Abridged minutes of the meeting of the Board of Wimbledon Football Club Supporters Society Ltd held at The Fans Stadium Kingsmeadow on Monday 13th February 2006 at 7.30 pm

Present:	Tom Adam (TA) David Cox (DC) Ivor Heller (IH) Nigel Higgs (NH) Marc Jones (MJ) Sandy Lawrence (SL) Geraldine Messenbird (GM) John Owen (JO) Erik Samuelson (ES)	**Apologies:**	Steve Butterick (SB) Bert Dale (RD) Chris Philips (CP)
In attendance:	Fazal Ahmad (FA)[1] Mark Davis (MD) Kris Stewart (KS) Simon Wheeler (SW)[1]		

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1. Introduction and Minutes

As agreed at the previous meeting, DC was chairing this meeting. Apologies were reported. MD noted that IH would be arriving late due to other AFCW business.

The minutes of the 08-Jan-06 workshop and 16-Jan-06 meeting were approved. The abridged minutes of the 16-Jan-06 DTB meeting were approved with minor amendments.

2. Matters Arising

DC said that a disproportionate amount of time was spent at DTB meetings discussing matters arising because DTB members failed to report on and/or carry out actions assigned to them. He did not propose to discuss them at the present meeting but wished to discuss what could be done about this and whether any sanctions should apply. The following points were made in discussion:

- DTB members too readily took on actions which they should probably refuse (KS);
- It was difficult to turn down actions which might not otherwise be performed (MJ);
- The outstanding actions should be reviewed and less important actions weeded out (TA);
- DTB members with time-consuming roles might appear to be more culpable in the performance of ad hoc tasks than those members with less demanding roles (JO);
- Attendance at meetings should be looked at, not just record of performing actions (ES);
- There was little apparent threat when there were so few DT members waiting in the wings to join the Board (MJ).

It was agreed that all DTB members would review the outstanding actions allotted to them and report back to MD, including making proposals for any actions which should be deleted (**Action: all**). It was also agreed that MD would review DTB members' attendance record so that TA could speak to DTB members who attended relatively few meetings (**Action: MD, TA**).

3. Ratification of E-mail Decisions[2]

MD reported that four motions had been voted on by e-mail and, having achieved the required level of support, needed ratification at the present meeting. These were as follows:

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1 Present for item 4 only.

2 Secretary's note: this item was discussed after item 4 so as not to delay the guests invited to the meeting.

- “To repay £40,000 to Mr. Khosla forthwith, pending forthcoming transfers from the Dons Trust;”
- “Subject to the procedures of The Co-operative Bank, to authorise David Cox, Geraldine Messenbird, Stephen Butterick, Marc Jones and Chris Philips to sign cheques on behalf of the Society, in addition to Tom Adam, and to revoke the authority of Ron Trayhorn, Ivor Heller and Erik Samuelson to sign cheques on behalf of the Society;”
- “To instruct the Secretary to register with the Financial services Authority the address of the Society as The Fans’ Stadium - Kingsmeadow, Jack Goodchild Way, 422A Kingston Road, Kingston upon Thames, KT1 3PB;” and
- “To approve the process for selection of an additional DT Board nominee to the Board of AFCW PLC as set out in the paper entitled 'Process for selection of additional AFCW NED' and to approve that the selection process described in that paper be undertaken forthwith.”

MD noted that the second of these motions reflected a minor change that had been made to the wording since it was originally circulated. He asked those present to vote for a motion ratifying all four motions. This was duly carried.

MD reported that two further motions had been circulated by e-mail but that insufficient people had voted for them within the stated deadline. Since the motions were not considered controversial, Board members were invited to vote for the motions at the meeting. The motions were:

- “The Board hereby approves the paper entitled 'Dons Trust Board Members Rules of Conduct', resolves to adopt these revised rules with immediate effect and instructs the Secretary to publish the revised rules on the website and to procure that each member of the Board signs and returns to the Secretary as soon as possible a copy of the revised rules;”[3]
- “To approve the paper entitled 'Guidelines for E-mail Votes' and to adopt until further notice the guidelines stated therein for purposes of e-mail voting.”

Both of these motions were passed. GM, SL, MJ, TA, DC and JO voted in favour of the first motion. NH and ES abstained. NH, JO, DC, TA, MJ, SL and GM voted in favour of the second motion. ES abstained as he had not had time to study the document.

4. Spotlight on… Ajax vs. WOPA

FA and SW entered the meeting and were introduced by GM. GM explained that she was looking for a go/no-go decision for this fundraising event from the DTB at this meeting, in accordance with the authorisation process put in place after the Weird & Wonderful Rematch (W&WR).

FA noted that the essence of the proposal was to stage a match between the two masters teams at Kingsmeadow. The event would stand or fall on the quality of the players who agreed to take part and the number of spectators thereby attracted. He proposed to focus at this meeting on the players, timing of the event and to answer DTB members’ questions.

SW reported that there were 15 confirmed Ajax players and 14 so far from Wimbledon. Some WFC players not yet on the list, such as Barton and Fashanu, were expressing interest whereas others, such as Leaburn, were unable to participate due to long-term injury.

GM said the key issue was how to confirm a sufficient number of WFC players of acceptable quality. MJ asked what sort of commitment had been obtained from the players. FA replied that past events had been based on verbal arrangements; however, the practice was now to obtain written commitments, and this would be pursued once a date had been agreed. He added that the players understood that this was not a social occasion to be held at the DT’s expense and that they would undertake duties such as posing for photographs and signing autographs.

[3] Secretary’s note: the purpose of the revised Rules of Conduct is to record certain changes to the way collective responsibility operates, in accordance with the wishes expressed at the 16-Jan-06 DTB meeting. These abridged minutes reflect the revised approach by disclosing how DTB members voted on issues.

NH asked how the assumed attendance numbers and admission prices compared with W&WR. Those present recalled that there had been a crowd of approximately 1,800 – 2,000 for W&WR and that the ticket prices assumed in the business plan were at the same level. SW noted that if a date was agreed early then it would be possible to sell a substantial amount of tickets in advance and remove the uncertainty for potential attendees as to whether they would be able to get a ticket.

GM noted that the event would create marketing opportunities, e.g. with Dutch business, and would generate interest with other Trusts and also (in view of the Ajax players) Arsenal supporters. FA pointed out that there would be interest from Dutch expatriates, and that a Dutch person had been recruited to tap into this community.

NH asked whether any market research had been conducted for the event and whether W&WR was a reasonable gauge of interest in this event. SW said he had spoken to a number of people and that the reaction was positive. FA said that W&WR had not been marketed properly and that this event could attract numbers through appropriate marketing.

DC noted that AFCW's resources were limited and asked whether the team had the ability to run this event on its own. KS said that AFCW was willing to lay on the regular matchday activities; however, AFCW's marketing resources were currently very stretched. SW replied that the team had its own marketing resources, including a Dutch colleague of his who was experienced in event organisation, but would need access to the club's website for publicity.

ES was of the view that this was in principle a less attractive event than W&WR but that the team looked to be of better quality and that there was more time available to prepare for the event. However, he was concerned that there was not yet sufficient strength in depth in the WFC players who had been identified and was doubtful as to whether all players could be relied upon to turn up even if they had given a written commitment. On balance, however, he thought that the event had a good chance of succeeding.

MJ thought that this looked to be a football game of high quality and considered that it would be a distraction to organise events such as a celebrities match in tandem with it.

KS said that the club's Board would need to consider the details of what was proposed and would get back to FA by the end of the week (**Action: KS**). FA pointed out that the risk register which he had raised addressed a number of the points which KS had raised to date.

DC proposed to move to a motion to move forward with the event; however, NH felt there had not yet been adequate discussion.

GM pointed out that this was an event which could not be run by two or three people. She would be looking for buy-in from relevant DTB members such as Communications. DC felt that GM was the link between the DTB and the event and that it was up to GM to bring people in as necessary. Regular reporting would be required as the event developed, with the potential need to take drastic decisions further down the line if, for example, players were not available.

FA turned to the date of the event and said he would need to be able to put a date to Ajax by the end of the week. ES pointed out that the car park would not be manageable on 14th May.

ES asked whether the DT would be committed to pay the Ajax players if the event was cancelled due to WFC players dropping out. SW confirmed that this was the case and represented a commitment of around €7,000. ES had not yet been reassured that there would be a single project manager and had reservations, including the date; however, on balance he was positive.

NH was concerned that the DT was signing up to an event to which players had not yet made a commitment. He was also concerned that a project programme had not been prepared and felt that one should be drawn up even if the date of the event was not yet known. SW pointed out that this was a chicken-and-egg situation because it would not be possible to sign up players until the DT and AFCW committed to the event being held on a given date. ES suggested that the DT should take a view on this recognising the potential to lose €7,000.

DC proposed to move to a motion that the DT was minded to go forward with the event, subject to the club giving its approval. Six voted in favour (DC, JO, TA, MJ, ES, SL, GM) and one against (NH) and the motion was duly carried.

FA and SW left the meeting.

5. AFCW PLC – Chief Executive report

a) KS monthly report

- DC thanked KS for his written report and asked KS whether he had anything he wished to add. KS reported that the first Sunday at Centre Court had been a success.

GM asked how KS judged success of the Centre Court initiative. KS replied that those who had taken part had felt good about it as it brought home that the club was doing something which interested people. It seemed that the location attracted the right sort of audience – for example, he had spoken to people who used to attend Selhurst Park and families whose children's photographs had featured on CFS leaflets.

The Board extended its thanks to those who had taken part on Sunday. KS said he would welcome further people coming forward.

MD noted that KS had responded to the wishlist of information in his report and asked when this would be discussed by the DTB. DC proposed to put forward some written questions on this (**Action: DC**) and asked that this be put on the agenda for the next DTB meeting.

b) Risk register

KS had circulated papers on risk, including a presentation and outline risk register, prior to the meeting. GM noted that the key risk identified was in relation to people, with which she agreed. KS said that he would welcome comments from DTB members on the content, e.g. any thoughts on the key issues raised or any important omissions.

ES noted that some of the risks identified applied equally to the DT and wondered whether the DTB might like to undertake a similar exercise.

MD enquired about the comment that AFCW did not have a sustainable business model. MJ understood this to relate to the risk of burn-out of key people.

DC asked who would be willing to take responsibility for collating and passing on to AFCW the DTB's comments on these papers. However, ES thought the more important task would be for the DTB to note the risks raised and to ask AFCW how it was proposing to tackle them. To this end, GM suggested that this should be put on the DTB agenda again in 3-6 months so as to review progress in the intervening period (**Action: MD**). KS noted that not enough progress had been made so far on addressing the risks; however, it was now a standing item on the AFCW agenda.

DC thought it would be useful to adapt the risk register for the DT's own use and volunteered to do this (**Action: DC**). ES thought he might be able to find a consultant willing to undertake something similar to the AFCW risk assessment exercise and offered to look into this (**Action: ES**).

6. AFCW PLC – other issues

a) Follow-up from 31-Jan AFCW / DTB meeting

Opinion was divided as to how useful the joint meeting had been. ES and DC felt it had not been useful as few DTB members (other than those on the AFCW Board) had attended. SL and KS agreed that this had reduced the value of the meeting but still considered that it had been worthwhile, for instance by introducing the DTB to Iain McNay and Ian Cooke, albeit that no concrete actions had emerged. GM pointed out that the agenda had not been designed with concrete actions in mind but was about relationship building.

Participants noted that a number of useful conclusions had emerged from the meeting:

- That the DTB had issues to resolve within itself (MD);
- That the DTB needed to spend more time on strategic issues (TA);
- That the DTB should be clearer about what it expected from NEDs (TA);
- That ES was stretched too thinly (DC).

MJ noted that the paper prepared by DC and MD on structural options needed to be factored into the thinking and urged that this be considered by the Board as soon as possible. DC pointed out that not everything boiled down to big structural issues – for example, timeliness of reporting did not fall into this category but made a big difference. He asked what people felt were the hard issues to be tackled.

ES replied that answering the question "what is the DTB for?" was a tough question. TA agreed that knowing what it was that the DTB was seeking to achieve was the starting point for any structural discussion. GM considered that the role of the DTB was hard to disentangle from the AFCW PLC Board. The DTB tended to be too tactical in its focus and did not give strong strategic direction to the AFCW Board.

DC noted that this question had been there from the outset – how to create a meaningful role for the DTB. KS replied that the question was often posed about there being too many Boards but noted that this issue pre-dated the formation of the PLC. He also noted that the AFCW Board had not yet been brought into any debate on structural issues.

IH entered the meeting at this point.

ES said that he was encouraged by earlier talk of building relationships between the two Boards. He considered there was a tendency to go straight to structural issues when there were underlying behavioural and relationship issues that ought to be addressed first.

KS noted that he, IH and ES had been the individuals setting AFCW's strategy from the outset, long before the PLC existed. TA felt that all parties' focus had been more on tactics than on strategy. GM considered that the issue was how the 16 people spread across the Boards should work through the issues together. She was happy with strategic thinking coming from AFCW rather than the DT, so long as the DT was happy with the strategy. NH considered that parts of the organisation did have a strategy – the issue was whether the DTB felt it needed to know more of the detail than it actually needed to know.

It was agreed that it would be useful to continue the discussion by inviting Iain McNay and Ian Cooke to join a future DTB meeting to continue the discussion (**Action: TA**).

7. Approval of Commercial Bank Loan

ES had prepared a paper summarising the situation on the bank loan. He now proposed that, after nine months of work, the time had come to decide whether or not to proceed with the bank loan.

DC enquired whether the AFCW PLC Board had considered the loan. ES replied that the AFCW Board had not considered this particular paper but was happy to proceed with the loan. JO asked whether the AFCW Board was unanimous in this view as he understood that some of the AFCW Directors had expressed reservations. NH recalled that he had originally voted against the loan on the AFCW Board but this was at a time when, as a NED, he was exercising his role on behalf of the DTB and before certain issues on which he was now satisfied had now been clarified. However, JO was of the view that there may be other AFCW Directors who were not entirely happy with the loan and wondered what the balance of votes had been on the AFCW Board.

DC asked whether, if AFCW made use of the loan facility to take on a larger amount of borrowings than at present, such incremental borrowings would be subject to DTB approval. ES replied that he envisaged that AFCW would initially borrow £¼m which would be used to pay off Mr. Khosla and that this would progressively be increased back up to the level of £400K currently outstanding from Mr. Khosla[4]. Any borrowing in excess of this would be subject to DTB approval (as would any capital expenditures over a certain amount on which any such borrowings would likely be spent).

JO asked whether the DT was required to guarantee the loan. ES replied that the bank required cross-guarantees between the AFCW companies but had not asked for a DT guarantee.

JO was concerned that, by authorising a £500K facility, the DTB would in effect be authorising AFCW to increase its level of indebtedness. He added that there was a discussion to be had as to who would be responsible for repaying additional debt - whether the DT or AFCW PLC - and that a decision on this was needed prior to taking on new debt. ES pointed out that AFCW was willing to seek DTB approval for any incremental borrowings and that there were in any case provisions in the AFCW Articles of Association requiring shareholder approval of borrowings over a certain amount.

JO felt that there was not adequate information available to DTB members to fully understand, and on a regular basis, the working capital requirements of AFCW PLC. JO went on to highlight that a capital expenditure budget had been set but that AFCW PLC had failed to report against that budget. Without any detailed and regular information on the cash situation of AFCW PLC, and without knowing where the money was going, it felt wrong to JO for AFCW PLC to then request from the DTB to replace the current debt to Mr Khosla with an increased loan facility.

JO pointed out that back in 2003 at the time of the offer for subscription when supporters had bought shares in AFCW PLC, it was indicated that AFCW PLC would try to pay an annual dividend in line with bank or building society rates, but that now there seemed to be little appetite that such a commitment would be honoured. Subsequently, and having received substantial funds from bondholders, the DTB was now considering putting pressure on these bondholders to accept a delayed repayment schedule in order for a bank loan to be obtained. JO pointed out that in August 2005 ES had written to him that ES "didn't think that bond-holders would ever demand a refund if it might cause the DT or club major financial problems but that it would be wrong to put them in a position where they feel constrained from calling in their bonds on the due dates". This was a position that JO fully concurred with but now, six months on, it seemed to JO that ES had completely reversed his position and wanted to know why this was.

JO noted his concern that replacement of the Khosla loan might reduce the impetus behind fundraising. He recalled that there had been an idea of asking Mr. Khosla to reduce the interest rate under the loan but that the emphasis now appeared to have switched from interest savings to establishing a borrowing track record. However, the accounts would show any prospective lender that AFCW had now built up a successful track record in repaying a loan (i.e. the Khosla loan).

ES did not agree that the Khosla loan helped to establish a track record. AFCW had been turned down by a number of lenders in the past, despite its success in reducing the Khosla loan. It had

4 Secretary's note: AFCW has cash balances which would supplement the initial borrowing so as to repay Mr. Khosla. However, AFCW's cash balance declines over the course of the season – hence the need to draw further amounts under the loan.

been suggested to him that banks like to lend money to customers that they know – entering into this loan with the bank could help secure larger borrowings in the future.

Further points made in discussion were that:

- It would need to be settled how fundraising proceeds in excess of scheduled repayments to the bank would be used, e.g. for voluntary prepayments or otherwise (NH);
- The purpose of DT fundraising activities was currently to repay the existing level of indebtedness – what would be the source of repayment of any additional debt (JO)?
- The source of repayment of any additional indebtedness could be agreed as part of the DTB's approval of incremental borrowings (DC);
- It would be useful to have the facility available for an extra £100K of borrowings because of the possibility of acquiring the second lease (ES)
- The bank loan gave greater clarity about the timing of repayments and would give the opportunity to raise with members the issues of fundraising generally (GM) and how excess fundraising proceeds should be used (ES).

Following discussion, ES asked the Board to consider the following motion:

"That the Board approves recommending the proposed £500K[5] commercial bank loan facility to DT members for approval, subject to the conditions that (i) bondholders approve rescheduling repayment of the bonds; (ii) the overall repayment profile of AFCW's indebtedness is acceptable, taking account of such rescheduling; and (iii) any drawdowns (including but not limited to drawdowns which increase the total amount borrowed above the level of £400K currently outstanding from Mr. Khosla) would be subject to prior DTB approval."

Eight DTB members voted for the motion (DC, NH, TA, MJ, IH, ES, SL, GM); one against (JO), with no abstentions, and the motion was duly passed.

ES noted that the validity date of the bank's offer had expired and would need to be renewed. ES would also need to write the motion to be put to members at the SGM (**Action: ES**).

8. DT Corporate Matters

a) Selection of additional NED

DC withdrew from the meeting to allow his candidacy as an AFCW NED to be discussed and voted upon[6]. After a brief discussion those members eligible to vote (i.e. excluding the Executive Directors of AFCW and DC) voted unanimously in favour of putting DC forward as a NED. DC returned to the meeting and was informed of the outcome.

b) Further action for follow-up to 08-Jan workshop

There was not enough time to discuss this item. MD noted that the Quarterly Report (see 8c below) was the most appropriate medium for publicising the outcome of the workshop.

c) Actions required for 30-Mar-05 SGM

MD noted the forthcoming SGM on 30th March and reminded DTB members that draft their contributions to the Quarterly Report were due on 17th February (**Action: all**).

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5 Secretary's note: this was subsequently amended to £600K via an e-mail vote. The discussion, and the resolution, focussed upon the contemplated amounts to be borrowed; however, the facility offer is for £600K.

6 Secretary's note: DC had put his name forward for selection as one of the DTB appointees to the AFCW PLC Board, in accordance with procedures that had been agreed by the Board (see item 3 above).

d) Areas of duplication between AFCW & DT

Due to time constraints, this was not discussed.

9. DT Business Matters

a) Membership

Due to time constraints, this was not discussed.

b) Communications

Due to time constraints, this was not discussed.

c) Submission to Merton re: LDF

TA had circulated a draft statement for the DT to submit to LB Merton's Local Development Framework consultation expressing support for the future development of Club facilities in Merton. TA was in favour of sending a statement before the end of the month. ES noted that the statement would need some tidying up.

DC called for a vote in favour of submitting the statement subject to further tidying up. The Board voted unanimously in favour. (**Action: TA**)

10. Any Other Business

The next meeting would be held on 13th March. DC asked Board members to revert to TA by e-mail as to who they would like to chair the next meeting (**Action: all**).

The meeting closed at around 10.45pm.