

CLUB REGISTRATION NUMBER IP030984

**ARSENAL FANSHARE SOCIETY
LIMITED**

FINANCIAL STATEMENTS

31 JULY 2011

ARSENAL FANSHARE SOCIETY LIMITED**FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2011**

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ARSENAL FANSHARE SOCIETY LIMITED

THE REPORT OF THE SOCIETY BOARD

YEAR ENDED 31 JULY 2011

The Society Board has pleasure in presenting its report and the unaudited financial statements of the Society for the year ended 31 July 2011.

PRINCIPAL ACTIVITIES

The principal activity of the Society during the period was to facilitate Society members to acquire shares in Arsenal Holdings Plc. The Society commenced trading on 16 August 2011.

SOCIETY BOARD

The Society Board in office during the year were:

J Knight	G Taylor
T Payton	J Pekar
M Silcott	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 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

Approved by the Society Board on 12 December 2011

ARSENAL FANSHARE SOCIETY LIMITED
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 JULY 2011

		Year to	Period from
	Note	31 Jul 11	7 Jun 10 to
		£	31 Jul 10
			£
REVENUE		52,642	-
Other operating income	2	64,035	-
Administrative expenses		(115,193)	-
OPERATING SURPLUS		1,484	-
Interest receivable		27	-
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		1,511	-
Tax on surplus on ordinary activities		25	-
SURPLUS FOR THE FINANCIAL YEAR		1,486	-

ARSENAL FANSHARE SOCIETY LIMITED**BALANCE SHEET****31 JULY 2011**

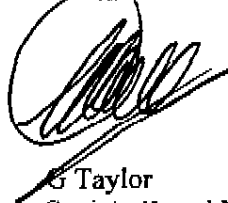
	Note	2011 £	2010 £
CURRENT ASSETS			
Debtors	4	445	—
Investments	5	634,095	—
Cash at bank and in hand		323,960	3
		<u>958,500</u>	<u>3</u>
CREDITORS: Amounts falling due within one year			
	6	<u>955,152</u>	—
NET CURRENT (LIABILITIES)/ASSETS			<u>3,348</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,348</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	1,862	3
Other reserves	9	—	—
Income and expenditure account		1,486	—
MEMBERS' FUNDS			<u>3,348</u>

The officers of the Society Board acknowledge their responsibilities for:

- (i) ensuring that the Society keeps proper accounting records which comply with sections 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968 (the Act),
- (ii) 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
- (iii) preparing financial statements which give a true and fair view of the state of affairs of the Society 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.

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

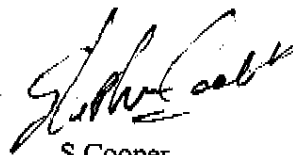
These financial statements were approved by the Society Board and authorised for issue on the 12 December and are signed on their behalf by:



G Taylor
Society Board Member



T Payton
Society Board Member



S Cooper
Secretary

Registration Number: IP030984

ARSENAL FANSHARE SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2011****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been 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).

Cash flow statement

The Society Board has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities (effective April 2008) from including a Cash flow statement in the financial statements on the grounds that the Society is small.

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.

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 instruments are debited direct to equity.

2. OTHER OPERATING INCOME

	Year to 31 Jul 11	Period from 7 Jun 10 to 31 Jul 10
	£	£
Gain/(loss) on Fanshare reallocation	4,035	-
Promotion and marketing activities	60,000	-
	<u>64,035</u>	<u>-</u>

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the officers, during the year.

ARSENAL FANSHARE SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2011****4. DEBTORS**

	2011	2010
	£	£
Other debtors	<u>445</u>	<u>—</u>

5. INVESTMENTS

	2011	2010
	£	£
Other investments	<u>634,095</u>	<u>—</u>

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

6. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	14,717	—
Other creditors	97,680	—
Corporation tax	25	—
Fanshares held on behalf of members	634,095	—
Cash units held on behalf of members	184,185	—
Accruals and deferred income	<u>24,450</u>	<u>—</u>
	<u>955,152</u>	<u>—</u>

Fanshares held on behalf of members of £634,095 are valued at 1/100th of the value of 1 share in Arsenal Holdings Plc. This amount represents the market value of the Fanshares.

7. RELATED PARTY TRANSACTIONS

Glyn Taylor, a Society Board member, is also partner of Nabarro LLP. During the year, Nabarro LLP provided legal and professional services for an amount of £3,602. There was no outstanding balance at the end of the year.

J Pekar and T Payton, who are also board members of the Society, recharged miscellaneous expenses for amounts of £314 and £389 respectively.

The Society received and repaid loans from Arsenal Supporters Trust during the year for an amount of £7,727.

No further transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective April 2008).

ARSENAL FANSHARE SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 JULY 2011****8. SHARE CAPITAL**

	2011	2010
	£	£
At 1 August 2010	3	-
Shares issued	1,889	3
Shares cancelled/forfeited	(30)	-
At 31 July 2011	<u>1,862</u>	<u>3</u>
Amounts presented in equity	<u>1,862</u>	<u>3</u>

The Society issued 1889 shares during the year to new members, and cancelled 30 shares previously owned by exiting members.

9. OTHER RESERVES

	Capital redemption reserve	Capital contribution reserve	Total
	£	£	£
At 1 August 2010	-	-	-
Shares issued	(30)	30	-
At 31 July 2011	<u>(30)</u>	<u>30</u>	<u>-</u>

The Society cancelled 30 shares previously owned by exiting members, thus creating the capital redemption reserve and also a capital contribution reserve of the same value.