

	<b>City Fans United</b> <b>2018 AGM Minutes</b>	
	<b>Meeting date:</b>	<b>27<sup>th</sup> September, 2018</b>
	<b>Location:</b>	<b>Blues Bar, Swansway Chester Stadium</b>
<b>Attendees:</b>	<b>Chair: David Harrington-Wright</b>  <b>Directors:</b>  <p style="text-align: center;"> <b>Jeff Banks</b>  <b>Mike Day</b>  <b>Calvin Hughes</b>  <b>Laurence Kirby</b>  <b>Andrew Morris</b> </p> <b>Independent scrutineer: Mark Jones</b>  <b>Secretary: Marion Needham</b>  <b>72 CFU members present and 40 members registered for the live streaming</b>	
<b>Apologies:</b>	<b>Directors: Mark Jones</b> <b>David Williams</b>  <b>Non executive director: Richard Lynes</b>  <b>2 CFU members</b>	
<b>MINUTES</b>		
<b>18/1</b>	<b><u>Resolution 1 – Adoption of the minutes of the AGM held in 2017</u></b>  Minutes from the previous AGM held on 5 <sup>th</sup> October 2017 were distributed to members with the AGM meeting papers, there were no matters arising.  <b>Resolved that the minutes be approved by 65 proxy votes and the majority in the room.</b>	
<b>18/2</b>	<b><u>Resolution 2(i) and 2(iii) Affirmative vote that Calvin Hughes and Jeff Banks be elected to the board</u></b>  Marion Needham thanked Jim Betts, Guy Lister and Mark Jones (independent scrutineer) from Wrexham Supporters Trust for the work they had undertaken as members of the Election Management Group to ensure that the process had  <p style="text-align: right;"><i>Item 18/2 continued ... ..</i></p>	

	<p><i>Item 18/2 continued ... ..</i></p> <p>complied with the Election Policy. MN also thanked those that had helped with the preparation of the AGM mail shots; she also reminded the meeting that if members had already used a proxy vote that they could not vote again. To be elected to the board the requirement is that candidates must secure the support of more than half of those present at the meeting and those who have expressed their preference by proxy vote.</p> <p>The result was as follows: Calvin Hughes received 87% support of the proxy vote and the majority in the room Jeff Banks received 100% support of the proxy vote and the majority in the room.</p> <p><b>Resolved that both Calvin Hughes and Jeff Banks be elected to the Board. There was no resolution 2(ii) as the candidate Paul Evans had withdrawn his application.</b></p>
<p><b>18/3</b></p>	<p><b><u>Chair's report</u></b></p> <p>David Harrington-Wright presented a report based on a monthly review for the year 1<sup>st</sup> June, 2017 to 31<sup>st</sup> May, 2018:</p> <p><b>June</b> – saw Sam Hughes sold to Leicester City and was testament to the work of Calum McIntyre and his team, DHW expressed the hope that the club would benefit from sell on clauses that would bring more income to the club. The surface of the pitch was improved and the new website was launched with the help of our partners MBNA.</p> <p><b>July</b> – saw the transfer of James Alabi to Tranmere, the start of a long saga which resulted in a tribunal. Pre season began with high hopes and new east stand sponsors Red Insure, also that the Wrexham games would no longer be subject to bubble restrictions.</p> <p><b>August</b> – the Junior Blues were relaunched under the Community Trust and continue to go from strength to strength. Alan Tarbuck was inaugurated as a new Vice President. The youth team started the season in winning ways, a theme that continued throughout the year. The Deva Stadium reached 25 years of age and it was a mixed month for the first team with the first game of the season being called off as Solihull did not have a safety certificate.</p> <p><b>September</b> – after a poor run of form, Jon McCarthy was released from the club and Tom Shaw stepped into the acting manager role during the search for a new manager. After interviews Marcus Bignot was appointed, he had some great ideas and with an understanding that the budget was already spent.</p> <p><b>October</b> – the first team had mixed results in the league and there was a negative impact of being out of cups, but the youth team kept winning.</p> <p><b>November</b> – a poor month for the first team but the youth team kept winning, there were some developments on the commercial front, but generally a quiet month on and off the pitch.</p> <p><b>December</b> – the start of the month saw the images of the newly refurbished home dressing room published and thanks to John Needham for providing a top quality environment for the playing squad. The academy scholars moved into their own classroom, which was a step forward for the club and the programme. Another</p> <p style="text-align: right;"><i>Item 18/3 continued ... ..</i></p>

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classroom is now needed as the scheme expands. Bad weather saw a massive effort from the fans to clear snow to enable a match to be played.

**January** – a new year with lots of hope, the first team started with poor results but the youth team kept winning. The board shared with members the stark news that the club was in severe financial difficulties; the background to this position has been well documented and due to the amazing efforts of lots of people the club survived, so thanks to all involved. Some changes followed at board level with some old faces returning.

**February 2018** – the money £22.5k was received following the tribunal case relating to the transfer of James Alabi. There was another mixed month of form for the first team; commercially there was an approach from Stagecoach regarding the use of the car park for a depot but ultimately nothing materialised.

**March 2018** – the working groups set up started to put actions together and implement them following the January news; most of these groups continue to be active – but more help is still needed. Two of the recently co-opted directors left the board which has resulted in an increased work load for board members. Marcus Bignot asked the board if his contract would be extended beyond the season and was advised that it would not.

**April 2018** – Marcus Bignot left the club and Calum McIntyre stepped up for the final three games and did a great job in spite of relegation already being confirmed. From a football perspective the first team had not been brilliant but the scholars and academy lads won just about everything – 5 trophies in one season is something to savour. The ladies team continue to go from strength to strength and continue to be supported by funding from MBNA. We celebrate our success and need to get behind all of our teams.

**May 2018** – an announcement was made of the donation by Stuart Murphy, this followed a major piece of work being undertaken by Laurence Kirby and Richard Lynes as part of the due diligence process – thanks to both of them. Bern (Bernard Morley) and Jonno (Anthony Johnson) were appointed as joint managers and the results of their efforts are now being seen. Tom Crawford left for Notts County, a great move for him and he scored on his debut.

**In conclusion** - whilst this completes the review of the year, it would be remiss not to reflect on the rough times, but the foundations are there to get the club to the level it belongs with a sound financial structure to back it. All the recommendations in the review undertaken by RL were accepted by the board and have been implemented. The lack of CFU members wanting to stand for the board is something of a disappointment as fresh impetus and fresh ideas are needed, with the board being down to 7 in number there is a lot of work to be done and help will be needed either on a regular basis or with specific projects. This help is needed both on a day to day basis and on match days. The part played by our volunteers – our unsung heroes cannot be emphasised enough, and we need volunteers for the nice jobs and the less pleasant jobs – litter picking post match. So a round of applause for our volunteers.

Whilst a separate entity it is important to remember the work of the Community Trust which goes from strength to strength and Stuart Murphy is in talks with them to look at ways he can support them financially; this will be in addition to the £1m donation he has already promised the club.

18/4

**Financial report – accounts 2017/2018**

Laurence Kirby referred to the fact that he had spoken to members a number of times during the year, most notably on 25<sup>th</sup> January and 8<sup>th</sup> March and everyone is well aware of the crisis point reached in the middle of the financial year. The response to this was a remarkable effort from members and the wider fan base which ensured the survival of the club. More than £100k was raised in a little over six weeks – an unbelievable amount in such a short time. This achievement kept the club going but a background of poor performance on the pitch and early exits from cup competitions meant that the pay at the gate income and commercial revenue were below budgeted levels. On the positive front Tom Crawford and James Jones progressed into the first team and attracted attention from numerous football league clubs.

**The accounts** – LK referred to the statement of income of the accounts and the detailed statement that had been distributed, these documents show a total income for the year of £1.14m which after direct cost of sales has been deducted give a gross profit of £1,041k. Income details as follows:

- Match day income £136k
- Season tickets £186k
- Central funding, TV and prize money £113k
- Transfer fees £92.5k
- Commercial £159k
- Retail (catering and club shop) £60k
- Fundraising, donations and lottery £139k
- CFU membership £21k (a significant increase over previous years)

Other income contains reimbursements from our landlord.

On the spend side, the biggest cost is staff at more than 65% of the total budget, the playing squad amounted to £473k which was more than the original budget of £450k; match costs were £145k and this includes kits, stewarding, away travel, player's food, physiotherapy and medical services. Other than that there are the usual rent, rates, heat and light. Stadium and pitch maintenance constitute most of the repairs and maintenance spend together with the usual office costs. The club supports the youth section to the tune of £10k with the overall youth budget being more than £46k of which £36k is raised by income from the scholars programme and by the youth section itself. Depreciation is the final main item and amounts to £17k. Overall there is a loss after tax of £45k but we are very fortunate to receive a non repayable loan of £20k from a sponsor which covers part of this loss and results in a net loss of £25k

The balance sheet shows fixed assets at a net book value of £52k with the main movement being the build of the classroom for the scholars' programme and refurbishment of the kiosks where the costs were shared with Dougherty & Allen. Net current assets are now £83k reflecting a positive liquidity and cash flow position which means the club is able to meet all its liabilities as they become due. These figures total £135k and give the member's value in the business of £135k.

There was not sufficient reserve in excess of the special reserve to meet the loss for the year, but as a result of the massive fundraising efforts it has been possible to

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	<p><i>Item 18/4 continued ... ..</i></p> <p>maintain £95k in the special reserve and it will be a priority to restore the special reserve to £100k in the current year.</p> <p><b>Budget 2018-2019</b> an income budget of £1.05m has been set, but not fully committed until there is confidence that the gate and commercial forecasts will materialise. No income has been budgeted from progress in cup competitions, however the income received from the transfer of James Jones and Jordan Archer has been added to the playing budget. All areas of income have been examined and each area owned by a director.</p> <p><b>In conclusion</b> – LK said that although the year has been a very difficult challenge tight internal controls operate across all areas of the business. All creditors are paid on time and all external and internal reporting deadlines are met. LK expressed his thanks to Haidee McHugh for her professionalism and commitment and similarly to Barbara Rogers who is a volunteer in the finance team; two people that the society are indebted to for their work.</p> <p><b>Resolved that the unaudited financial statements for the year ended 31<sup>st</sup> May 2018 be approved by 65 proxy votes and a majority in the room. These will now be submitted to the Financial Conduct Authority.</b></p>
<p><b>18/5</b></p>	<p><b><u>Resolution 4 Arrangements for the financial statements for the year ending 31<sup>st</sup> May 2019</u></b></p> <p>LK put the motion to the members that the Society continues with the arrangement to undertake an independent examination of the accounts in place of a full audit in accordance with rule 89 of the constitution.</p> <p><b>Resolved that an independent examination of the accounts in place of a full audit for the year ending 31<sup>st</sup> May 2019 in accordance with rule 89 of the constitution be approved by 67 proxy votes and a majority in the room.</b></p>
<p><b>18/6</b></p>	<p><b><u>Resolution 5 Re-appoint Hargreaves &amp; Wood as Independent Chartered Accountants</u></b></p> <p>LK put this motion to members.</p> <p><b>Resolved that Hargreaves &amp; Woods be reappointed by 64 proxy votes and a majority in the room.</b></p>

The meeting closed at 9.30pm

Minutes agreed as a true record of the AGM held on .....

Signed .....

Signed .....