



Notes on draft accounts of TJF 1876 Ltd t/a The Jags Foundation



Financial year ended 30th September 2023

The Board of The Jags Foundation is pleased to present to its members the draft accounts for the year ended 30th September 2023. Full accounts, conforming to statutory requirements, will be lodged with Companies House after approval at an Annual General Meeting in the summer of 2024.

This exercise continues our commitment to transparency with our members about the money they are helping to raise and how it is spent. We also published the 2021-22 accounts at a similar point last year.

Headline income

The story of financial year-end 30th September 2023 is one in which TJF became a serious and credible fundraising vehicle for the Football Club. Compared with the financial year-end 30th September 2022:

- Total income across membership fees, donations and merchandise more than trebled, **from just under £52k to just over £178k**
- The **membership increased by almost 800**, reaching **1656**
- The **number of members pledging at least £10 per month more than doubled**
- **Overall monthly pledges more than doubled**

2022-23 saw the first full year of TJF selling merchandise to its members, mainly in the form of Thistle Pins but also the Firhill Giclée Prints. **This boosted gross income by over £27k.**

Headline profit

The profit figure for 2022-23 is **just over £22k**. This is slightly smaller than the profit made in 2021-22 (just over £30k). However, comparing these figures is like comparing apples and oranges. TJF's financial contributions to the Football Club drastically increased.

The two consecutive years of profit meant that TJF finished FY-end 2022-23 with **just over £52k** cash in the bank.

Membership income and donations

In order to remain comfortably below the VAT registration threshold, changes were made to TJF's membership rules. Those changes, however, mean that the figures in the accounts for membership income and donations income are not directly comparable in financial years 2021-22 and 2022-23.

Under our current membership rules, full voting membership is open to any Thistle fan over the age of 16 for a minimum contribution of £1 per month (the Basic rate). Therefore, only £1 per month of a member's contributions is classified as membership subscription income. If someone has chosen to contribute at either the Concessionary (£5 per month) or General (£10 per month) rate, the remainder of their payment is classified as a donation for accounting purposes.

Membership growth has occurred across all categories, drastically increasing monthly revenue, as illustrated in the table below:

Membership Type	Early October 2022	Late September 2023
General (£10pm+)	503	1035
Concessionary (£5pm+)	186	250
Basic (£1pm+)	178	238
Junior	N/A	130
Other	8	3
Total	875	1656

The number of donations (i.e. members paying over and above the rate of their membership type) increased from 50 to 262. This was greatly assisted by the “call to arms” in the summer. Monthly pledges are currently in the region of £15kpm, having been slightly under £6.5k at the start of the financial year 2022-23.

Contributions to the Football Club

In the financial year ended 30th September 2022, the only notable direct financial support TJF gave to the Football Club was for advertising hoarding sponsorship, which cost **less than £2k**. In its first year of trading, TJF needed to build a financial buffer and working capital, so that it could function properly as a fundraising vehicle.

In financial year ended 30th September 2023, the equivalent figure, encompassing direct donations and other sponsorship initiatives, is **almost £110k**. This included:

- **£20k donated to the Club in January 2023** to support transfer window activity
- **£50k donated to the Club in June 2023** when the perilous state of the Club's finances were laid bare.
- **£10k donated in each of July, August and September 2023**, as part of our “pledge” to the Club

The remaining **£10k or so** was spread across several initiatives. This included:

- advertising hoarding and programme sponsorship

- John Lambie Stand sponsorship for matchday tickets donated to Jags For Good
- the Jags For Ukraine initiative
- matchday, match Ball and captain's sponsorship at the Dunfermline Athletic Scottish Cup tie in January 2023
- sponsorship and fundraising for PTWFC (including the Hawksworth Pin profits)

We expect that the equivalent figure for 2023-24 will be higher than for 2022-23. This is because "the pledge" will (subject to membership approval at our next AGM) have been in place for that full financial year.

Contributions to other causes

In addition to the Football Club itself, TJF supported community and charitable initiatives in 2022-23. Organisations supported included:

- **Jags For Good** (who work closely with local food banks and other charities)
- **Her Game Too** (who help to make football a safe and welcoming place for women and girls)

The total contributions to these organisations in 2022-23 was **almost £3k**.

Expenditure

Running an effective and growing membership organisation does inevitably mean incurring expenditure. There are recurring monthly and annual costs of operating TJF, which we try to keep as low as possible.

Recurring expenses

The most notable of the recurring items in the 2022-23 accounts are outlet fees of just over £6k. Outlet fees are charged by GoCardless and Stripe, the platforms on which our direct debits and card payments are taken. These costs scale proportionately with pledged income. Since that has trebled, so have the total outlet fees. Any fundraising done through Direct Debits and card payments incur these charges, and these charges remain competitive against the industry standard.

As with last year, we continue to use Beacon as our membership database and subscriptions platform, and Mailchimp to communicate by email with our members. These incur a monthly cost influenced, in part, by the number of members we have. This explains why these costs are slightly higher in 2022-23 than in 2021-22.

Website design and hosting costs are significantly down in 2022-23. This was anticipated last year, as the initial design and set-up costs of a website are much higher than its ongoing hosting costs. However, the 2022-23 figures do include money spent on upgrading the website to include the new TJF shop.

There are other small but recurring costs associated with regulatory compliance, such as our annual registration fee with the Information Commissioner's Office.

Manufacturing, postage and packaging

The accounts note costs associated with the manufacture, postage and packaging of Thistle Pins and other merchandise. After costs, merchandise raised roughly £10kpa profit for TJF.

Specifically on postage costs, it is worth noting that a substantial purchase of 2nd class stamps was made in September 2023 (just over £1.5k) ahead of Royal Mail's October 2023 price hike.

This meant we were (unusually) carrying several months of stamps stock, which we are still working our way through, even in March 2024. We are grateful to our Pins volunteer Joyce Holloway for noticing this opportunity to save TJF money, keeping our costs as lean as possible!

Events

The 2022-23 accounts also show a spend of just over £3.3k on events held for both TJF members and the wider support. The financial year in question included four events, two of which were members events (the AGM and summer BBQ) and two of which were open to all Jags fans (the World Cup Gathering at Munns and the Record Factory Pre-Match Party).

Professional advisory and services

The accounts show legal expenses of just over £12k (compared with just over £4k in the previous year). It is worth stressing that we do not expect legal expenses at this level to recur in a "normal" financial year. There were two main contributing factors to this.

Firstly, TJF covered the cost of the PTFC Trust's trust deed revisions in the summer of 2023. This was the only realistic option to bring the supporters' organisations under one umbrella, as neither the PTFC Trust nor The Jags Trust had either the cash reserves or the revenue-raising capacity to meet those costs on the timescale required.

Secondly, TJF was involved in the initial attempts in early 2023 to bring new working capital into the Football Club (to address the identified shortfall in working capital). Those efforts required the support of legal advisory services. We are extremely grateful to those members who donated privately to support TJF in meeting those (unusual) costs.

Any questions?

The accounts for 2022-23 were prepared by Andrew Holloway, the (then) Treasurer of TJF. He is currently in the process of handing-over responsibility for this role to Derek McLeish. If you would like to ask Andrew and Derek any questions about the draft 2022-23 accounts, please get in touch at treasurer@thejagsfoundation.co.uk.