

Registration Number 29244 R

Brentford Football Community Society Limited

Accounts for the year to 31 May 2005

Brentford Football Community Society Ltd

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Brentford Football Community Society Ltd

Officers and Advisers

Chairman : Brian Burgess

Secretary : Bruce Powell

Finance Director : Stephen Callen

Other Board members :

John Anderson

Joe Bourke

Matt Dolman

Alan Fowler

Jon Gosling

John Huggins

Brian Sawyer

Peter Smith

Registered Office : Griffin Park
Braemar Road
Brentford
Middx TW9 0NT

Registration No.: 29244 R

Auditors: Alvis & Company (Accountants) Limited
Milton House
33a Milton Road
Hampton
Middlesex
TW12 2LL

Bankers : The Co-Operative Bank
Kings Valley
Yew Street
Stockport
Cheshire
SK4 2JU

Brentford Football Community Society Ltd

Chairman's Statement

The year to 31 May 2005 saw increasingly intense activity for the Supporters Trust in its continuing fight to keep Brentford FC (the Club) alive and to exercise our Option to acquire the majority shareholding from Altonwood. Since the year end the Trust and Altonwood signed an Exercise Notice on 30 September and are working towards completion of the acquisition by 31 January 2006. This is a momentous undertaking covered in more detail later in this report.

During the year Bees United had four nominated directors on the Club board, of whom two, John McGlashan and Stephen Callen, were executive directors responsible for the day to day running of the Club. Andrew Wainwright provided valuable legal advice and Graham Hall became the first Brentford supporter director nominated as a result of a direct election for a Club board position.

The Club had a successful season on the pitch, reaching the FA Cup fifth round and the League 1 play-offs. The resulting customer demand, however, highlighted the lack of investment in back office systems and organisation, particularly the ticketing system. Following the ticketing problems for the cup-tie against Southampton the Bees United board made a number of recommendations to the Club board, including the appointment of a Chief Executive. A board sub-committee was also set up to review governance issues arising in the relationship between the boards of the Trust and the Club. Among the recommendations arising from the report the Trust board has proposed two resolutions for consideration by members at the AGM on 19 November 2005.

Over the course of the year, the Trust increased its total lending to the Club by £67,500 to £417,500 in order to ease cashflow.

The Trust's own activities continued to generate healthy revenues. Compared to the previous year, however, Bees United's income was down by £9,910 to £134,290. Expenditure was £11,258 (compared to £12,795 in the year to 31 May 2004) giving a reduced surplus for the year of £123,032 (2004 - £131,410).

Membership at 31 May 2005 was 1,282. It has since risen to 1,330.

Following the end of the financial year John McGlashan resigned from his employment as an executive director of the Club and as a Bees United board member and Chief Executive in early September.

For over seven years John has played an historic role in the organisation, development and growing strength of Bees supporters as a force in shaping the future of Brentford FC. He was hugely influential in establishing BIAS and then Bees United and as the first supporters' representative on the Club board he was instrumental in building a constructive relationship with the Club's owners and with Hounslow Council. The Club and the Trust would simply not be where it is today without John's efforts and he should be rightly proud of his contribution.

I am also very sorry that Andrew Wainwright decided, due to the pressure of work involved in leading his busy law practice, to resign as a member of the Bees United board. Andrew has been one of the most valued and respected members of the board from the early days of the Trust. His professionalism and integrity are a shining example to us all and his influence will be missed by both the Trust and the Club as he also resigned from the board of Brentford FC.

On behalf of the Board I express our sincere thanks for all of John and Andrew's hard work and dedication.

This year's AGM will also see at least two other elected members leaving the Bees United board. Peter Smith and John Huggins have decided not to stand for re-election. Both of them have contributed huge amounts of time and energy to the work of the Trust, particularly fundraising. I am extremely grateful to them for their support and thank them on behalf of the Trust for their efforts.

Brentford Football Community Society Ltd

Chairman's Statement (continued)

The Altonwood Option

Exercising the option agreement with Altonwood will enable Bees United to acquire the shares which represent 60% of Brentford FC Ltd for £1 and 90% of Brentford Holdings Ltd, which in turn owns 50.95% of Griffin Park Stadium Ltd and a further 2% of Griffin Park Stadium Ltd also for £1, provided we can release Altonwood from the guarantees they have in place, which are currently securing the Club's £4.5 million overdraft.

The supporters' Back the Bees fundraising campaign is well on its way to achieving its target of attracting cash and written pledges totalling £1million to provide an interest free loan to the Club. This is a fantastic achievement.

Altonwood have agreed to match this with their own £1million interest free loan to the Club for three years and to maintain a £1million bank guarantee against a reduced level of bank borrowing of £2.5million. Barclays Bank have also confirmed that they are prepared to provide the Club with a £2million fifteen year term loan and a £0.5million working capital overdraft facility. Hounslow Council have also confirmed that they are prepared to provide the Club with a £0.5million interest-bearing loan via Bees United.

I would like to thank all of these organisations for their flexibility in helping us to find a solution to re-structure the Club's precarious finances.

Refinancing the guaranteed overdraft of £4.5million, however, is not enough. In the first five months of the current season the Club has not been able to achieve its budgeted revenue or cashflow. As a result additional cash will be required to see it through to the start of next season. When Bees United signed the Exercise Notice for the Altonwood Option on 30 September 2005, £200,000 of the planned £1million loan was advanced to the Club.

Completion of the Acquisition

As I write this report work is continuing on the detailed legal agreements and financial reviews required to complete Bees United's acquisition of the majority shareholdings before the end of January. The Club's current financial position will make this harder to achieve, but we are working tirelessly to find solutions to complex problems. The level of debt will present a tough challenge for many years to come.

Every member of the Trust must be aware that the acquisition and ownership of the football club is a very risky and uncertain business.

The team working on the project with the Board includes Lester Aldridge, providing legal advice, pro-bono company secretarial services by Baker and McKenzie and a huge amount of voluntary assistance from a wide range of individuals.

Community Initiatives

Although the plight of the football club has and still does dominate our agenda, we are still acutely conscious of our remit to build closer links with local communities. The Bees United board have actively supported initiatives by the Club's excellent Football in the Community scheme and the new Griffin Park Learning Zone. We are also continuing to explore the possibilities of partnerships with other organisations to develop multi-sports community hubs in Hounslow borough.

Thank you

Finally I would like to thank the Bees United board, and all our members who have contributed their time, energy and resourcefulness this year and all the other individuals and organisations that have given us advice, encouragement and support. It is a remarkable team effort.

Yet again, I have to say that the year to 31 May 2006 will be a critical one in the history of Brentford Football Club and Bees United. The outcome is still uncertain, but one thing we can be sure of is that Bees United members will be making huge efforts to secure a stable long-term future for the Club.

Brian Burgess
Chairman

16th November 2005

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BRENTFORD FOOTBALL COMMUNITY SOCIETY

We have audited the financial statements of Brentford Football Community Society Limited for the year ended 31 May 2005, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of committee members and auditors

The committee members' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Committee Members' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968 and the Industrial and Provident Societies Act 1965. We also report to you if, in our opinion, the Committee Members' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Chairman's Statement and Society Board Report.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968 and the Industrial and Provident Societies Act 1965.

ALVIS & COMPANY (ACCOUNTANTS) LTD
Milton House
33A Milton Road
Hampton
Middlesex TW12 2LL

17th November 2005

Brentford Football Community Society Ltd

Board Members Report
for the year ended 31 May 2005

The board members are required to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Society and of the income and expenditure of the Society for that period. These statements are required to be audited by independent auditors and copies made available to members.

In preparing those financial statements the board members are required to :-

- select suitable accounting policies and 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 assume that the Society will continue in business.

The board members 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 Friendly and Industrial and Provident Societies Act 1968 and the Industrial and Provident Societies Act 1965. 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 was approved by the board on 16th November 2005 and signed on its behalf by

Bruce Powell
Secretary

Brentford Football Community Society Ltd

Income and Expenditure Account
for the year ended 31 May 2005

	2005		2004	
	£	£	£	£
Income				
<i>Income from members</i>				
Members subscriptions		3460		6355
Lapsed memberships		449		290
Members standing order donations		75452		76844
		<u>79361</u>		<u>83489</u>
<i>Other Income</i>				
Sponsored walk to Hartlepool / Wycombe	7385		7746	
Sponsored ride to Brighton	165		2714	
Matchday collections	13595		13162	
Funwalk / quizzes / auctions	2025		5737	
Stripes evenings	1842		8324	
Collection tins	2560		0	
Donations	23931		16276	
Sponsor a Striker	1554		1488	
Sundry fundraising	2164		5158	
		<u>55221</u>	<u>60605</u>	
Bank interest receivable		110		106
Total Income		<u>134692</u>		<u>144200</u>
Expenditure				
Printing, postage and stationery	5963		7537	
Legal and professional costs	2771		1882	
Subsidy of coaches to Grimsby	0		280	
Fundraising expenses	716		1678	
Promotion and advertising	575		1417	
Travel expenses	1181		0	
Bank charges	52		1	
		<u>11258</u>	<u>12795</u>	
Surplus for the year before taxation		<u>123434</u>		<u>131405</u>
Corporation tax				-5
Retained surplus for year		<u><u>123434</u></u>		<u><u>131410</u></u>

Brentford Football Community Society Ltd

Balance Sheet
at 31 May 2005

	£	2005 £	£	2004 £
Current assets				
Debtors:				
Loan to Brentford Football Club Ltd		417500		350000
Advance to FITC re Sutton Lane project		<u>5000</u>		<u>-</u>
		422500		350000
Cash at Bank :				
Players' fund		5575		
£1m Appeal fund		1095		
General funds		<u>46585</u>		<u>3675</u>
Balance on current account		53255		3675
Stripes account		2650		1211
Loan Capital Fund		<u>4425</u>		<u>4399</u>
		60330		9285
Total assets		482830		359285
Creditors - amounts falling due within one year		91750		91750
Net current assets		391080		267535
Total Assets less Current Liabilities		<u>391080</u>		<u>267535</u>
Capital and Reserves				
Called up share capital		1208		1097
Surplus on Income and Expenditure account		<u>389872</u>		<u>266438</u>
		<u>391080</u>		<u>267535</u>

The accounts were approved by the Board on 16th November 2005 and signed on its behalf by

Brian Burgess
Chairman

Stephen Callen
Finance Director

The notes on page 8 form an integral part of these financial statements.

Brentford Football Community Society Ltd

Notes to the Financial Statements
for the period to 31 May 2005

1. Accounting policies

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

	2005 £	2004 £
2. Debtors		
Secured loan to Brentford FC Ltd	80000	80000
Unsecured loan to Brentford FC Ltd	<u>337500</u>	<u>270000</u>
	417500	350000

The secured loan of £80,000 is secured by means of a registered charge against the freehold title of Griffin Park.

3. Creditors

Bees United Loan Notes	82000	82000
Loans from board members	5250	9250
Loans from former board members	<u>4500</u>	<u>500</u>
	91750	91750

4. Share capital

Allotted, called up and fully paid		
1208 ordinary shares of £1 each (2004 - 1097 shares)	1208	1097

	Full voting members	Junior members	Other members	Total members
At 1 June 2004	1097	67	4	1168
Joined in year	560	5		565
Lapsed memberships	<u>-449</u>		<u>-2</u>	<u>-451</u>
At 31 May 2005	1208	72	2	1282

5. Retained surplus

Balance at start of year	266438	135028
Retained surplus for year	<u>123434</u>	<u>131410</u>
Retained surplus carried forward	<u><u>389872</u></u>	<u><u>266438</u></u>