) | 2011 | 2014 |
| Donald Kerr | 2011 | 2014 |
| Mark Chapman | 2008 | 2012 |
| Andre Sawyer | 2008 | 2012 |
| Mike Rice | 2008 | 2012 |
| Greville Waterman | 2009 | 2013 |
| Trevor Inns | 2009 | 2013 |
| David Carpenter | 2011 | 2014 |
| Loan Note Holders representative | | |
| Trevor Mant | 2009 | 2012 |

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

BOARD MEMBERS' REPORT

FOR THE YEAR ENDED 31 MAY 2011

| Former Directors | Year retired |
|-------------------------|---------------------|
| Stephen Callen | 2011 |
| Stephen Dando | 2011 |

Society board members each serve for three years. The following members retire at the forthcoming AGM and are eligible to offer themselves for re-election:

Andre Sawyer
Mark Chapman

Statement of Board Members' Responsibilities

The board members are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

The board members are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the society and of the surplus or deficiency for that year. In preparing those financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that Society will continue in business.

The board members are responsible for maintaining 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 Industrial and Provident Societies Act 1965 and 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.

The board members are responsible for maintenance and integrity of company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

Statement as to disclosure of information to the auditors

So far as the board members are aware, there is no relevant audit information of which the society's auditors are unaware, and each board member has taken all the steps that he ought to have taken as a board member in order to make himself aware of any relevant audit information and to establish the society's auditors are aware of the information.

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

BOARD MEMBERS' REPORT

FOR THE YEAR ENDED 31 MAY 2011

Auditors

A resolution to reappoint Levy + Partners Limited as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on .

Signed on behalf of the board

David Merritt (Chairman)

David Carpenter (Treasurer)

Trevor Inns (Secretary)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED
FOR THE YEAR ENDED 31 MAY 2011**

We have audited the financial statements of Brentford Football Community Society Limited for the year ended 31 May 2011 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Board Members and Auditors

As explained more fully in the Board Members' Report, the board members are responsible for the preparation of financial statements which 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 (APB's) Ethical Standards for Auditors.

We also consider the requirement Section 14.3A (c) of the Friendly and Industrial Provident Societies Act 1968 for the exemption requirement in respect of the Group Accounts.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 May 2011 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and with the Friendly and Industrial and Provident Societies Acts 1965-2002.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED
FOR THE YEAR ENDED 31 MAY 2011**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Friendly and Industrial and Provident Societies Acts 1965-2002 require us to report to you if, in our opinion:

- proper books of account have not been kept by the society in accordance with the requirements of the legislation
- a satisfactory system of control over transactions has not been maintained by the society in accordance with the requirements of the legislation
- the revenue account or the other accounts to which our report relates, and the balance sheet are not in agreement with the books of account of the society; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Exemption from Requirements in respect of Group Accounts

Under Section 14.3A (c) of the Friendly and Industrial and Provident Societies Act 1968, we agree with the committee of the society that grounds given in the original application continued to apply throughout the year of account.

.....
Levy + Partners Limited
Chartered Accountants and Statutory Auditors
86/88 South Ealing Road
Ealing
London
W5 4QB

Dated:

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MAY 2011

| | | 2011 | 2010 |
|---|--------------|----------------|----------------|
| | Notes | £ | £ |
| Income | 2 | 81,996 | 90,297 |
| Expenditure | | (23,618) | (32,981) |
| Operating surplus | 3 | 58,378 | 57,316 |
| Interest receivable and similar income | | 34 | 65 |
| Surplus for the year | | 58,412 | 57,381 |
| Taxation | 4 | (7) | (14) |
| Net Surplus for the year | | 58,405 | 57,367 |
| Retained surplus brought forward | | 642,611 | 585,244 |
| Retained surplus carried forward | | <u>701,016</u> | <u>642,611</u> |

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

BALANCE SHEET

AT 31 MAY 2011

| | | 2011 | | 2010 | |
|--|-------|------------------|--------------------|------------------|--------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Investments | 5 | | 2 | | 2 |
| Current assets | | | | | |
| Debtors | 6 | 2,002,090 | | 2,027,997 | |
| Cash at bank and in hand | | 27,207 | | 29,031 | |
| | | <u>2,029,297</u> | | <u>2,057,028</u> | |
| Creditors: amounts falling due within one year | 7 | <u>(151,007)</u> | | <u>(237,482)</u> | |
| Net current assets | | | <u>1,878,290</u> | | <u>1,819,546</u> |
| Total assets less current liabilities | | | 1,878,292 | | 1,819,548 |
| Creditors: amounts falling due after more than one year | 8 | | <u>(1,175,000)</u> | | <u>(1,175,000)</u> |
| Net assets | | | <u>703,292</u> | | <u>644,548</u> |
| Capital and reserves | | | | | |
| Share capital | 9 | | 2,276 | | 1,937 |
| Profit and loss account | | | <u>701,016</u> | | <u>642,611</u> |
| Shareholders' funds | | | <u>703,292</u> | | <u>644,548</u> |

The financial statements were approved by the Board on and signed on its behalf by

David Merritt
Chairman

David Carpenter
Treasurer

Trevor Inns
Secretary

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cash flow statement

The society has taken advantage of the exemption in the Financial Reporting Standard for Smaller Entities (effective April 2008) from including a cashflow statement on the grounds that the society is small.

1.2. Members Subscription Income

Members subscriptions for both annual and life memberships are recognised as income on a receipts basis.

1.3. Consolidation

No consolidated accounts have been prepared as, in the opinion of the society board, these would be misleading to members due to the differing business of the football club to that of the society, and the fact that society shareholders are not entitled to any share of profits or distribution of assets from group companies.

1.4. Going Concern

The accounts have been prepared on the assumption that the society is able to carry on business as a going concern, which the board members consider appropriate having regard to the circumstances.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating surplus

| | 2011 | 2010 |
|---|-------------------|-------------------|
| | £ | £ |
| Operating surplus is stated after charging: | | |
| Auditors' remuneration | 4,603 | 5,960 |
| | <u> </u> | <u> </u> |

4. Taxation

| | 2011 | 2010 |
|---------------------------------|-------------------|-------------------|
| | £ | £ |
| UK current year taxation | | |
| UK Corporation Tax | 7 | 14 |
| | <u> </u> | <u> </u> |

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

5. Investments

| | Investment in Subsidiary Undertakings | Total |
|----------------|--|--------------|
| | £ | £ |
| Cost | | |
| At 31 May 2010 | 2 | 2 |
| At 31 May 2011 | <u>2</u> | <u>2</u> |

Investments have been stated at the purchase cost of shares acquired. Costs of acquisition have been written off in the income and expenditure account.

The company holds 20% or more of the share capital of the following companies:

| Company | Country of registration or incorporation | Shares held Class | % |
|-----------------------------------|---|----------------------------------|--------------------|
| Brentford FC Limited | England and Wales | Ordinary | 60.33% |
| | | 2011 | 2010 |
| Aggregate capital and reserves | | 216,053 | 602,748 |
| Profit/(loss) for the year | | (3,886,695) | (1,264,664) |
| Brentford Holdings Limited | England and Wales | Ordinary | 100.00% |
| | | 2011 | 2010 |
| Aggregate capital and reserves | | 42,647 | 42,647 |
| Profit/(loss) for the year | | Nil | Nil |
| Griffin Park Stadium Limited | England and Wales | Ordinary | 53.19% |
| | | 2011 | 2010 |
| Aggregate capital and reserves | | 1,300,617 | 1,300,617 |
| Profit/(loss) for the year | | Nil | (5,577) |

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

6. Debtors

| | 2011 | 2010 |
|--|------------------|------------------|
| | £ | £ |
| Secured loans to Brentford FC Limited | 1,705,000 | 1,705,000 |
| Unsecured loans to Brentford FC Limited | 277,911 | 312,911 |
| Amounts owed by Brentford FC Limited | 17,181 | 8,088 |
| Amounts owed by Brentford Holdings Limited | 1,998 | 1,998 |
| | <u>2,002,090</u> | <u>2,027,997</u> |

The loan of £1,705,000 is secured by legal charge over the freehold premises of Brentford FC Limited. Loans to Brentford FC Limited will be repayable in full on 31 May 2014.

7. Creditors: amounts falling due within one year

| | 2011 | 2010 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Bank loan (Secured) | - | 38,606 |
| Loan notes | 133,000 | 133,000 |
| Loan repayable | - | 50,000 |
| Corporation tax | 21 | 190 |
| Accruals and deferred income | 17,986 | 15,686 |
| | <u>151,007</u> | <u>237,482</u> |

8. Creditors: amounts falling due after more than one year

| | 2011 | 2010 |
|----------------------------|------------------|------------------|
| | £ | £ |
| Loan repayable 31 May 2014 | 1,175,000 | 1,175,000 |
| | <u>1,175,000</u> | <u>1,175,000</u> |

The loans repayable are interest free.

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

9. Share capital

The company does not have an authorised share capital. Each adult member own one share in the society which is not transferrable. The share is cancelled if an individual ceases to be a member.

| | Full members | Junior members | Other members | Total members |
|-------------------|-------------------------|---------------------------|--------------------------|--------------------------|
| At 1 June 2010 | 1,937 | 82 | 9 | 2,028 |
| Joined in year | 339 | 222 | - | 561 |
| Lapsed membership | - | - | 5 | (5) |
| At 31 May 2011 | <u>2,276</u> | <u>304</u> | <u>4</u> | <u>2,584</u> |

Movement in shares

| | 2011 £ | 2010 £ |
|--------------------|-------------------|-------------------|
| At 1 June 2010 | 1,937 | 1,402 |
| Share issued | 339 | 535 |
| Lapsed memberships | - | - |
| At 31 May 2011 | <u>2,276</u> | <u>1,937</u> |

10. Contingent liabilities

The Society has provided guarantees in respect of loans to Brentford FC Limited of £2,529,476. The Society and Brentford FC Limited have given cross guarantees and debentures to Barclays Bank PLC. The amount owing by Brentford FC Limited under the overdraft facility as at 31 May 2011 was £123,625.

11. Related party transactions

Loans due to Board members were none at the year end (2010 : £Nil).

Loan notes held by Board members were £2,000 at the year end (2010 : £ 7,000).

Loan notes held by directors of Brentford FC Limited who are not serving on the Board of the Society were £6,000 (2010 : £6,000).

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

DETAILED INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MAY 2011

| | 2011 | | 2010 | |
|----------------------------------|---------------|---------------|---------------|---------------|
| | £ | £ | £ | £ |
| Income from members | | | | |
| Members' annual subscriptions | 14,138 | | 14,646 | |
| Members' standing order payments | <u>67,777</u> | | <u>71,513</u> | |
| | | 81,915 | | 86,159 |
| Other Income | | | | |
| Matchday collections | - | | 234 | |
| Stripes evenings | - | | 600 | |
| Collection tins | 55 | | 389 | |
| Recycling schemes | - | | 182 | |
| Buy a brick | - | | 178 | |
| Sponsor a striker | - | | 1,689 | |
| Corporate donations | <u>26</u> | | <u>866</u> | |
| | | 81 | | 4,138 |
| | | <u>81,996</u> | | <u>90,297</u> |
| Interest receivable | | | | |
| Interest receivable | <u>34</u> | | <u>65</u> | |
| | | 34 | | 65 |
| Income for the year | | <u>82,030</u> | | <u>90,362</u> |

BRENTFORD FOOTBALL COMMUNITY SOCIETY LIMITED

DETAILED INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MAY 2011

| | 2011 | | 2010 | |
|----------------------------------|-------------|---------------|-------------|---------------|
| | £ | £ | £ | £ |
| Deduct: Expenses | | | | |
| Insurance | 880 | | 1,104 | |
| Printing, postage and stationery | 6,136 | | 8,616 | |
| Advertising | 8,476 | | 1,570 | |
| Computer costs | 2,146 | | - | |
| Travelling and subsistence | - | | 140 | |
| Legal and professional | - | | 11,077 | |
| Audit | 4,603 | | 5,960 | |
| Bank charges | 756 | | 839 | |
| General expenses | 37 | | 565 | |
| Subscriptions and memberships | 425 | | 510 | |
| Fundraising expenses | - | | 192 | |
| Interest payable | 159 | | 2,408 | |
| | | | | |
| | | (23,618) | | (32,981) |
| Surplus for the year | | <u>58,412</u> | | <u>57,381</u> |