

AFCW PLC
Minutes of Board meeting held at 7.30pm
On Wednesday 5th May 2021
(online meeting)

Board Members

Iain McNay (Chair)
Ed Leek
Hannah Kitcher
Jane Lonsdale
Joe Palmer
Nick Robertson
Charlie Talbot
Xavier Wiggins

In attendance

David Charles (Secretary)
Graeme Price (Finance Committee observer)
David Rey (Finance Committee observer)

Introduction and apologies

Mick Buckley sent his apologies in advance of the meeting.

Appointment of New Directors

Hannah Kitcher, Nick Robertson, Charlie Talbot and Xavier Wiggins were unanimously ratified as new AFCW Plc directors

Minutes of the meeting 15 October 2020

- The minutes were confirmed as accurate and approved.
- **CT** queried if the minute regarding formation of an advisory board had been actioned? **JP** confirmed that this had been completed and had resulted in the development board.

Minutes of the meeting 15 December 2020

The minutes were confirmed as accurate and approved.

Matters Arising

There were no matters arising.

Update on Governance review and CEO reporting lines.

IM requested confirmation from DTB that the move from 3 boards (Plc, DTB, FCB) to 2 (Plc, DTB), with the CEO reporting to the Plc board, with DTB Co-chairs acting as CEO line management, is now fully confirmed and operational?

XW reported that this had been unanimously agreed by the DTB. **JL** felt there was more to be done before this was fully agreed pertaining to the articles of association (rule 84.3 and rule 92) and DT Constitution rule 77. **CT** felt that the vote at the DTB was enough to move forward and said that the article changes were required only in the event that the DTB should reduce its representation on

the Plc at any stage. **EL** agreed with **CT**'s recollection. **JL** said there is a need to fully define the DTB/Plc board's roles and responsibilities before things are complete. **CT** agreed to write these up with a potential route being distribution to members in mid-May with financial update. Recognising this as a way forward, **NR** said that in his view this is a long-term solution for success and not just a solution to a short-term financial challenge. All board members expressed agreement. **HK** expressed need for clarity on how many/frequency of meetings for both boards and which require CEO attendance. **JP** expressed a preference that as CEO he should only be reporting once (monthly), to one board and that the Plc could do the reporting to the DTB. He saw the Plc as pitching itself somewhere halfway between the former FCB and DTB, giving oversight but with the SMT leading operational efforts. He requested clarification on when this would formally start. **NR** suggested a rolling twelve-month schedule of monthly meetings be circulated and that we should consider daytime meetings. **CT** agreed with the monthly schedule and said logic would be to meet the week before the DTB so there could be a report out to the DTB. **JL** noted the DTB meeting dates already set and agreed to share those with **IM**. **IM/DC** will circulate Plc dates and **JP** will submit a monthly report to the Plc board from June. Agreed that the DTB would create roles and responsibilities for the boards.

Management Accounts for period to March 2021

- The board received and approved the management accounts.
- **EL** commented that he would be working with the new financial Controller to make some format enhancements from 1 July.

Review of updated Budget for 2021-22

- **EL** introduced the current budget which has been developed with the finance working group with input from **JP**. It has been approved by the DTB.
- **DR** stated that the budget is realistic (COVID excepting) and carries more 'light opportunity' than negative risk. He believes the executive team expect to achieve the budget with the prospect of some upside. **JP** agrees that the balance is 'tipping positive' some targets are strong, but look safe and achievable, with some decent cash upsides from investment. Attendance figure is the biggest risk and therefore a key focus. **EL/GP** noted that the seismic risk to the budget is COVID and the current return to normality gives optimism.

Re-financing Committee report on debt management and required cashflow.

- **DR** confirmed our re-financing target by April 2022. A variety of options were considered with no 'silver bullet' solution. Before going to external lenders, we need a track record within the stadium, a trajectory and good governance to inspire confidence.
- The first initiative is 25-year season tickets which has been developed and approved by the DTB and launched recently. On the tone of the launch strategy, **NR** queried 'is it a call to action like PLB or a nice to have'? Does the fanbase understand the urgency? **XW** agreed positioning is 80/20 benefits/urgency, **JP** noted this is a product with real benefits and **CT**

agreed that tone of communication is around benefits rather than 'bail out'. **EL** agreed with **NR**'s challenge and recalled that the positive message of Seedrs' campaign failed to fully convey our 'need'. **HK** considered too strong a call for action may create resentment from a minority and reopen the debate on private v fan ownership. **NR** felt fans need to know the full financial situation as this is an opportunity for them to 'step up'. **JL** noted sequencing was agreed but another push can come after we give a financial update in mid May. The meeting noted the communications going out which included a quote from **GP**.

- Another initiative is around the remaining equity available on current valuations. **JP/EL** are in active discussions with an international equity investor. An option may be, in return for equity, a title of 'International President'. **NR** asked if any international or esports rights were being granted? **JP** said no. There are other potential interested parties. **JL/CT** reminded the group that going above 25% of equity was unlikely to be passed by the membership. **GP** stated that once we have the business plan agreed then a higher equity valuation would be justified. **NR** suggested that a process was required to handle multiple opportunities. **DR** said the finance committee would finalise the business plan, a pitch deck, some assumed strategic objectives and present to the DTB for approval. **CT** offered assistance on the pitch deck. **NR** offered to lead the offering to potential investors when we understand what's required and what's available. He urged the refinance committee to think 5-10 years as well as April 2022.
- The meeting discussed the information for DT members to ensure they understood the position through transparent communication.
- The meeting reflected on the finance committee status noting it was ongoing and meeting regularly. It would review the business plan and go through next steps on financing options. An investors' pitch deck had been partly drafted.
- It was noted the DTB was reviewing vision, strategy and approach.

Stadium progress and financing

- **JP** confirmed the East wall is now under way. Foundations are being put in place for a 10-metre wall. It should be fully commissioned by the end of September but workable with turnstiles for the start of the season. We are awaiting confirmation from Football Foundation on the grant for the 5 a side pitch so hopefully it will be underway whilst Buckingham are still on site. There are three proposals being assessed for the pub, which will take 6-8 weeks to fit out. Some other snagging work is ongoing.
- **EL** said a stadium financial update will be arranged shortly when some numbers are confirmed.

AOB

- **XW** considered the DTB/Plc need to be more abreast of deadlines on stadium completion so that they can better understand and help. The DTB will suggest a process.

Date of next meeting

Thursday 10 June at 7.30pm

The meeting concluded at 21:35

Signed

I McNay, Chair