

## **The Football Supporters' Society of Bury Board Members' Report**

The Football Supporters' Society of Bury (the 'Society') Board Members (the 'Society Board') submit their report for the year to date together with the accounts for the year ended 30<sup>th</sup> June 2024.

### **Guiding principles**

The Society's objects are to benefit the community by:

- Being the democratic and representative voice of the supporters of Bury Football Club ('the Club') and strengthening the bonds between the Club and the communities which it serves;
- Achieving the greatest possible supporter and community influence in the running and ownership of the Club;
- Promoting responsible and constructive community engagement by present and future members of the communities served by the Club and encouraging the Club to do the same;
- Operating democratically, fairly, sustainably, transparently and with financial responsibility and encouraging the Club to do the same;
- Being a positive, inclusive and representative organisation, open and accessible to all supporters of the Club regardless of their age, income, ethnicity, gender, disability, sexuality or religious or moral belief;

### **Responsibilities of the Board**

The Society Board is required to prepare financial statements, for each financial year, which give a true and fair view of the state of affairs of the Society 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;
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014.

The Society Board 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.

### **Interim Board**

An Interim Board was established following the successful vote in May 2023 to merge Bury FC Supporters' Society Ltd and the Shakers Community Society Ltd to form the Football Supporters' Society of Bury Ltd

The Interim Board remained in position between May 2023 and Oct 2023 and was dissolved following the election of the FSSB Board. In total the Interim Board met 13 times between the 23<sup>rd</sup> May 2023 and 21<sup>st</sup> Sept 2023.

The members of the Interim Society board prior to the election were:

Name	Appointment Date
John Woodhead	19/05/2023
Alistair Rowe	19/05/2023
Phil Young	19/05/2023
Martin Stembridge	19/05/2023
David Triggs	19/05/2023
Mike Goodier	19/05/2023
Michael Howarth	19/05/2023
Karl Lee	19/05/2023

The Interim Board completed the process of amalgamating the two societies and achieved the following:

- FA Change of Name
- FCA Registration of FSSB
- Arranging the AGM
- The election of the first FSSB Board
- Setting up of society bank accounts
- Agreeing large sponsorship deals
- Liaising with DLUH and Bury Council regarding the drawdown of grants
- Meeting Ground requirements

### **Election of the FSSB Board 2023**

The election of the first FSSB Board was completed on the 19<sup>th</sup> October with a turnout of 62.6% of the membership. Of the 2410 ballots issued, 1508 were returned. The elected board members were:

Name	Elected/Co-opted/Resigned	Appointment Date
Darren Bernstein	Elected	20/10/2023
Mike Goodier	Elected	20/10/2023
Michael Howarth	Elected	20/10/2023
Marcel De Matas	Elected	20/10/2023
Jon Newby	Elected	20/10/2023
Ian Pearson	Elected	20/10/2023
Rod Peters (Secretary)	Elected	20/10/2023
John Woodhead	Elected	20/10/2023
Phil Young (Chair)	Elected	20/10/2023

### **Membership**

A new payment system was introduced in May 2023.

In our annual report last year, we estimated that 1,500 would be a realistic target for the size of the society's membership. At the end of June 24 membership stood at 1780.

Members are slowly moving across to the new payment system with approximately one third of the membership now using the new portal. It is hoped to further increase the numbers moving across in the new financial year.

## **Further Funding and Capital Projects**

Members voted and agreed with the proposal to install a 3G pitch (92%) and to allow the society to use its own surplus to contribute to the funding of the project if required (90%). Members also agreed (87%) for the society and/or its subsidiaries' officers to negotiate and execute the key legal agreements required to fund and install the pitch. For more on this read [here](#).

The initial payment was met by the Society reserves until we received matched funding of £300,000 from the Department for Levelling Up, Housing and Communities (DLUHC) in April 2024. This utilised the remainder of the £1m available from their Community Ownership Fund.

We also drew down funding from Bury Council who, in May 2024, contributed £450,000, as approved by their Cabinet. This committed us to a programme of work in the borough designed to maximise community usage of the stadium through a diverse number of initiatives.

## **Financial Performance**

The Football Supporters' Society of Bury Ltd, Bury Football Club (2019) and The Bury Football Club Company Ltd performed as expected as reported in our monthly management accounts. Those management accounts are consolidated whilst the statutory accounts separate the finance of the three organisations. With it being the first year back at Gigg Lane and with many unknowns it was difficult to predict and produce an accurate budget, but this should improve going forward.

Moving to matters on the pitch the sanctions imposed on us by the league, three-point deduction and two games behind closed doors did not just affect the team and our push for automatic promotion but had a considerable impact on our finances with no gate receipts and additional legal costs. The state of the Gigg Lane pitch towards the end of the season also had an impact on results. With this in mind we used the remainder of the government grant and the grant from Bury Council to invest in the 3G pitch. We should see the benefit from this over the coming years. This will be a significant asset for community use.

Although The Football Supporters' Society of Bury Ltd accounts show a loss of £226,993 this is due to the movement of funds between the various companies by way of donations and grants Bury Football Club (2019) Ltd is showing a profit of £441,616. The consolidated profit of the three companies (thanks to the income from grants of £155,767) for the year is £206,168.

This is an unusual split in profits and losses in our statutory accounts, as we usually show stronger profits in the Society, which does not pay corporation tax and is not VAT registered. The football club, Bury Football Club (2019) Ltd does pay corporation tax and VAT and is usually break even or shows a small loss as it bears most of the costs of the stadium and club operations. This usually gives us the best position from a tax perspective. Whilst the profit in the football club is unusually large this year, there is minimal corporation tax to pay, because a significant amount of the income came from a donation from the Society to the club to pay for the 3G pitch. Income from donations is excluded from corporation tax. It was better for the football club to pay for the pitch so that VAT could be reclaimed, as the Society is not VAT registered. As a result, the Society shows a loss because of the donation made to fund the pitch, but it still holds significant cash reserves as the pitch was funded from grant funding which shows on its balance sheet rather than as income.

The two old societies Shakers Community Society Limited and Bury FC Supporters' Society had inter-company balances with Bury Football Club (2019) and The Bury Football Club Company Ltd respectively. With the merger of the societies this could not be repaid and was therefore treated as donations as mentioned above. As this is shown as income in one company and an expense in the other it had no overall effect on the consolidated profit.

The monthly management accounts which members receive show a lower profit for the year. Whilst the statutory accounts are a technically accurate statement for the full year, the management accounts provide a more reliable indication of the underlying profitability of the group given the unusual nature of the movement of money between companies last year.

### **The Football Supporters' Society of Bury Ltd**

Following the merger the society has now amalgamated the Shakers Community Society Limited and Bury FC Supporters' Society Limited and is required to be formally audited under its rules. This also applies to its subsidiaries, which include Bury Football Club (2019) Ltd and The Bury Football Club Company Limited.

Whilst the Co-operative and Community Benefit Societies Act 2014 requires us to produce consolidated accounts to include the subsidiaries we have once again taken advantage of the exemption which allows us to produce separate accounts for simplicity.

The society incurred a loss during the year of £226,993 due to making donations to Bury Football Club (2019) Ltd of £320,000 and The Football Club Company Limited £41,423 to pay for the 3G pitch and stadium improvements.

### **Bury Football Club (2019) Ltd**

The first year back at Gigg Lane brought with it many challenges not least getting the stadium up and running and fit to hold football matches again. With this in mind we took the decision to employ a stadium manager and later his assistant. Repairs and maintenance for the year came to £80,257. Despite other additional costs the company made a trading profit of £5,849 and this was increased by the £320,000 donation from the Society and Council Grant £115,767 to £441,616. The company does not pay corporation tax on donations or the grant and with the losses brought forward and capital allowances will not have a tax liability.

### **The Bury Football Club Company Limited**

Part way through the year the decision was taken to simplify the accounting and the majority of the income and expenditure was taken over by Bury Football Club (2019) Ltd. Going forward there will be very few transactions in this company apart from some rental income and insurance payments. The company incurred a small loss of £8,455 for the year, compared to a loss of £73,578 the previous year.

There are some small details currently to be agreed with the auditors around wording and definitions and will notify members if any further material changes arise before filing the accounts but we do not expect them to have any material impact on the accounts as a whole.

### **Auditors**

Sedulo are recommended for re-appointment subject to a value for money assessment by comparing their fees to other audit firms.

### **Other Updates**

A full list of all updates, including all votes and General Meetings held during the year can be found at the FSSB website under [News](#).

Aside from regular financial updates, notable items during the period were:

[Away Kit Vote](#)

[3G Pitch and Funding Vote Results](#)

[3G Pitch Build and Funding](#)

[Memberships Now Open](#)

[AGM 2023](#)

[Society Update](#)

[SGM - Election Results 2023](#)

[SGM Update](#)

[Secretary Update](#)

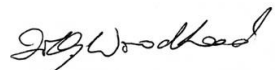
[Society Update](#)

[FCA Approval](#)

This report was approved by the Society Board on 6<sup>th</sup> December 2024.

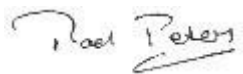
Signed on behalf of the Board:

Name: John Woodhead

A handwritten signature in black ink, appearing to read 'John Woodhead'.

Position: Chair

Name: Rod Peters

A handwritten signature in black ink, appearing to read 'Rod Peters'.

Position: Secretary

Date: 6<sup>th</sup> December 2024