

Report of the Society Board and
Unaudited Financial Statements for the Year Ended 31 May 2018
for
Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Contents of the Financial Statements
for the Year Ended 31 May 2018

	Page
Company Information	1
Report of the Society Board	2
Income Statement	3
Balance Sheet	4
Notes to the Financial Statements	5
Report of the Independent Examiner	7
Profit and Loss Account	8

Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Company Information
for the Year Ended 31 May 2018

TRUSTEES:

D Harper
P Arnup
T Davies
A Fleming
J Kaye
D Knight
A Michaelson
P J Osborne
M Randall
M Roper

SECRETARY:

J Kaye

REGISTERED OFFICE:

20 Market Place
Kingston Upon Thames
Surrey
KT1 1JP

REGISTERED NUMBER:

IP29225R (England and Wales)

ACCOUNTANTS:

Mr F P Dongworth FCA
Dongworth Limited
Menor House
The Maltings
Station Road
Sawbridgeworth
Hertfordshire
CM21 9JX

Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Report of the Society Board
for the Year Ended 31 May 2018

The trustees (who are also directors) present their report with the financial statements of the company for the year ended 31 May 2018.

PRINCIPAL ACTIVITY

The principal activity of the trust in the year under review was that of representing the interests of the supporters of Leyton Orient Football Club Limited.

TRUSTEES

The trustees shown below have held office during the whole of the period from 1 June 2017 to the date of this report.

D Harper
P Arnup
T Davies
M Dunn – resigned 14 August 2017
A Fleming
J Kaye
D Knight
A Michaelson
P J Osborne
M Randall
M Roper

INDEPENDENT EXAMINER

Mr F P Dongworth FCA will be proposed for re-appointment as Independent Examiner.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

TRUSTEES' RESPONSIBILITIES STATEMENT

Co-operative and Community Benefit Societies law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and the surplus or deficit of the society for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees 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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

.....
J Kaye - Secretary

Date:

Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Report of the Society Board
for the Year Ended 31 May 2018

	Notes	2018 £	2017 £
TURNOVER		12,849	177,807
Administrative expenses		<u>5,119</u>	<u>7,758</u>
		7,730	170,049
Interest receivable and similar income		<u>240</u>	<u>-</u>
SURPLUS FOR THE YEAR		7,970	170,049
Transfer to Regeneration Fund		(5,027)	174,582
Released from Regeneration Fund to General Funds		<u>5,334</u>	<u>-</u>
SURPLUS (DEFICIT) FOR THE YEAR		8,277	(4,533)
SURPLUS BROUGHT FORWARD		<u>719</u>	<u>5,252</u>
SURPLUS CARRIED FORWARD		<u><u>8,996</u></u>	<u><u>719</u></u>

The notes form part of these financial statements

Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Balance Sheet
31 May 2018

	Notes	2018 £	2017 £
CURRENT ASSETS			
Cash at bank		<u>151,212</u>	<u>176,582</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>151,212</u>	<u>176,582</u>
CAPITAL AND RESERVES			
Called up share capital	3	1,246	1,281
Regeneration reserve	4	140,970	174,582
Retained earnings		<u>8,996</u>	<u>719</u>
		<u>151,212</u>	<u>176,582</u>

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

.....
D Harper - Chair

.....
P J Osborne - Treasurer

The notes form part of these financial statements

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2. **TAXATION**

The society is treated for corporation tax purposes as being mutually trading and is not liable to UK corporation tax on its surpluses. Corporation tax is chargeable on non-mutual income including investment income.

3. **CALLED UP SHARE CAPITAL**

Each full member of the society owns one ordinary share of £1 in the society which is not transferable. The share is cancelled if an individual ceases to be a member.

Junior members cannot hold shares in the society nor have any voting rights.

At 31 May 2018 the society had 1,246 (2017 – 1,281) full members and 8 (2017 - 11) junior members.

4. **REGENERATION FUND**

	2018	2017
	£	£
Balance 1 June 2017	174,582	-
Movement in reserve	<u>(33,612)</u>	<u>174,582</u>
As at 31 May 2018	<u>140,970</u>	<u>174,582</u>

On 2 March 2017, a restricted fund called Leyton Orient Regeneration Fund was set up with a view to regenerating the club following a period of financial crisis and management instability.

On 22 June 2017, the club was taken over by a new consortium and, as a result, the fund was closed to further contributions from 13 July 2017.

Donations to the fund were received from various sources and in the majority of cases the donors can be established. Amounts raised, however, from cash collections, various fund raising events and those made through Paypal and GoFundMe accounts are difficult and, in some cases, impossible to identify.

The final balance of the Regeneration Fund amounted to £179,610.

The Board sought expert legal advice during the year in respect of usage of the Fund. The advice received confirmed that if the Board considers that the Fund is not likely to be needed soon for one or more of the "disaster recovery" scenarios set out in the Fund mandate, then the society must offer refunds to those donors who donated £100 or more and standing orders of £20 per month or more (such amounts being those set out as eligible for refund in the Fund mandate) and that such donors must be refunded, if they want one.

The Board subsequently concluded that the Regeneration Fund was not likely to be needed soon for one or more of the "disaster recovery" scenarios. A Special General Meeting of the society on 29 March 2018 passed a resolution that the Board would make best endeavours to contact everyone whose donation falls within the refund category and that those with the right to a refund should be given four options: a full refund of the net amount after any PayPal/GoFundMe charges, to leave their donation in the Regeneration Fund, to give their refund to the society for its general funds, or any combination of the above. The resolution also stipulated that the refund offer period should be time-limited to finish on 31 October 2018 and that all responses within that period will be honoured, and that no further refunds can be made after the refund deadline has passed.

The Board contacted as many of the relevant donors as possible and published the refund period on the society's website, on social media and in the club's programme. All valid requests from those eligible for a refund were honoured. Following the close of the refund period on 31 October 2018, the Regeneration Fund balance was £117,567. In accordance with the legal advice received, the Fund will be retained for the sole purpose of the "disaster recovery" scenarios should they manifest at the Club in the future, unless the society passes a resolution at a general meeting in accordance with its Rules to re-purpose the Fund for other uses. The Board does not currently propose to re-purpose the Fund.

5. **INVESTMENT IN LEYTON ORIENT FOOTBALL CLUB LIMITED**

The Trust owns 6,280 ordinary 25p shares in Leyton Orient Football Club Limited at a total cost of £5,605. These shares are not easily transferable and, in the opinion of the society board, have no value and have therefore been written down to nil in the balance sheet.

Report of the Independent Examiner
To the Members of Leyton Orient Fans Society Limited on the accounts for the year ended
31 May 2018 set out on pages 3 to 6

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 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
- to follow the procedures laid down in the General Directions given by Supporters-Direct; and
- to 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.

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 comply with the Co-operative and Community Benefit Societies Act 2014.

Mr F P Dongworth FCA
Dongworth Limited
Menor House
The Maltings
Station Road
Sawbridgeworth
Herts
CM21 9JX

Date:

Leyton Orient Fans' Society Ltd trading
as Leyton Orient Fans' Trust (LOFT)

Profit and Loss Account
for the Year Ended 31 May 2018

	2018		2017	
	£	£	£	£
Turnover				
Membership subscriptions and donations	7,758		7,684	
Regeneration fund including general fundraising	5,027		170,086	
Commission received and sundry income	<u>64</u>		<u>37</u>	
		12,849		177,807
Other income				
Deposit account interest		<u>240</u>		<u>-</u>
		13,089		177,807
Expenditure				
Committee members' expenses	1,629		3,531	
Legal fees	2,400		-	
Sponsorship	-		256	
Subscriptions and filing fees	465		160	
Computer expenses	104		56	
Sundry expenses	<u>31</u>		<u>21</u>	
		<u>4,629</u>		<u>4,024</u>
		8,460		173,783
Finance costs				
Bank, GoFundMe and Paypal charges		<u>490</u>		<u>3,734</u>
NET SURPLUS FOR THE YEAR		<u><u>7,970</u></u>		<u><u>170,049</u></u>

This page does not form part of the statutory financial statements