

Company Registration No. IP29772R (England and Wales)

Chorley Supporters Society Limited

Report and Financial Statements

**For The Year Ended
31 March 2020**

DRAFT ACCOUNTS

CHORLEY SUPPORTERS SOCIETY LIMITED

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CHORLEY SUPPORTERS SOCIETY LIMITED

REPORT OF THE SOCIETY BOARD

FOR THE YEAR ENDED 31 MARCH 2020

The Board of Chorley Supporters Society Limited ("The Society") have pleasure in presenting their annual report and the audited financial statements for the year ended 31 March 2020.

Principal Activities

The Society's objects are, either itself or through a subsidiary company or Society trading for the benefit of the community and acting under its control:

- To 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;
- To benefit 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 further the development of the game of football nationally and internationally and upholding of its rules;
- To encourage the club to take proper account of the interests of its supporters and of the community it serves in its decisions;
- To encourage and promote the principle of supporter representation on the board of any company owning or controlling the club and ultimately to be the vehicle for democratic elections to the board;
- To promote, develop and respect the rights of members of the community served by the club and people dealing with the Society as set out in the Charter of Fundamental Rights of the European Union, having regard in particular to the need to provide information to members and conduct the affairs of the Society in accessible and appropriate ways;
- To widen interest in football within the community regardless of the sex, ethnic origin, race or religion of those involved;
- To promote coaching schemes to develop the football skills of young people and to raise the profile and awareness of the Club amongst the children and youth of the community that it serves;
- To encourage and support the efforts of the board of directors of the Club in their efforts to promote awareness and interest in the Club both throughout the community and within local business;
- To raise money and donate in such a way to promote the aims and the objectives of the trust and to the benefit of the local community and supporters of the club.

Society Status

The Society was incorporated on 7 July 2004 with limited liability, and is registered with the Financial Conduct Authority, Register No. IP29772R, under the Co-operative and Community Benefit Societies Act 2014.

CHORLEY SUPPORTERS SOCIETY LIMITED
REPORT OF THE SOCIETY BOARD (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Board Members

The following were Board Members of the Society at the year end:

- Grenville Hartley (Secretary)
- David Tindall (Chairman)
- John-Paul Lynch (Treasurer)
- Peter Thompson
- Hayden Rose
- Mark Rees
- Christopher Blackburn
- Martin Ramsbothom

Statement of Responsibilities of the Society Board

The Co-operative and Community Benefit Societies Act requires the Society Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of its income and expenditure for that year.

In preparing those financial statements, the Society Board is required to:

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

The Society Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It has a general responsibility for taking reasonable steps to safeguard the Society's assets and to prevent and detect fraud and other irregularities.

Auditor

The Auditor, MHA Moore and Smalley, have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

On Behalf of the Society Board

.....
Grenville Hartley
Secretary

Date:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHORLEY SUPPORTERS SOCIETY LIMITED

Opinion

We have audited the financial statements of Chorley Supporters Society Limited (the 'Society') for the year ended 31 March 2020 which comprise the Income and Expenditure Account, the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2020 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
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Society Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Society Board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHORLEY SUPPORTERS SOCIETY LIMITED (CONTINUED)

Other information

The Society Board is responsible for the other information. The other information comprises the information included in the report of the Society Board, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

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

Responsibilities of the Society Board

As explained more fully in the Society Board's responsibilities statement set out on page 2, the Society Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Society Board is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Society Board either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHORLEY SUPPORTERS SOCIETY LIMITED (CONTINUED)

Use of our report

This report is made solely to the Society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. 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 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

MHA Moore and Smalley
Statutory Auditor
Richard House
Preston
PR1 3HP

Date:

CHORLEY SUPPORTERS SOCIETY LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Income		
Golden Goal	2,761	2,545
Draws and raffles	188	284
Members subscriptions	394	761
Members pledges	1,670	3,112
Members donations	13,069	1,687
Events, quiz night and race nights	1,256	2,948
Sponsored walks	174	2,163
Book sales	704	-
Gift Aid	2,480	267
Appeals	5,170	-
	<hr/>	<hr/>
	27,866	13,767
	<hr/>	<hr/>
Expenditure		
Advertising and sponsorship	3,400	662
Trophies, prizes and sundries	739	634
Printing	3,855	-
Golden Goal	400	500
Supporters Direct/FCA/Local Giving subs	96	263
Audit and tax return fees	1,164	660
Events	200	1,605
Charity donations	-	1,310
Youth team	500	2,250
Ladies team	750	1,000
Donations to club	-	2,500
Bad debts	657	-
	<hr/>	<hr/>
	11,761	11,384
	<hr/>	<hr/>
Surplus for year	16,105	2,383
	<hr/>	<hr/>

CHORLEY SUPPORTERS SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	2	40,750	-
Current assets			
Debtors	3	-	26,000
Cash at bank and in hand	4	<u>3,928</u>	<u>2,140</u>
		3,928	28,140
Creditors: amounts falling due within one year	5	<u>(924)</u>	<u>(660)</u>
Net current assets		3,004	27,480
Total assets less current liabilities		43,754	27,480
Capital and reserves			
Share capital	6	267	98
Income and expenditure	7	<u>43,487</u>	<u>27,382</u>
		43,754	27,480

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

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

.....
J P Lynch

Treasurer

.....
D Tindall

Chair

.....
G Hartley

Secretary

CHORLEY SUPPORTERS SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Basis of accounting

The Society was incorporated on 7 July 2004 with limited liability, and is registered with the Financial Conduct Authority, Register No. IP29772R, under the Co-operative and Community Benefit Societies Act 2014. The registered office is 3 Yorkshire Close, Buckshaw Village, Lancashire, PR7 7BS.

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The financial statements have been prepared on a going concern basis as the Society Board believes that no material uncertainties exist. The Society Board have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Society to be able to continue as a going concern.

The global Covid-19 pandemic will have a significant impact on a number of entities, but the Society Board consider that the Society is well placed to minimise the impact. Although the lockdown and suspension of football has led to a reduction in income, costs have also reduced given the low level of non discretionary expenditure, and thus the impact on cash flows has not been significant.

After considering the impact of the above, at the time of approving the financial statements, the Society Board have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Society Board continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income represents the donations, subscriptions and income from other fundraising events and activities receivable during the year.

All income is recognised once the Society has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Expenditure

All expenditure is accounted for on an accruals basis. The Society is not registered for VAT therefore expenditure does include irrecoverable VAT.

Taxation

As a mutual Society, income derived from the members is not subject to taxation. Donations and non-trading income also fall outside of any taxation charge. Any remaining income is subject to corporation tax at the appropriate rate.

CHORLEY SUPPORTERS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (continued)

Investments

Investments are recognised at cost less impairment.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors are recognised where the Society has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest of the Society after deducting all of its liabilities.

2 Fixed asset investments

	£
Investment in football club	
Cost	
At 1 April 2019	-
Additions	40,750
	40,750
At 31 March 2020	40,750
Impairment	
At 1 April 2019	-
Charge for year	-
	-
At 31 March 2020	-
Net book value	
31 March 2020	40,750
31 March 2019	-

The investment above represents a holding of 81,500 of the 908,785 shares in Chorley Sporting Club Limited. Chorley Football Club Limited is a wholly owned subsidiary of Chorley Sporting Club Limited. The Society Board have considered the value of the investment at the year end and do not believe that any impairment is required.

CHORLEY SUPPORTERS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

3 Debtors

	2020	2019
	£	£
Other debtors	-	26,000
Prepayments	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>26,000</u>

During the previous year payments totalling £26,000 were made in respect of the purchase of shares in Chorley Sporting Club Limited. Chorley Football Club Limited is a wholly owned subsidiary of Chorley Sporting Club Limited. As the shares had not been formally issued by 31 March 2019 the amount paid was shown within the comparative debtors total above.

4 Cash at bank and in hand

	2020	2019
	£	£
Fans ownership fund	1,445	590
Cash at bank	2,458	1,550
Cash in hand	25	-
	<u>3,928</u>	<u>2,140</u>

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Audit fees	672	660
Tax return fees	252	-
	<u>924</u>	<u>660</u>

CHORLEY SUPPORTERS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

6 Share capital

	2020	2019
	£	£
267 members @ £1 per share	267	98
	<u> </u>	<u> </u>

The shares of the Society 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 Society. 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 Co-operative and Community Benefit Societies and are to decide in particular the issues specifically reserved to them by the Society's Rules.

7 Income and expenditure account

	2020	2019
	£	£
At 1 April 2019	27,382	24,999
Surplus for year	16,105	2,383
	<u> </u>	<u> </u>
At 31 March 2020	43,487	27,382
	<u> </u>	<u> </u>

8 Employees

There were no staff employed by the Society in the current or previous year.