



## THE JAGS FOUNDATION



### PLEDGE PROPOSALS DOCUMENT – SEASON 2024-25

#### BACKGROUND

Following the financial disclosure exercise that took place at the Football Club in the summer of 2023, TJF made a commitment to make a one-off donation of £50,000 to the Football Club in June 2023. This intervention was a direct response to the Club's operating losses that year, and was only made possible because TJF had accumulated reserve funds in the 2022-23 season. TJF thereafter undertook to make monthly pledges throughout the season. After further discussions, this was set at £10,000 per month, taking effect from July.

The Foundation has also supported the Football Club in the 2023-24 season in the form of advertising hoarding sponsorship, matchday programme sponsorship, and the Arbroath Hospitality Take-Over event. In aggregate, the Club have received roughly £185,000 from TJF in its own financial year ended 31<sup>st</sup> May 2024.

Additionally, from December 2023 onwards (and following a vote of TJF members) we introduced a £2,000 per month pledge to support the Youth Academy at Partick Thistle. This helped to meet the Academy's operating costs while a wider effort was made to ensure its longer-term sustainability.

In the previous two seasons, TJF has also provided more irregular support to the Partick Thistle Women's Team. We have advertising sponsorship at Petershill, have sponsored individual matches and initiatives as well as supported them through Hawksworth Pin sales. There isn't, however, an established "pledge" to PTWFC.

#### OUR INCOME AND CASH RESERVES

At the moment, TJF has in the region of 1670 members, of whom almost 1030 pledge at least £10 per month (the General rate) a further 260 pledge at least £5 per month (the Concessionary rate) and just under 250 pledge at the Basic Rate (£1 per month). The remaining 130 or so are Junior members paying £10 per year.

After supplementary recurring donations are taken into account, members pledge about £14,800 per month. After our operating costs, which include (for example) payment transaction fees, our membership, accounting and email communications software, flyers, regulatory compliance, legal and accounting fees etc, we estimate that TJF's income is in the region of £14,000 per month.

This is supplemented by the sale of Thistle Pins and other merchandise, which typically brings in an extra £800 to £1000 per month (after acquisition and postage costs) depending on how strong sales are.

After fulfilling our commitments to the Club and Youth Academy at the beginning of May 2024, there was £42,681.23 in TJF's bank account. These are strong cash reserves, accumulated on the basis of a set of accounting principles we adopted earlier in the year (to try to maintain at least 3-months of "pledge" in the bank). Any excess has then been able to be used to support other causes in the Thistle and wider community, as well as to host members events/prize draws.

#### PLEDGE 1 – OUR FINANCIAL COMMITMENT TO THE FOOTBALL CLUB

The TJF Board is recommending that our £10,000 commitment made in 2023-24 should be increased to £12,500 in 2024-25. A big part of the Club's own plan to become more sustainable depends on growing fan revenues. Given the increase in membership of TJF since last summer, the increase in pledges overall, and our more robust cash reserves, we think it is now sustainable to increase our regular pledge to £12,500 per month.

If we commit to this, it will significantly improve the Club's prospects of meeting its budgeted commitments for the 2024-25 season, the details of which it has shared with the PTFC Trust trustees (including TJF) as part of the Club-Trust Agreement's budgeting process.

## PLEDGE 2 – OUR FINANCIAL COMMITMENT TO THE YOUTH ACADEMY

The TJF Board is recommending that the £2,000 per month pledge to the Youth Academy, initiated in December 2023, be renewed for the 2024-25 season. Whilst this pledge already has explicit and recent membership approval, we think it would be helpful to provide some additional context for why we think it should continue.

In the 2023-24 season, the Youth Academy's operating costs were met predominantly through grant income, a generous benefactor, and through new sponsorship. The Football Club was not in a position to underwrite the Academy itself given its own financial position was especially precarious prior to the tranche 1 investment.

Work has since been done behind the scenes to develop a more sustainable long-term model for the Youth Academy. It remains organisationally separate from the Football Club, and therefore has its own budget. But this was shared with the PTFC Trust to contextualise the Club's own budgeting commitments for 2024-25.

The model for the Academy in the next few years depends on income from a diverse range of sources. Part of this, on current planning assumptions, includes TJF renewing its £2,000 per month pledge, as well as the Football Club making an ongoing commitment to support the Academy in the event of a shortfall.

It is our view that the Academy should be able to become completely self-sustaining within the next few seasons, and on that basis we think the Club's commitment, as well as renewing the TJF pledge, represent a "good investment". Without TJF's income, the Academy plausibly could still become self-sustaining, but the transition would be more challenging..

## PLEDGE 3 – OUR FINANCIAL COMMITMENT TO PTWFC

The TJF Board is recommending that we standardise our commitment to the Partick Thistle Women's Football Club, by providing £5,000 of financial support (in the form of donation and sponsorship) in the 2024-25 season. This would represent an increase in our typical commitment to them, but would also enable us to forge a more involved partnership with PTWFC and to deliver member benefits in connection with the sponsorship element.

PTWFC have been excellent ambassadors for the Partick Thistle brand in recent seasons, helping us to reach a new audience, drastically over-performing on the park, and inspiring women and girls to seek glory in the red and yellow. We think this pledge for the season, which would be met up-front, would significantly strengthen their planning for 2024-25 and help to consolidate the side as a top-six club with aspirations of even better.

We also want to recognise the strong support that PTWFC have provided for TJF and fan ownership, with several members of the women's side having joined TJF in the past year. We think this is a way that our members can express our collective gratitude and to give back.

## PROJECT 2000 – MEETING AND BEATING THE PLEDGES

We are confident that these pledges can be met as things stand. But if TJF is to do more, and to hold excellent members' events in 2024-25 (like our BBQ, pre-match parties and hospitality events), we will need to continue to grow the membership, pledges and other income to build some more headroom. We want these commitments to be sustainable, not just headline grabbers.

We are working with the Club to find ways to recognise the contribution TJF members make, as well as to expand our membership base up to 2000 members and beyond. You will hopefully hear more about some of these initiatives over the summer and early on in the new season.