

Company Registration No. IP031940

CHELSEA SUPPORTERS' SOCIETY LIMITED
PERIOD ENDED 31 MAY 2016

DRAFT ACCOUNTS
AND
ANNUAL REPORT

Jeffreys Henry LLP

Finsgate
5-7 Cranwood Street
London
EC1V 9EE

Independent Examiner's Letter of Engagement

To the Society Board Members of Chelsea Supporters' Society Limited

1. Responsibilities of Society Board Members

As Society Board Members you are responsible for ensuring the Society maintains proper accounting records and for preparing accounts which give a true and fair view and which have been prepared in accordance with generally accepted accounting principles.

You are also responsible for determining whether, in respect of the year, the Society meets the conditions to be exempt from audit, and can therefore opt to commission an Independent Examination in order to meet the criteria for full membership set by Supporters Direct.

You are also responsible for assessing that my skills and experience are appropriate to carry out an Independent Examination of your Society, taking due consideration of its size and complexity.

2. Responsibilities of the Independent Examiner

It is my responsibility to:

- a) Examine the accounts
- b) To follow the procedures laid down in the General Directions given by Supporters Direct
- c) Discuss with you if any particular matters have come to my attention
- d) Write a report to members which will form part of the accounts

My work will not be an audit of the accounts.

3. Independence

I confirm that I have read the guidance provided by Supporters-Direct on independence and qualify as independent in line with that guidance

4. Limitation of liability

Any liability that may arise as a result of this engagement is limited to my fee set out in (5) below.

5. Fees

My fees for completing this Independent Examination will be £Nil.

Please sign one of the two copies below to signify your agreement to these terms.

Signed _____ (on behalf of Society Board)

Signed _____
(on behalf of Society Board)

Signed _____
(Independent Examiner)

Date _____

Date _____

Independent Examiner's Report

To the Members of Chelsea Supporters' Society Limited on the accounts for the period ended 31 May 2016 set out on pages 1 and 2.

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:

- a) examine the accounts;
- b) follow the procedures laid down in the General Directions given by Supporters Direct; and
- c) 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 (other than that disclosed below):

- 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. paper 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.

Signed _____

Date _____

Name Sudhir Rawal

Qualification FCA

Address: Jeffreys Henry LLP
Finsgate
5-7 Cranwood Street
London
EC1V 9EE

CHELSEA SUPPORTERS' SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 MAY 2016

	2016		2015	
	£	£	£	£
Members' subscriptions		1,781		2,983
Donations		-		249
Fundraising		-		54
		<hr/>		<hr/>
Net income		1,781		3,286
Other administrative costs				
T'Shirts	36		-	
Advertising, promotion and banners	375		336	
Bank charges	118		201	
Subscriptions	-		55	
Travel	-		15	
Venue rental	-		278	
Domain names and hosting	217		197	
General	-		123	
Donations	400		-	
	<hr/>		<hr/>	
Administrative costs		1,146		1,205
		<hr/>		<hr/>
Net surplus		635		2,081
		<hr/> <hr/>		<hr/> <hr/>

CHELSEA SUPPORTERS' SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MAY 2016

	2016		2015	
	£	£	£	£
Investments		250		250
Current assets				
Bank	4,986		3,392	
PayPal	824		1,783	
	<u> </u>	5,810	<u> </u>	5,175
Current Liabilities		-		-
		<u> </u>		<u> </u>
Net assets		<u>6,060</u>		<u>5,425</u>
Represented by:				
Net surplus		<u>6,060</u>		<u>5,425</u>

The financial statements were approved on behalf of the committee on2016 by

Tim Rolls
.....
Chairman

Stuart Kinner
.....
Treasurer

Paul Jeffrey
.....
Secretary

CHELSEA SUPPORTERS SOCIETY LIMITED

SOCIETY BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31st MAY 2016

The Society Board Members submit their report together with the financial statements for the year ended 31st May 2016.

1. Guiding Principles

The Society is run on the following fundamental principles :-

- A non-profit making Supporters Trust, with membership open to all Chelsea Football Club supporters worldwide;
- Wholly independent of Chelsea Football Club ('the Club') but seeking an ongoing positive dialogue with them;
- Run on a democratic one member, one vote principle with annual board elections, regular meetings and transparency of activity;
- Committed to proactive and mutually beneficial dialogue with the club and other stakeholders including the local community, local council, relevant media and other supporters groups.

2. Principal Aims

The Society was set up in 2013 with the following principal aims :-

- Encourage the board of Chelsea Football Club to take into account the interests of all supporters (both UK and Overseas based) and of the local community (businesses, residents, local authorities etc.) when making decisions that impact upon them;
- To actively and professionally engage with all relevant stakeholders on matters of interest and concern to Chelsea supporters;
- Act as an effective means of communication between club and supporters;
- Build on the work done by the Fans Forum in enabling issues of concern with supporters to be raised with the club;
- Work with Supporters Direct and other Supporters Trusts on pan-club issues like ticket prices and kick-off times;
- Work in partnership with existing supporters groups, websites, fanzine, podcasts etc. without detracting from their independence.

3. Responsibilities of the CST 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 Board is required to :-

- Select suitable accounting policies and then apply them consistently;
- Make judgments 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 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 Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

4. Business Review and Future Developments

4.1 Comment on Annual Accounts

The CST board feel that the surplus currently held (£6,060 as at 31/5/16) should be maintained, in case there should be a need for a 'fighting fund' or similar unplanned contingency requirement. The amount held in surplus is reviewed regularly by the CST board and, if appropriate, changes made to the membership fee structure.

4.2 CST Membership

The CST has a direct c8,000 reach through individual memberships and affiliations, plus 12,100 Twitter followers and 9,400 Facebook followers (figures correct as at 9/8/16).

4.3 Progress on Motions Passed at 2015 AGM

4.3.1 Stamford Bridge Redevelopment

The future of Stamford Bridge is the most significant issue facing Chelsea supporters and the clear wish of the majority of CST members is for the club to stay at their spiritual home. It was therefore of great interest for supporters to be able to see, last summer, the exhibition showing outline redevelopment plans, which if implemented will certainly make a 60,000 capacity Stamford Bridge one of the great football stadia of Europe.

The lack of any further announcement with regard to the stadium redevelopment, which is currently subject to the local authority planning permission process, is clearly a frustration for supporters but it is probably understandable that the Club hold back until there is something definite to say. It is to be hoped that the project team are able to update supporters with regard to progress in the near future.

Ongoing supporter input as the plans, designs, facilities and pricing structures firm up is essential, to ensure that the final stadium design meets, as far as is possible, the needs of supporters and, crucially, allows a greater proportion of younger supporters to affordably attend games.

Closely related to the planned redevelopment is the proposed move to a temporary stadium while Stamford Bridge is rebuilt. The location, timing and duration of such a move is the subject of much speculation in the media and amongst supporters and, again, it is to be hoped that news regarding such a move can be given to supporters in the near future. Tottenham's attractive pricing for their Champions League games at Wembley provides an interesting benchmark for Chelsea, regardless of their temporary home, and, again, supporter input into pricing and seat allocation decisions can only be beneficial. A list of concerns and suggestions with regard to such a temporary move were sent to the Club during the season and we will look to work with the club to address supporters' concerns about any temporary absence including travel, cost, ticketing and atmosphere'.

4.3.2 Future of Chelsea Pitch Owners

The CST board, and (from motions overwhelmingly passed at previous AGM's) our membership, has always believed that CPO is an essential long-term safeguard for Chelsea supporters with regard to the stadium, regardless of the Stamford Bridge redevelopment. We will continue to work with relevant parties to help ensure this is the case. We are in regular contact with CPO Chair Charles Rose and will continue to offer help and support to the CPO board as appropriate.

4.3.3 Atmosphere Concerns and Safe Standing

Concerted efforts by a number of groups and individuals, including the CST, continued to improve the atmosphere inside Stamford Bridge last season, and their efforts are welcomed. CST board members continued to meet with senior Club executives on a number of occasions to discuss this specific issue. The work done by groups like Shed End Atmosphere in trying to create a vibrant atmosphere in the ground, and produce banner displays, is to be commended.

4.3.4 Ticket Pricing and Availability

Ticket prices at Stamford Bridge were frozen for another year, which is welcome, but the big news this year was the introduction of the £30 cap on away PL tickets from 2016/17. This is testament to the hard work over a number of years by the Football Supporters Federation and Supporters Trusts across the Premier League. It ends the argument that supporters from different clubs working collectively together can achieve little or nothing to coordinate mutual interests.

Of course, just because away ticket prices have been reduced does not mean that campaigning will stop, as a statement we issued following the ticket price announcement made clear. Given the enormous sums of TV money pouring into Premier League club coffers there are clearly opportunities for clubs to reduce home ticket prices, incentivise young supporters etc.. We will continue to raise these issues with the Club and also work with other appropriate groups on a Premier League-wide basis.

The Chelsea subsidy of away travel outside London continued in 2015/16 and the announcement of an continuation of the scheme in 2016/17 is to be welcomed. From discussions with other PL Supporters Trusts it is clear that a number of other PL clubs have ended subsidised travel, and other away supporter initiatives, following the announcement of the £30 cap. There are also concerns that at some clubs concessionary prices have risen, to partly offset the revenue loss caused by the cap, and that at some grounds away allocations could be reduced. The CST, in conjunction with other PL Trusts, is keeping a close eye on this issue.

4.3.5 Membership of Hammersmith and Fulham Safety Advisory Group

The Met Police, Hammersmith & Fulham Council, Chelsea FC, British Transport Police, London Fire Brigade etc. meet twice a year as the Chelsea Safety Advisory Group (SAG) to discuss safety issues relating to Stamford Bridge. It is clearly counter-productive that supporter input is not sought. Following last year's AGM motion we approached the Council and, following a meeting with the SAG chair and officers, we now have input to the SAG agenda and receive feedback after meetings. This is progress, and we have made a number of valid points which were discussed at SAG's, but the longer term objective is to gain full SAG membership and the CST board will continue to work towards this.

4.3.6 Ticket Touting

One issue that continues to frustrate is street ticket touting. Little progress seems to have been made over the past twelve months and it is important that the CST are more effective in ensuring the SAG proactively address the issue.

4.4 Stakeholder Engagement

Over the past year CST board member dialogue with senior Club executives has continued. As well as a number of meetings relating to atmosphere, referenced above, there have been a series of wider discussions and, critically, a presentation of the results of the annual CST members survey.

The CST continue to work with other Premier League Trusts on developing engagement at a senior level in the FA and Premier League. We had representation at a meeting held between senior Premier League executives, the Football Supporters Federation and a supporter representative from each PL club in July. Issues discussed included ticket pricing, kick-off times and safe standing. It is planned that such meetings take place twice-yearly. It is to be hoped that effective dialogue and positive initiatives will result.

4.5 Ad Hoc Issues

4.5.1 European Away Ticket Collection Process

The Club introduced a new collection process for European away tickets which excited much comment from travelling supporters. A CST board member organised a survey among travelling Chelsea supporters regarding the process at the Porto away game and passed the results to the Club.

4.5.2 Kick Off Times

The CST probably get more ongoing complaints with regard to the late announcement of matches rescheduled for television, and the problems caused by matches kicking off at inappropriate times, than almost any other issue. The financial and logistical problems caused to home and away supporters by delayed announcements, and the number of matches it is impossible for away supporters to travel home on public transport from, is a cause of frustration for supporters across the Premier League. We have complained to the Premier League on a regular basis about announcement delays. A board member led on the issue at the meeting with Premier League executives (see 4.4) and will be actively involved in further stakeholder discussions on the issue.

4.5.3 Chelsea Graves in Brompton Cemetery

Following liaison with Friends of Brompton Cemetery, Chelsea official historian Rick Glanvill and the Club, the CST have organised three clear-ups of graves in Brompton Cemetery relating to Chelsea FC. The graves of four club founders (Messrs Janes, Kirby, Maltby and Mears) have been cleared and tidied up and are now easily accessible. Thank you to the CST members who have given up their spare time to help carry out this work. We plan to build on this initiative in the coming season, both in terms of other Chelsea graves and other community activity.

4.6 Communication and Dialogue with Members

In line with their stated practise, the CST held an Annual General Meeting and three Special General Meetings in 2015/16. Location again became an issue, but a successful SGM was held at the Chelsea Pensioner in May. We hope that this venue can be used in future. Guest at that May SGM was well-known Chelsea journalist Dan Levene, who did a lively Q&A session on a range of Chelsea issues. Dan also ran a Chelsea quiz at the 2015 AGM, and given the success of this event a follow-up is being held this year. In November we held an SGM Q&A with three experts on policing and stewarding issues at football matches. This SGM was held immediately after the launch of '*Chelsea – The Complete Record*' by Paul Dutton and Rick Glanvill, giving attendees an unexpected and welcome chance to meet Bobby Tambling.

As in 2014/15 one of the SGM's was held virtually (a Virtual General Meeting) in February, with members again accessing and interacting with the meeting through the internet. The level of interaction and quality of questions was again pleasing. The AGM and SGMs are broadcast live via the internet and also made available via a podcast, meaning members from across the globe unable to attend in person have the chance to participate and/or listen.

CST newsletters are e-mailed to members on a monthly basis, designed to keep them informed on a range of issues, on issues relating to Chelsea but also more widely. It is always a judgement as to how many members e-mails to send, as there is potentially a law of diminishing returns, but survey feedback indicates that monthly newsletters are about right. The CST website is regularly updated with current news items and has just had a redesign/refresh.

The CST has a strong presence on Facebook and Twitter, as these are clearly key tools in terms of getting important messages out quickly, to our membership and beyond. We must not forget, however, that many supporters do not use social media, hence the continued need for newsletters and, where appropriate, member e-mails. Our fourth annual members survey was conducted over the summer, and results will be presented to members later this year. The Club, media and the wider supporter base will also receive relevant highlights. Board members have also represented the CST position on various issues on the Chelsea Fancast, London Is Blue podcast, the Chelsea Fans Channel and other supporter-led communication channels.

Building and operating effective member dialogue processes in a world where face-to-face interaction is increasingly replaced by virtual engagement is an ongoing challenge, but essential if the CST are to truly identify and effectively represent the wishes of its members.

4.7 Media Coverage

CST board members continue to have a regular media presence and are regularly asked for comment and opinion by a wide range of media, on a range of issues, both relating to Chelsea and wider football matters. The results of the 2015 annual members survey again received wide coverage, as did statements on key issues affecting Chelsea supporters and the CST last season, and campaigns held with other Trusts and organisations the CST took part in. We have always tried to put over our views in a considered and rational manner and will continue to do so.

4.8 Summary

2016/17 is likely to be a pivotal and challenging year. Progress will hopefully be made with regard to the details regarding the Stamford Bridge development and the resultant temporary move, and it is imperative that supporter input on issues around facilities and ticketing is an integral part of the process in the years ahead. A key challenge for the new CST Board is to work effectively with the Club and other stakeholders to help ensure such input is relevant, properly represents members views and is fully taken into account.

The membership votes on the various motions submitted to the AGM will of course determine CST board priorities for 2016/17 and I would urge as many members as possible to cast their votes on the motions.

5. Society Board

The members of the Society Board in the year were as follows (all were elected in September 2015) :-

Cliff Auger;	Neil Beard;	Julian Beattie;	David Chidgey;
Debbie Coady;	David Johnstone;	Celia Mindelsohn;	Tim Rolls;
Richard Weekes			

In addition the following were co-opted as board members during the year :-

Charles Jackson (co-opted September 2015) Stuart Kinner (co-opted October 2015)
Iain Rodger (co-opted September 2015)

Paul Jeffrey continued in his role as CST secretary.

We are losing four existing board members for next season, a shame but an inevitability in any voluntary organisation and an opportunity to welcome new blood. On behalf of the board I would like to thank elected board members Vice-Chair Neil Beard and Julian Beattie and co-opted board member Iain Rodger for their efforts over the past years to help set establish the CST and steer us through the first three years of existence. Their loyalty and hard work is genuinely appreciated and they will all be missed. I stated at the last AGM that I would not seek to be CST Chair past 2016 , believing that after three years a new Chair will bring fresh impetus and ideas.

6. Independent Examiner

The Independent Examiner was Sudhir Rawal of Jeffrey's Henry LLP. The CST board are very grateful to Mr Rawal for his uncharged help in producing this report.

This report was reviewed and approved by CST board members via email.

On behalf of the Board

Name: Tim Rolls
Position: Chair