

RAITH ROVERS INDEPENDENT SUPPORTERS' SOCIETY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



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STATUTORY INFORMATION

Directors	G Condie (Treasurer) J Proctor A Russell (Chairman) S Lawther S Wallace G Baxter C Flinn A Simpson
Secretary	J Proctor
Registered Number	IP 2590 RS
Registered Office	c/o Gibson, Spears, Dow & Son 9 East Fergus Place Kirkcaldy KY1 1XU
Bankers	Bank of Scotland Carberry Road Mitchelston Kirkcaldy KY1 3PA
Solicitors	Cobbetts Ship Canal House King Street Manchester M2 4WB

**DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2019**

The Directors present their report and financial statements for the year ended 30 June 2019.

The Society was incorporated on 17 September 2002 and took over the activities of Raith Rovers Independent Association. The Society is a registered society under the Co-operative and Community Benefit Societies Act 2014, regulated by the Financial Conduct Authority.

Principal activities

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

- i) to strengthen the bonds between Raith Rovers Football Club ("the Club") and the community which it serves and to represent the interests of the community in the running of the Club,
- ii) 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,
- iii) to provide a democratic forum for Society members and the wider community to share and exchange their aspirations for the Club,
- iv) to represent the interests of Society members, and the wider community, in the affairs of the Club and to engage in constructive dialogue with the representatives and staff of the Club,
- v) to support the continuing development of, and widen interest and involvement in, the game of football in the Kirkcaldy area regardless of sex, age, ability or ethnic origin of those involved, and,
- vi) to work to ensure a positive portrayal of football in general, the Club, supporters of the Club and the wider community served by the Club.

Directors

The following Directors have held office during the year to 30 June 2019.

G Condie	C Flinn
J Proctor	A Russell
S Lawther	A Simpson
S Wallace	G Baxter

Directors' Interests

The Directors' interests in the shares of the Society were as stated below:

	Ordinary shares of £1 each	
	30 June 2019	30 June 2018
G Condie	1	1
G Baxter	1	1
J Proctor	1	1
A Russell	1	1
S Lawther	1	1
C Flinn	1	1
S Wallace	1	1
A Simpson	1	1

Auditors

The members voted to have an independent review undertaken on the accounts in lieu of a full audit.

DIRECTORS' REPORT (continued)
YEAR ENDED 30 JUNE 2019

Directors' responsibilities

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

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

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. 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.

On behalf of the board



A Russell
Chairman

CHAIRMAN'S STATEMENT

Following our decision in the 2017/18 accounts to write down the value of our investments in the companies that make up Raith Rovers Football Club to their actual asset value (rather than their purchase price, as we had done previously), following a review of the group of companies last published balance sheets we have taken the decision to write these down to near zero. As the notes to these accounts state, we acknowledge that there is no reasonable prospect of recovering any value from these investments. In taking this decision, we would like to re-emphasise that these investments were made in order to secure influence in the club, rather than as a purely financial investment, and we feel that they served this purpose well – but the Raith Rovers world moved on when the club's shareholders approved the NRR Investments takeover in 2017 which took the club back into majority ownership by a single person. Since making this decision we have made a further financial contribution to the club, in the form of a loan (a similar form of contribution to those made by other shareholders and directors). Our priority as a Trust is to now ensure that we continue to have influence at the club regardless of the value of our investments. Our shareholding still exists, and has secured uninterrupted boardroom representation for the fans since 2005. Our voice is heard strongly, alongside the other supporters groups participating in the Raith Forum, and our relationships with other shareholders have benefitted from this representation. To build on these foundations, we will look to grow our membership over the coming financial year (which currently sits at 146, compared to its peak of 488 in 2006).

This shift from increasing our level of ownership to increasing the number of supporters we represent will allow us to continue supporting Raith Rovers Football Club. We are proud of the financial support we have been able to give the club as a result your membership subscriptions, attendance at fundraising events, and your donations. In 2018/19 we were honoured to accept a generous bequest from a former member, Bill Powrie, who sadly passed away in 2017. After consulting with his family, we decided to use his legacy to help grow the next generation of Raith Rovers supporters. Fans are the lifeblood of any football club, and with so many other things competing for their attention, it is often a challenge to attract younger fans through the turnstiles. Due to Bill's generosity, we were able to subsidise the cost of more than 200 season tickets for young supporters in the 2018/19 season, and we hope that these young supporters go on to develop the same affection for the club that Bill felt during his life.

Thank you for your continued support, and for helping us build a stronger Raith Rovers.

Alan Russell
CHAIRMAN

**INDEPENDENT EXAMINERS REPORT
TO THE MEMBERS OF RAITH ROVERS INDEPENDENT SUPPORTERS' SOCIETY LIMITED**

I have reviewed the financial statements of Raith Rovers Independent Supporters' Society Limited on pages 6 to 9 for the year to 30 June 2019.

This report is made solely to the society's members, as a body. My examination work has been undertaken so that I might state to the society's members those matters I am required to state to them in an examiners' 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 work, for this report, or for the opinions I have formed.

Respective responsibilities of Society's Board Members and the examiner

The Society Board Members consider that an audit is not required for this year as an appropriate resolution was approved by members at the last AGM and that an independent examination is therefore appropriate.

It is my responsibility to:

- examine the accounts
- follow the procedures laid down in the General Directions given by Supporters Direct; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's statement

My examination was carried out in accordance with General Directions given by Supporters Direct. An examination includes a review of the accounting records kept by the Society and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Society Board Members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

- a) which gives me reasonable cause to believe that, in any material respect, the Society Board Members have not met the requirements to ensure that:
 - i) proper accounting records are kept
 - ii) accounts are prepared which agree with the accounting records and comply with generally accepted accounting requirements; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

I can also confirm that, in my opinion, the accounts have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

Signed: Steven MacLerie

Date: 30/1/2020

Qualification: ACCA

Name: STEVEN MACLERIE

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	£	£
Income		
Members' subscriptions	730	1,060
Donations	4,404	4,605
Legacy Giving Donation	10,000	-
Fund Raising	<u>1,139</u>	<u>1,755</u>
	<u>16,273</u>	<u>7,420</u>
Expenditure		
Printing, postage and stationary	-	234
Advertising and sponsorships	12,520	2,832
Membership subscriptions	50	100
Bank charges	12	22
Other expenses	<u>-</u>	<u>58</u>
	<u>12,582</u>	<u>3,246</u>
Operating Surplus/ (Deficit)	<u>3,691</u>	<u>4,174</u>
Impairments	(7,906)	(210,642)
Debt write-off	<u>-</u>	<u>59,500</u>
	<u>(7,906)</u>	<u>(151,142)</u>
Retained Surplus/ (Deficit) for the year	<u>(4,215)</u>	<u>(146,968)</u>

The notes on pages 9 and 10 form part of these financial statements.

RAITH ROVERS INDEPENDENT SUPPORTERS' SOCIETY LTD

BALANCE SHEET – AS AT 30 JUNE 2019

	Notes	2019	2018
		£	£
Fixed assets			
Investments	2	<u>3</u>	<u>7,909</u>
Non-Current assets			
Loan	3	10,000	-
Current assets			
Cash at bank and in hand		10,542	16,917
Total assets less current liabilities			
		20,545	24,826
Total Assets less Liabilities			
		<u>20,545</u>	<u>24,826</u>
Called up Capital and reserves			
Called up share capital	4	146	212
Income and expenditure account	5	<u>20,399</u>	<u>24,614</u>
	6	<u>20,545</u>	<u>24,826</u>

The notes on pages 9 and 10 form part of these financial statements.

The financial statements were approved by the Board on 07 December 2019.



G Condie
Treasurer



A Russell
Chairman

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Investments

Fixed asset investments are stated at historic cost less impairment.

2 Fixed asset investments

Unlisted Investments Cost	2019	2018
At Cost 1 July 2018	7,909	218,551
Added in Year	-	-
Impairment	<u>(7,906)</u>	<u>(210,642)</u>
At Cost 30 June 2019	<u>3</u>	<u>7,909</u>

The unlisted investments represent:

Raith Rovers FC Holdings Limited	1	18
New Raith Rovers Limited	1	7,890
Raith Rovers Football Club Limited	<u>1</u>	<u>1</u>
	<u>3</u>	<u>7,909</u>

The directors have analysed the balance sheets of the above companies as reported in their last published accounts available at the balance sheet date and concluded that there is no reasonable prospect of recovering any value from its equity investments.

3 Non-Current Assets

Loan to Raith Rovers Football Club Ltd	<u>10,000</u>	<u>-</u>
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Following the announcement in August 2017 that New Raith Rovers Ltd had sold its majority stake in Raith Rovers Football Club Ltd which reduced the attractiveness of further purchases of shares, the directors have agreed to provide funds to the club in the form of an interest free loan with the option to seek repayment, waive it or convert it to shares at an undetermined future date.

4 Share capital

Allotted, called up and fully paid		
146 Ordinary Shares of £1 each	<u>146</u>	<u>212</u>

5 Statement of movements on profit and loss account

Income and Expenditure Account

Balance B/Fwd	24,614	171,582
Retained surplus/(deficit) for period	<u>(4,215)</u>	<u>(146,968)</u>
	<u>20,399</u>	<u>24,614</u>

6 Reconciliation of movements in shareholders' funds

	2019	2018
Surplus/(deficit) for the financial period	(4,215)	(146,968)
New shares issued in period	-	27
Shares cancelled in period	<u>(66)</u>	<u>-</u>
Net addition/(deduction) to shareholders' funds	(4,281)	(146,941)
Opening shareholders' funds	<u>24,826</u>	<u>171,767</u>
Closing shareholders' funds	<u>20,545</u>	<u>24,826</u>