

Company Registration No. IP030984 (England and Wales)

ARSENAL FANSHARE SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2013

ARSENAL FANSHARE SOCIETY LIMITED

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ARSENAL FANSHARE SOCIETY LIMITED

REPORT OF THE SOCIETY BOARD

FOR THE YEAR ENDED 31 JULY 2013

The Society Board has the pleasure in presenting its report and the unaudited financial statements of the Society for the year ended 31 July 2013.

Principal activities

The principal activity of the company continued to be that of facilitating Society members to acquire shares in Arsenal Holdings Plc.

Society board

The Society Board in office during the year were:

J Knight

(Resigned 12 February 2013)

T Payton

M Silcott

G Taylor

J Pekar

P Drew

Statement of Society Board's responsibilities

The Society Board is required by law to prepare financial statements for each financial year. Under relevant law the Society Board has decided to prepare the financial statements under United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under such law the Society Board must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the society and of the surplus or deficit of the Society for the year. In preparing these financial statements, the Society Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue to operate.

The Society Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and 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 Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. It is 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.

Registered office:
19 Copper Ridge
Chalfont St Peter
Gerrards Cross
Buckinghamshire
SL9 0NF

Signed by order of the Society Board:



G Taylor

Society Board Member

December 2013

ARSENAL FANSHARE SOCIETY LIMITED

INDEPENDENT ACCOUNTANTS' REPORT TO THE MEMBERS OF ARSENAL FANSHARE SOCIETY LIMITED FOR THE YEAR ENDED 31 JULY 2013

We report on the financial statements of the club for the year ended 31 July 2013 set out on pages 3 to 10

RESPECTIVE RESPONSIBILITIES OF THE SOCIETY BOARD AND THE INDEPENDENT ACCOUNTANT

The Society Board is responsible for the preparation of the accounts and it considers that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

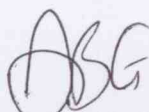
BASIS OF THE INDEPENDENT ACCOUNTANT'S OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures included comparing the accounts with the accounting records kept by the Society and making enquiries of the officers of the Society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

OPINION

In our opinion the accounts for the year ended 31 July 2013 are in agreement with those books of account kept by the Society and that, on the basis of the information contained in the books of account, they comply with the requirements of the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968.

In our opinion the Society satisfied the condition for exemption from an audit of the accounts for the year ended 31 July 2013 as set out in the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968 and did not at any time within that year fall within any of the categories of societies not entitled to such exemption.



Arram Berlyn Gardner

Chartered Accountants

12/12/2013

30 City Road
London
EC1Y 2AB

ARSENAL FANSHARE SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2013

	Notes	2013 £	2012 £
Revenue		16,485	16,143
Other operating income	2	57,105	61,067
Administrative expenses		(74,482)	(76,675)
Operating surplus / (deficit)		(892)	535
Other interest receivable and similar income	3	17	17
Surplus / (Deficit) on ordinary activities before taxation		(875)	552
Tax on surplus on ordinary activities	4	(193)	(725)
Surplus / (Deficit) for the year	9	(1,068)	(173)

ARSENAL FANSHARE SOCIETY LIMITED

BALANCE SHEET

AS AT 31 JULY 2013

	Notes	2013 £	£	2012 £	£
Current assets					
Debtors	5	8,984		2,440	
Investments	6	1,388,100		1,004,060	
Cash at bank and in hand		219,163		356,062	
		<u>1,616,247</u>		<u>1,362,562</u>	
Creditors: amounts falling due within one year	7	<u>(1,613,953)</u>		<u>(1,359,276)</u>	
Net current assets			2,294		3,286
Total assets less current liabilities			<u>2,294</u>		<u>3,286</u>
Capital and reserves					
Called up share capital	8		1,778		1,865
Other reserves	9		271		108
Income and expenditure account	9		245		1,313
Members' funds			<u>2,294</u>		<u>3,286</u>

The offices of the Society Board acknowledge their responsibilities for:

- ensuring that the club keeps proper accounting records which comply with sections 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968 (The Act),
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with sections 1 and 2 of the Act, and
- preparing financial statements which give a true and fair view of the state of affairs of the club as at the end of the financial year and of its surplus for the financial year in accordance with the requirements of section 3, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the club.

ARSENAL FANSHARE SOCIETY LIMITED

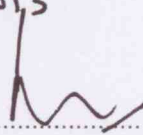
BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2013


These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 11th December 2013


.....
G Taylor
Society Board Member


.....
P Drew
Society Board Member


.....
J Pekar
Society Board Member


.....
S Cooper
Secretary

Company Registration No. IP030984

ARSENAL FANSHARE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, modified to include the revaluation of investments held for resale and the corresponding liability, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Arsenal Fanshare Society has to date received certain financial contributions in accordance with the terms of a services agreement with Arsenal Overseas Limited ("AOL"). This agreement with AOL is due to expire in August 2014.

The financial statements are being prepared on a going concern basis as the Society Board is looking for an alternative financial resource and if this is not found within a reasonably short time the Society Board will have no option other than to propose to Fanshare members significant changes to the charging structure for the Fanshare Scheme to make it self-funding or in the alternative, if this is not possible, consider the sale of its assets and a return of the net proceeds to Fanshare members.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents monies received in respect of administration, membership and exit fees from the purchase and sale by members of Fanshares in the society.

1.4 Investments

Current asset investments are held for resale and adjusted to market value and any gains or losses arising are recognised in the income and expenditure account.

1.5 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Profit and Loss Account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instrument are debited direct to equity.

ARSENAL FANSHARE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

2 Other operating income

	2013 £	2012 £
Gain / (Loss) on Fanshare reallocation	(395)	1,067
Promotion and marketing activities	57,500	60,000
	<u>57,105</u>	<u>61,067</u>

3 Investment income

	2013 £	2012 £
Bank interest	17	17
	<u>17</u>	<u>17</u>

4 Taxation

	2013 £	2012 £
Domestic current year tax		
U.K. corporation tax	193	725
Total current tax	<u>193</u>	<u>725</u>

5 Debtors

	2013 £	2012 £
Other debtors	8,984	2,440
	<u>8,984</u>	<u>2,440</u>

6 Current asset investments

	2013 £	2012 £
Other investments	1,388,100	1,004,060
	<u>1,388,100</u>	<u>1,004,060</u>

Other investments are shares in Arsenal Holdings Plc. These are held for resale and have been adjusted to market value.

ARSENAL FANSHARE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

7 Creditors: amounts falling due within one year	2013	2012
	£	£
Trade creditors	20,005	23,976
Taxation and social security	193	302
Fanshares held on behalf of members	1,388,100	1,004,060
Cash units held on behalf of members	170,931	318,235
Other creditors	22,724	3,253
Accruals and deferred income	12,000	9,450
	<u>1,613,953</u>	<u>1,359,276</u>

Fanshares held on behalf of members of £1,388,100 (2012: £1,004,060) are valued at 1/100th the value of a £1 share in Arsenal Holdings Plc. This amount represents the market value of the Fanshares.

8 Share capital	2013	2012
	£	£
At August 2012	1,865	1,862
Shares issued	76	111
Shares cancelled / forfeited	(163)	(108)
	<u>1,778</u>	<u>1,865</u>
At 31 July 2013	<u>1,778</u>	<u>1,865</u>
Amounts presented in equity	<u>1,778</u>	<u>1,865</u>

The society issued 76 (2012: 111) shares during the year to new members, and cancelled 163 (2012: 108) shares previously owned by exiting members.

ARSENAL FANSHARE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

9 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 August 2012	108	1,313
Loss for the year	-	(1,068)
Movement during the year	163	-
	<hr/>	<hr/>
Balance at 31 July 2013	271	245
	<hr/>	<hr/>
Other reserves		
Capital redemption reserve		
Balance at 1 August 2012	108	
Capital redemption reserve movement	163	
	<hr/>	
Balance at 31 July 2013	271	
	<hr/>	

The society cancelled 163 (2012: 108) shares previously owned by exiting members, thus creating the capital redemption reserve.

10 Control

The society is controlled by the officers of the board. There is no single controlling party.

11 Post balance sheet events

The Arsenal Fanshare Society has to date received certain financial contributions in accordance with the terms of a services agreement with Arsenal Overseas Limited ("AOL"). This agreement with AOL is due to expire in August 2014. Accordingly the Society Board is looking for an alternative financial resource and if this is not found within a reasonably short time the Society Board will have no option other than to propose to Fanshare members significant changes to the charging structure for the Fanshare Scheme to make it self-funding or in the alternative, if this is not possible, consider the sale of its assets and a return of the net proceeds to Fanshare members.

ARSENAL FANSHARE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

12 Related party relationships and transactions

J Pekar and T Payton who are also board members of the Society, recharged miscellaneous expenses for amounts of £274 (2012: £251) and £106 (2012: £102) respectively. At the balance sheet, the company owed J Pekar £274 (2012: £251) and T Payton £50 (2012: £nil) respectively.

Included in creditors is an amount of £15,500 (2012: £nil) due to Arsenal Supporters Society Limited. No interest was charged on this amount and the amount was repaid in full after the year end. Arsenal Supporters Society Limited is considered a related party as it was founded by Glyn Taylor, a board member of this Society.

ARSENAL FANSHARE SOCIETY LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 JULY 2013

ARSENAL FANSHARE SOCIETY LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2013

		2013		2012
	£	£	£	£
Turnover				
Revenue		16,485		16,143
Other operating income		57,105		61,067
		<u>73,590</u>		<u>77,210</u>
Administrative expenses		<u>(74,482)</u>		<u>(76,675)</u>
Operating (loss)/profit		(892)		535
Other interest receivable and similar income				
Bank interest received		<u>17</u>		<u>17</u>
(Loss)/profit before taxation	1.19%	<u><u>(875)</u></u>	0.71%	<u><u>552</u></u>

ARSENAL FANSHARE SOCIETY LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 JULY 2013

	2013	2012
	£	£
Administrative expenses		
Management charges	63,586	63,215
Insurance	555	505
Printing, postage and stationery	933	252
Computer running costs	4,024	5,664
Accountancy	5,100	6,660
Sundry expenses	284	379
	<hr/>	<hr/>
	74,482	76,675
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