



**FINANCIAL STATEMENTS**

**31 DECEMBER 2014**

# SUPPORTERS DIRECT

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

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## SUPPORTERS DIRECT

### REFERENCE AND ADMINISTRATIVE DETAILS

#### YEAR ENDED 31 DECEMBER 2014

**Directors**

Brian Burgess (Chair)

Elaine Dean (Vice-Chair)

Robert Pepper (Vice-Chair)

Martyn Cheney

Michael Frater (Appointed at AGM 25<sup>th</sup> July 2014)

Tim Hartley (Appointed at AGM 25<sup>th</sup> July 2014)

Liz Hindley

Neil Le Milliere

Peter Lloyd

Fraser MacDonald

Malcolm Turner (Appointed at AGM 25<sup>th</sup> July 2014, resigned due to ill health 11<sup>th</sup> February 2015)

Ian Todd

Steve Beck (resigned AGM 25<sup>th</sup> July 2014)

Jules Spencer (resigned AGM 25<sup>th</sup> July 2014)

**Society registered number**

29581R

**Registered office**

CAN Mezzanine

49-51 East Road

London

N1 6AH

**Auditor**

PKF Littlejohn LLP

1 Westferry Circus

Canary Wharf

London

E14 4HD

## SUPPORTERS DIRECT

### THE REPORT OF THE BOARD OF DIRECTORS

#### YEAR ENDED 31 DECEMBER 2014

The Board of Directors have pleasure in presenting their report and the financial statements of the Society for the year ended 31 December 2014.

#### PRINCIPAL ACTIVITY

The principal activity of the Society during the year was to offer support, advice and information to groups of supporters who wish to play a responsible part in the life of the clubs they support.

The Board of Directors as at 31 December 2014 were

		Meeting Attendance
Brian Burgess (Chair)	Elected until AGM in 2017	4/4
Elaine Dean (Vice-Chair)	Elected until AGM in 2016	4/4
Robert Pepper (Vice-Chair)	Elected until AGM in 2015	4/4
Martyn Cheney	Elected until AGM in 2015	3/4
Michael Frater	Elected until AGM in 2017	3/3
Tim Hartley	Elected until AGM in 2017	2/3
Liz Hindley	Elected until AGM in 2016	4/4
Neil Le Milliere	Elected until AGM in 2015	4/4
Peter Lloyd	Elected until AGM in 2016	4/4
Fraser MacDonald	Elected until AGM in 2016	3/4
Malcolm Turner	Elected until AGM in 2017	1/3
Ian Todd	Co-opted until AGM in 2015	3/4

#### RETIREMENT OF DIRECTORS

Steve Beck and Jules Spencer resigned at the 2014 AGM.

Steve Beck had been suffering from ill health for some time and after the year end we were very sad to hear of his subsequent death. Steve played a key role in the supporters trust at York City and in the survival of the football club. He is fondly remembered and we send our condolences to his family.

#### CHIEF EXECUTIVE

Robin Osterley was appointed as Chief Executive in May 2014.

Since the year end, Robin has resigned and left the organisation with our best wishes on 31 May 2015.

#### CORPORATE GOVERNANCE

Supporters Direct (SD) is committed to the highest standards of corporate governance as we recognise that good governance is crucial in helping the organisation deliver on its strategy. We also recognise that, in our role as the umbrella organisation for supporters' trusts, we must lead the way in striving to improve governance in both our member organisations and the game in general. This report sets out how the governance of SD operates embracing corporate governance principles in a manner framed to suit its democratic structure.

Since the year end the Board decided in May 2015 to initiate a strategic review of the future structure and governance of SD during the second half of the year ending 31 December 2015.

#### OUR BOARD

The Board of SD comprises up to twelve Directors democratically elected by the membership. The current Governance structures seek to ensure significant areas of SD's operations have representation on the Board, and so several of the seats on the Board are reserved for English and Welsh Trusts, Scottish Trusts and Rugby League with the remainder of the seats deemed general seats. During 2013 the Board consulted with members regarding the current constitution of the Board which resulted in a change in the balance of general to reserved seats. The number of general seats was increased, with the intention of attracting a larger, more diverse pool of candidates for election.

## SUPPORTERS DIRECT

### THE REPORT OF THE BOARD OF DIRECTORS (continued)

#### YEAR ENDED 31 DECEMBER 2014

In addition to the Directors democratically elected by the membership, the Board may co-opt up to 6 additional Directors and at the year end, 31 December 2014, there was one co-opted Director. Co-options are reviewed on an annual basis. Elected Directors serve a three-year term of office (unless elected as a result of a by-election).

Directors do not receive any remuneration for their duties although their expenses are reimbursed. None of the Directors have a beneficial interest in the shares of the Society.

#### THE CHAIR

The Board re-appointed Brian Burgess as their Chair in July 2014. A clear division of accountability and responsibility exists between the positions of Chair and Chief Executive, with the Chair primarily responsible for running the Board and the Chief Executive responsible for operation of the organisation and the implementation of the Board's strategy.

#### BOARD RESPONSIBILITIES

The Board is responsible for the overseeing overall management and performance of the organisation and for approving the long-term objectives and strategy. In particular it agrees the strategy and annual budgets and monitors performance against plans and targets. In order to improve its effectiveness, the Board has set out a formal Schedule of Matters reserved for the Board. After reviewing what matters needed to be considered and when, the Board also has an established calendar of Board Meetings for the coming year. The Board met 4 times in the year, as well as a full day off-site meeting with senior staff members to consider strategy. All Directors are provided with papers in advance of meetings and any Director unable to attend, due to conflicts in their schedule, is able to relay comments via the Chair. Each meeting of the Board is attended by the Chief Executive, the Secretary and members of the Senior Management Team and the Board may request the presence of other members of the wider team as it sees fit. The Board also utilises a Directors' e-mail group between meetings to facilitate communication. In addition to regular meetings of the full Board, the Board is also assisted in carrying out its responsibilities by two subcommittees, the staffing committee and the governance committee. Each subcommittee is appointed by the Board and has formal terms of reference approved by the Board.

The Board has contracted the services of an independent Secretary to whom all Directors have access. The Board regularly reviews its practices against the Co-operatives<sup>UK</sup> Code of Best Practice and evaluates the results to formulate Corporate Governance priorities.

#### RESPONSIBILITIES OF THE DIRECTORS

The Co-operative and Community Benefit Societies Act 2014 requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society and at the end of the period and or the surplus or deficiency for the period then ended.

In preparing those financial statements, the Directors are required to select suitable accounting policies, as described on page 12-13, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

## SUPPORTERS DIRECT

### THE REPORT OF THE BOARD OF DIRECTORS (continued)

#### YEAR ENDED 31 DECEMBER 2014

The Directors 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 Co-operative and Community Benefit Societies Act 2014. The Directors 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 Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website.

#### GOVERNANCE STRUCTURES

SD also has three subsidiary democratic bodies, the England & Wales Football Council, the Scottish Council and the Rugby League Council (which was previously the Rugby League Advisory Group) These bodies assist the board by monitoring activity against budgets, development plans and other KPIs in their particular area and contributing ideas and suggestions regarding SD strategy in their area for consideration by the board.

#### AUDITORS

A resolution to re-appoint PKF Littlejohn LLP as auditors will be put to the members at the Annual General Meeting.

Signed on behalf of the Directors

.....  
BRIAN BURGESS – CHAIR

.....  
ROBERT PEPPER/ELAINE DEAN – VICE-CHAIRS

.....  
TOM WAINWRIGHT – SECRETARY

Registered Office:  
1<sup>st</sup> Floor  
CAN Mezzanine  
49-51 East Road  
LONDON  
N1 6AH

Approved by the Directors on 2015

# SUPPORTERS DIRECT

## BUSINESS REVIEW

### YEAR ENDED 31 DECEMBER 2014

## ACHIEVEMENTS AND PROGRESS

### Europe

Supporters Direct Europe (“SD Europe”) has continued to develop important strategic relationships.

- Signed Memorandum of Understanding with FIFPro Europe – Our Game, Our Responsibility.
- Co-organised ‘Les Assises de Supporterisme’ event at the Senat du France.
- Partnership with UEFA and its member associations to organise Supporter Liaison Officer project workshops in Greece, Iceland, Italy and Norway.
- Provided matched funding to Supporters in Campo, the Italian national organisation for supporters’ trusts.
- Presented at the EU Sport Forum in Vilnius, Lithuania.
- Active involvement with supporters in 25 European countries overall, including new developments in Poland and Switzerland in 2014.

SD Europe is expanding the breadth of active involvement across Europe and this trend is continuing to grow. SD Europe is also continuing its engagement with the wider football industry and influential stakeholders through a range of projects, presentations and partnerships.

The partnership with FIFPro Division Europe, ‘Our Game, Our Responsibility’ demonstrates that both organisations recognise the need for players and supporters to stand together and highlight their shared interest in making the game more stable, sustainable and better governed. The organised event at the Senat du France, ‘Les Assises de Supporterisme’ provided the opportunity for French football stakeholders, including supporters groups, politicians and the Federation Francaise de Football, to share ideas and proposals on how to increase supporter involvement in ownership and governance.

The network of supporter groups in Italy is continuing to grow and SD Europe provided matched funding to Supporters in Campo, the Italian national organisation for supporters trusts. SD Europe worked with Lega Serie B and Lega pro Calcio to hold a series of joint events. SD Europe also organised the Supporter Liaison Officer Project workshops jointly with UEFA and its member associations. The introduction of the SLO requirement as part of UEFA’s Club Licensing and Financial Fair Play regulations represents a new milestone in club-supporter relations.

SD Europe also completed the preparatory action project looking at ‘Improving Football Governance through Supporter Involvement and Community Ownership’. The objectives of the project were to increase the involvement of supporters in the governance of clubs, leagues and associations. SD Europe presented the results of this project to the EU Sport Forum in Vilnius, Lithuania.

### England and Wales

SD has strengthened its strategic stakeholder relationships in 2014 and continued to develop expansion in Rugby League and Club Development.

- SD was a standing member of the Government’s Expert Working Group, exploring how to increase supporter ownership, involvement and engagement in football in England and Wales. The group is due to report in November 2015.

- SD Club Development published guidance documentation for Board Directors of supporter owned clubs.

## **SUPPORTERS DIRECT**

### **BUSINESS REVIEW**

#### **YEAR ENDED 31 DECEMBER 2014**

#### **ACHIEVEMENTS AND PROGRESS (continued)**

- Our Community Shares Programme has raised in excess of £2.5m for clubs and trusts through a range of schemes.
- SD Club Development has delivered services to 16 clients in its first full year of operation.
- We secured agreement for partnership funding for the Rugby Football League.

In 2014 SD played an integral role in setting up the Expert Working Group and is now a standing member. We are optimistic that this group will support the removal of barriers to supporter ownership as well as recommending opportunities to improve supporter involvement and engagement. The group is due to produce a set of recommendations in November 2015.

In 2014 SD worked with 17 groups in the process of listing their ground or training ground as an Asset of Community Value, demonstrating an ongoing high level of demand.

We have continued to provide increased levels of guidance, advice and training, with the publication of Club Board Directors guidance documentation as well as nine training events and six regional meetings held in 2014.

Our community shares programme has shown good demand and SD Club Development has delivered services to 16 clients in its first full year of operation, including helping 4 into supporter ownership - Dorchester Town, Hinckley AFC, Tonbridge Angels and Darlington. We have enlisted the support of three additional consultants to facilitate the further growth of this service. We held the second Community owned Clubs Conference and launched an online network area for clubs.

We have also continued to pursue partnership funding, securing both sponsorship and pro bono support. In 2014 we signed a partnership agreement with global sports architecture practice AFL Architects and they have delivered considerable support to SD club development.

Our work with Rugby League continues and we had good attendance at an event, Voice of the Fans, in Huddersfield this year, with both the CEOs of the Super League and the sport's leading Charitable body, RL Cares, as main speakers. The success of this led to us securing some partnership funding from the Rugby Football League to expand this work. Since then we have continued our network support with a well-attended meeting in Rochdale and Hunslet.

Membership services for Supporters Trusts resulted in practical support to more than 120 members and this equated to over 1,100 hours of support. We have also set up two new Supporters Trusts, at Barrow and Blackpool. We held a successful Supporter Summit at Wembley Stadium with BT Sport secured as the mainline sponsor. In addition we held the two main SD match events; the SD Cup, where Merthyr Town triumphed over a Wrexham AFC, and the SD Shield, with AFC Rushden and Diamonds narrowly beating newly formed Hinckley AFC.

### **Supporters Direct Scotland**



This year Supporters Direct Scotland (SDS) has been activity building on its working relationship with the Scottish football authorities and the Scottish Government as its major funder in Scotland.

## **SUPPORTERS DIRECT**

### **BUSINESS REVIEW**

#### **YEAR ENDED 31 DECEMBER 2014**

#### **ACHIEVEMENTS AND PROGRESS (continued)**

- Secured continuation funding for the anti-sectarian project 'Colours of our Scarves' until 2016
- Membership of the Working Party to look at barriers to supporter involvement in football governance.
- Delivered a sell-out annual conference in Scotland for supporters and Scottish membership of SD.
- Provided advice and support to nine groups seeking to convert their clubs to community ownership.

The anti-sectarian project, Colours of our Scarves won further funding through until 2016. This project engages with football clubs, football supporters, schools, youth groups and residents of communities located around football stadia to gain a unique perspective on the issue of sectarianism around the country. In 2014 it visited 30 of the 42 SPFL clubs. This project also explores and researches the differentiation and geographic anomalies of the prevalence of sectarianism that may currently exist in Scotland. It includes a touring exhibition of photographic images by acclaimed photographer Stuart Roy Clarke, with around 200 new images captured across every senior ground in Scotland.

In Scotland SD has a remit to represent the views of fans as well as supporters trusts and building the Scottish fans brand continued to be a main area of focus. The conference was a sell-out success. SDS has also undertaken another annual supporters' survey in collaboration with the Scottish Football Association. Our relationship with the SFA and the SPFL is positive and we continue to provide developed research for them and other decision makers in Scotland.

SDS also works with groups looking to convert to community ownership and in 2014 we worked with Annan, East Fife, Falkirk, Motherwell, Hibs, Hearts, Dunfermline, Livingston and Rangers.

#### **Financial Review**

SD had a reduced income for 2014 as compared to its income in 2013. A major reduction resulted from the decision by the Co-operative Group to discontinue the grant funding which it had provided for the previous 2 years due to the Group's own financial position. This and other factors culminated in a substantial loss to the organisation of £129,931 after taxation. Another contributing factor was the unexpected closure of Co-Op Enterprise Hubs, a key partner working with Supporters Direct to support the delivery of Club Development consulting. In Scotland there was an increase in funding gained from a project extension for the successful anti sectarian project Colours of our Scarves. Diversification of income has continued with a continued roll out of consultancy services and club development and also through commercial partnerships established for the benefit of members and the wider supporter owned movement. The agreement with Coop Energy was renewed for 2014 and a commercial partnership with BT Sports generated funds for conferences. SD continues to look for additional partnership funding to support diversification including a strategic partner to scale up delivery of the consultancy offer to support Supporters Trusts and Club Development.

The SD board is continuing to adopt a risk based approach, and retaining sufficient unrestricted reserves to cover the costs associated with major shocks that could affect the

organisation. The board considers that the most significant risks affecting SD are the loss or delay to major core funding streams. Currently the organisation holds sufficient reserves to cope with these identified risks.

## **SUPPORTERS DIRECT**

### **BUSINESS REVIEW**

**YEAR ENDED 31 DECEMBER 2014**

### **ACHIEVEMENTS AND PROGRESS (continued)**

#### **Thanks**

SD relies on the dedicated support of volunteers, from its Board and council members to those furthering the progress of the movement through their own tireless activity in their trusts, clubs and networks. We acknowledge the tremendous level of activity and engagement of these individuals who all continue to challenge the status quo, engage in robust debate and campaign for change at their clubs, at the league and nationally and internationally. All of this is vital in the drive to achieve good governance in sport. Without the contribution of all of these volunteers, SD would be unable to function and we are privileged to stand on their shoulders.

## **SUPPORTERS DIRECT**

# **AUDITORS' REPORT TO THE MEMBERS OF SUPPORTERS DIRECT**

### **YEAR ENDED 31 DECEMBER 2014**

We have audited the financial statements of SD for the year ended 31 December 2014 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 Section 87(2) and Section 98(7) 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 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 DIRECTORS AND AUDITORS**

As explained more fully in the Statement of Board of Directors' Responsibilities the society's directors are responsible for the preparation of the financial statements and for being satisfied that they 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 Boards Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Report of the Board of Directors' to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 December 2014 and of its income and expenditure and cashflow for the year then ended; and
- 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.

### **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 Benefits Societies Act 2014 require us to report to you if, in our opinion:

- proper books of account have not been kept;
- a satisfactory system of control over transactions has not been kept;

## SUPPORTERS DIRECT

### AUDITORS' REPORT TO THE MEMBERS OF SUPPORTERS DIRECT (continued)

- the Society's Financial Statements are not in agreement with the accounting records;
- we have not obtained all the information and explanations necessary for the purposes of our audit.

**Eric Hindson (Senior statutory auditor)**  
For and on behalf of PKF Littlejohn LLP  
Statutory auditor

1 Westferry Circus  
Canary Wharf  
London E14 4HD

[Insert Date]

## SUPPORTERS DIRECT

### INCOME AND EXPENDITURE ACCOUNT

#### YEAR ENDED 31 DECEMBER 2014

	Note	Year ended 31.12.14 £	Year ended 31.12.13 £
<b>INCOME</b>	<b>2</b>	<b>883,934</b>	<b>1,031,776</b>
Direct costs		677,151	639,042
Other member services		208,966	284,548
<b>TOTAL</b>		<b>886,117</b>	<b>923,590</b>
<b>NET (DEFICIT)/SURPLUS BEFORE OPERATING COSTS</b>		<b>(2,183)</b>	<b>108,186</b>
<b>OPERATING COSTS:</b>			
Property costs		39,061	27,005
Office running costs		46,105	33,211
Professional costs		33,450	16,844
Board expenses		9,561	6,908
<b>TOTAL</b>		<b>128,177</b>	<b>83,968</b>
<b>NET OPERATING (DEFICIT)/SURPLUS</b>	<b>3</b>	<b>(130,360)</b>	<b>24,218</b>
Interest receivable		460	649
(Deficit)/ Surplus before taxation		(129,900)	24,867
Taxation	<b>4</b>	(31)	(130)
<b>(DEFICIT)/SURPLUS AFTER TAX</b>	<b>10</b>	<b>(129,931)</b>	<b>24,737</b>

All of the activities of the Society are classed as continuing

The Society has no recognised gain or losses other than the results for the year as set out above.

*The notes on pages 13 to 17 form part of these financial statements*

## SUPPORTERS DIRECT

### BALANCE SHEET

31 DECEMBER 2014

	Note	At 31.12.14		At 31.12.13	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		4,139		6,651
<b>CURRENT ASSETS</b>					
Debtors	6	72,538		125,254	
Cash at bank and in hand		376,013		456,175	
		<u>448,551</u>		<u>581,429</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	7	<u>163,343</u>		<u>168,804</u>	
<b>NET CURRENT ASSETS</b>					
			<u>285,208</u>		<u>412,625</u>
			<u>289,347</u>		<u>419,276</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		114		112
Trust development Fund	9		103,000		103,000
Income and expenditure account	10		186,233		316,164
<b>SHAREHOLDERS' FUNDS</b>			<u>289,347</u>		<u>419,276</u>

These financial statements were approved by the Directors on XXXX 2015 and are signed on their behalf by:

.....  
BRIAN BURGESS - CHAIR

.....  
ROBERT PEPPER/ELAINE DEAN - VICE -CHAIRS

.....  
TOM WAINWRIGHT – SECRETARY

*The notes on pages 13 to 17 form part of these financial statements*

## SUPPORTERS DIRECT

### NOTES TO THE FINANCIAL STATEMENTS

#### YEAR ENDED 31 DECEMBER 2014

#### 1. ACCOUNTING POLICIES

##### **Basis of accounting**

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

##### **Cash flow statement**

The Directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (revised 1996) from including a cash flow statement in the financial statements on the grounds that the Society is small.

##### **Turnover**

The turnover shown in the Income and Expenditure Account represents grants and fees receivable in the period.

##### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 33.33% Straight-line  
Office Equipment - 33.33% Straight-line

##### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

##### **Pensions costs**

The Society operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Society. The annual contributions payable are charged to the income and expenditure account.

##### **Deferred taxation**

Provision is made to take account of timing differences between the treatment of items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of certain timing differences that have originated but not reversed by the balance sheet date.

##### **Foreign currency transactions**

Supporters Direct undertakes a significant number of transactions in Euro, in particular as a result of its engagement in projects funded by the European Commission. These are translated into sterling at the prevailing monthly exchange rate published by the European Commission Financial Programming and Budget. These can be found at the following URL:

Transactions in other foreign currencies are translated at the prevailing spot rate as published on the Financial Times website.

Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on transactions are included in the income and expenditure account.

## SUPPORTERS DIRECT

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### YEAR ENDED 31 DECEMBER 2014

##### 1. ACCOUNTING POLICIES (continued)

###### Going concern

The Directors consider that the use of the going concern basis is appropriate because there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the Society to continue as a going concern and there is reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future.

###### Services in kind

The value of donated services in kind provided to the Society are recognised at their open market value in the period in which they are receivable as turnover, where the benefit to the Society can be reliably measured. An equivalent amount is included as expenditure.



## SUPPORTERS DIRECT

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### YEAR ENDED 31 DECEMBER 2014

#### 2. INCOME

	Year ended 31.12.14	Year ended 31.12.13
	£	£
Grants	774,103	897,767
Consultancy and other commercial income	77,615	108,432
Membership fees and donations	12,890	13,704
Other income	9,126	4,223
Services in kind	10,200	7,650
	<u>883,934</u>	<u>1,031,776</u>

	Year ended 31.12.14	Year ended 31.12.13
	£	£
General income	69,543	162,889
England & Wales	389,913	389,623
Europe	209,777	298,425
Scotland	214,701	180,839
	<u>883,934</u>	<u>1,031,776</u>

#### 3. NET OPERATING (DEFICIT)/SURPLUS

	Year ended 31.12.14	Year ended 31.12.13
<b>This is stated after charging/(crediting):</b>		
Depreciation of owned fixed assets	3,070	2,977
Staff pension costs	21,392	24,292
Pension Exit fee	13,000	-
Auditors' remuneration	5,500	5,844
Underaccrual of prior year auditors' remuneration	1,521	800
Foreign exchange differences	10,963	7,625
Board expenses	<u>9,561</u>	<u>6,908</u>

#### 4. TAXATION ON ORDINARY ACTIVITIES

The Board do not consider that the core activities of the company are subject to tax. By far the majority of the income is received from grants and are not considered to be taxable. The Board does however accept that corporation tax is payable on interest received and a provision in the accounts relates to the tax on that interest.

## SUPPORTERS DIRECT

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### YEAR ENDED 31 DECEMBER 2014

##### 5. TANGIBLE FIXED ASSETS

###### COST

As at 1 January 2014	21,063
Additions during year	558
Disposals during the year	(4,330)
At 31 December 2014	<u>17,291</u>

###### DEPRECIATION

At 1 January 2014	14,412
Charge for year	3,070
Disposals during the year	(4,330)
At 31 December 2014	<u>13,152</u>

###### NET BOOK VALUE

At 31 December 2014	<u>4,139</u>
At 31 December 2013	<u>6,651</u>

##### 6. DEBTORS

	31.12.14	31.12.13
	£	£
Trade debtors	14,992	37,702
Prepayments and accrued income	54,939	84,099
Other debtors	2,607	3,453
	<u>72,538</u>	<u>125,254</u>

##### 7. CREDITORS: Amounts falling due within one year

	31.12.14	31.12.13
	£	£
Trade creditors	11,179	9,427
Accruals and deferred income	133,611	138,895
Taxes and social security costs	14,065	14,411
Other creditors	4,488	6,071
	<u>163,343</u>	<u>168,804</u>

## SUPPORTERS DIRECT

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### YEAR ENDED 31 DECEMBER 2014

##### 8. SHARE CAPITAL

###### Allotted, called up and fully paid:

	31.12.14 No	31.12.13 No	31.12.14 £	31.12.13 £
Allotted, called up and fully paid: Ordinary shares of £1 each	<u>114</u>	<u>112</u>	<u>114</u>	<u>112</u>

The shares of the Society have the nominal value of £1 each and may not be transferred or withdrawn.

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

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

##### 9. TRUST DEVELOPMENT FUND

	31.12.14 £	31.12.13 £
At 1 January	103,000	103,000
Transfer (to)/from the profit and loss account	<u>-</u>	<u>-</u>
At 31 December	<u>103,000</u>	<u>103,000</u>

The development reserves have been designated by the Board for future investment to develop SD's sustainability and resilience as an organisation. The Board has identified business development and communications as particular areas in which to invest but can determine other purposes for which the funds could be used towards this overall purpose. The funds are held on deposit and cannot be spent without explicit authorisation of the Board.

##### 10. INCOME AND EXPENDITURE ACCOUNT

	Year ended 31.12.14 £	Year ended 31.12.13 £
At 1 January	316,164	291,427
(Deficit)/Surplus for year	<u>(129,931)</u>	<u>24,737</u>
At 31 December	<u>186,233</u>	<u>316,164</u>

The surpluses of the Society are not available to be distributed either directly or indirectly in any way whatsoever among the members of the Society.

The following pages do not form part of the statutory financial statements and are not, therefore, the subject of the independent auditors' report on pages 9 and 10.

## SUPPORTERS DIRECT

### NOTES TO THE INCOME AND EXPENDITURE ACCOUNT

#### YEAR ENDED 31 DECEMBER 2014

	Year ended 31.12.14 £	Year ended 31.12.13 £
<b>INCOME</b>		
Grant income - England & Wales	389,913	389,623
Grant income - Scotland	214,701	180,839
Grant income - UEFA	169,490	155,959
Grant income – European Commission	-	98,221
Other grant income	-	73,125
Other income	9,126	3,923
SLO project	40,289	44,245
Conference and advertising fees	16,665	9,299
Membership fees and donations	12,890	13,704
Consultancy and fees receivable	20,660	54,888
Services in kind	10,200	7,650
Sale of assets	-	300
	<u>883,934</u>	<u>1,031,776</u>
<b>DIRECT COSTS</b>		
Salaries, including NI and ex gratia	565,126	542,839
Partner staff costs	736	9,596
Staff recruitment, training and welfare	20,148	10,106
Pension contributions	21,392	24,292
Pension exit fee	13,000	-
Travel & related costs	56,749	52,209
	<u>677,151</u>	<u>639,042</u>
<b>MEMBER SERVICES</b>		
Training	3,059	1,555
Conference and seminar costs	39,819	56,058
Professional services	677	813
Legal helpline	13,750	14,460
Vehicle leasing costs	3,060	-
Publicity research and website	36,132	73,252
Grants and legal/registration costs	12,166	-
Consultancy – others	100,303	138,410
	<u>208,966</u>	<u>284,548</u>

## SUPPORTERS DIRECT

### NOTES TO THE INCOME AND EXPENDITURE ACCOUNT (continued)

#### YEAR ENDED 31 DECEMBER 2014

	Year ended 31.12.14 £	Year ended 31.12.13 £
<b>PROPERTY COSTS:</b>		
Rent and service charge	37,495	27,005
Rates, light, heat and power	1,566	-
	<u>39,061</u>	<u>27,005</u>
<b>OFFICE RUNNING COSTS:</b>		
Telephone and fax	6,860	4,594
Stationery, postage, printing & supplies	10,680	10,195
Computer and equipment costs	4,652	3,445
Insurance	3,699	1,937
Depreciation	3,070	2,977
Bank charges	1,553	1,535
UK entertainment	359	381
Sundry expenses	27	392
Donations	574	130
Bad debt write off	3,668	-
Foreign exchange differences	10,963	7,625
	<u>46,105</u>	<u>33,211</u>
<b>PROFESSIONAL COSTS:</b>		
Audit fees	8,170	6,644
Secretarial fees	10,200	10,200
Legal and professional fees	15,080	-
	<u>33,450</u>	<u>16,844</u>
<b>BOARD EXPENSES:</b>		
Travel costs	<u>9,561</u>	<u>6,908</u>