

## WYCOMBE WANDERERS FOOTBALL CLUB P. L. C.

PURSUANT TO NOTICE GIVEN THE SECOND ANNUAL GENERAL MEETING OF WYCOMBE WANDERERS FOOTBALL CLUB P. L. C. WAS HELD AT ADAMS PARK, HIGH WYCOMBE ON 8<sup>TH</sup> FEBRUARY 2007 AT 8-00PM WITH MR I. L. BEEKS IN THE CHAIR.

### PRESENT

Mr I. L. Beeks (Chairman), Mr S. E. Hayes (Managing Director), Mr B. L. Kane (Director), Mr I. P. Mather (Founders Trust Director), Mr K. Blagbrough (Supporters Trust Director), Mr K. J. Allen (Company Secretary) and twenty-six (26) Shareholders present, with apologies received from thirty-one (31) Shareholders.

### THE CHAIRMAN'S WELCOME TO THE MEETING

The Chairman welcomed the Shareholders to the 2006 Annual General Meeting of the Company and thanked them for their attendance despite the extremely poor weather conditions.

The Chairman proceeded to refer Shareholders to the notice convening the meeting, which had been in Shareholders' hands for the statutory period and with their permission took the notice as read.

The Chairman then read out the total number of Proxy Votes received by the stipulated time, adding that the Proxy Votes held in his favour together with the votes of Mr S. E. Hayes and Mr B. L. Kane totalled more than 75% of the share capital. Therefore if any resolution at the meeting were defeated by a show of hands, he would be demanding that a Poll be held.

The Chairman then asked The Company Secretary if any apologies for absence had been received, with The Company Secretary stating that there had been thirty-one (31) apologies received.

### MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

The Chairman then proposed that, "the Minutes from the previous Annual General Meeting, being the 2005 and second Annual general Meeting of the Company, be received and signed."

This proposition was seconded by Mr K. Blagbrough and passed unanimously.

The Chairman then declared the proposition carried.

## **TO RECEIVE AND ADOPT THE CHAIRMAN'S REPORT AND THE REPORT OF THE DIRECTORS**

The Chairman referred Shareholders to pages 2, 3, 4 and 5 of the accounts, which had been previously circulated, bring the attention of Shareholders to The Chairman's Report and that of the Directors, which with the permission of Shareholders was taken as read.

## **AUDITORS REPORT AND THE ADOPTION OF ACCOUNTS**

Before The Chairman moved the adoption of the accounts, he informed Shareholders that a number of written questions had been received, to which answers had been prepared.

He announced his intention to read both the questions and answers, but that he would not take further questions on the replies, further clarification if required could be given at a question and answer session in the near future.

**Q1 Have any additional guarantees been given to the Auditors to avoid the need to qualify the accounts in any way? SUPPORTERS TRUST.**

A1 The Chairman replied: "The Auditors requested two documents concerning the on going trading of the Club. The first was an email from the bank, Lloyds TSB, confirming that there was no reason why the overdraft facility would not be renewed for another twelve months after its expiry in October 2006. The second was a letter from Mr S. E. Hayes confirming he would not seek repayment of his loan before 30<sup>th</sup> June 2007 and that he would continue to support the Club financially so that it could continue trading for a period of not less than one year. In order to add further clarity to the above, the Directors have an agreement not to seek repayment of the loans above and beyond what was formally requested from the Auditors."

**Q2 What arrangements, if any, are in place to ensure that the ongoing negative cash flow at the PLC would be funded in the event that Mr Stephen Hayes is unable through incapacity or death to fund the ongoing deficit? SUPPORTERS TRUST.**

A2 Mr Stephen Hayes replied: "I have made personal arrangements to ensure that in the event of my death there will be no early repayment of the existing loans that I have made to the Club. I have also made arrangements that in the event of my death the Club will have access to further funding until an alternative source of finance can be found. I should emphasise that the Officers of the Club are conducting a careful review of all the Club's expenditure with a view to minimising negative cash flow in the future."

**Q3 Does the PLC have key man insurance on the life of Mr Stephen Hayes, if so at what level of cover? SUPPORTERS TRUST.**

A3 The Chairman replied: "No, this is not deemed necessary given the provisions outlined in the previous question."

**Q4 What is the average home attendance needed for the Club to break even given its cost base? SUPPORTERS TRUST.**

A4 Mr Brian Kane replied: "Home gates are not the whole answer to the break even question, league gate receipts, including executive boxes, accounted for only 22% of the income in 2005/06. Increases clearly need to be made to all the key income streams – not only gate receipts but also commercial activities, conference and banqueting etc – whilst controlling costs. The investment has been made in the cost base to exploit these revenue streams, which in turn will help us reach break even. Historically we have never been a club dependant purely on gate receipts."

**Q5. The club seems to be some way off achieving the previously advised time frame for reaching a break-even point and for becoming debt free. Why is this and specifically what areas of the club are over budget in expenditure terms, what are under budget in income terms and what measures are being implemented to rectify this position and over what time frame does the club now expect to reach break even and become debt free? FOUNDERS TRUST.**

A5 Mr Stephen Hayes replied: "The original floatation plan changed with me buying a stake in the Club and joining the Board. The funds allowed the Club to prepare in both a faster time frame and a more business-like manner the infrastructure both on and off the field. This has meant that as and when on-the-pitch success is achieved the Club will be capable of meeting increased gates, bigger demands and operating in a professional manner without suffering growing pain disruptions. If the overall ambitions and goals for the Club are not being met, either by on the pitch results or other factors such as improvements in revenues etc as a result of the investment programs, then the Directors will take necessary actions at the appropriate time to focus the Club on the original break even profitability goal. The Board feel that the Club is 4 years from reaching the Championship goal and will endeavour to reach break even by that time."

"In terms of the performance of different areas this year, then the football side has clearly been the most successful due to the outstanding success in the Carling Cup. All other areas are operating to budget, with the exception of a disappointing return from the Sales & Marketing department. The lack of a Commercial Manager for a year,

whilst we found a suitable replacement, has clearly had a big impact and it is taking longer to reverse this than expected.”

“Moving on to the Club being debt-free, one of the reasons why the balance sheet looks so weak is that the share structure of the Club is very inflexible. Because the Company is a public company, even though there is no market in its shares, it is governed by the City Code on Takeovers and Mergers which (with some exceptions) prevents a person from obtaining a share stake of more than 29.9% without making a takeover bid for the entire Club. Additionally of course we have in our Articles a restriction on any one person owning more than 25% of the ordinary shares of the Company. I would be willing to convert a substantial part of my loans into equity, but this cannot be done without re-registering the company as a private limited company and effecting a reorganisation of the Club's capital structure. I shall be discussing various options with the major stakeholders in the Club (including the supporters' representative bodies) and would hope to be able to bring new proposals to the members later in the year.”

**Q6. We seem to have a disproportionately high number of back room staff related to the playing side compared to other clubs at our level and indeed compared to clubs at a higher level. Does the club feel that this is appropriate and are there plans to cut our cloth accordingly? FOUNDERS TRUST**

A6 The Chairman replied: “The aim is to be in the Championship in 4 years. It is key that we are able to attract and develop young talent especially as the Club prefers not to spend money on players. This development requires a necessary level of infrastructure, which the Club has duly invested in. The result is what the Board believes is a high quality football set-up comparable to what we believe are the needs of a Championship club, who will be able to nurture young talent. Whilst not a specific goal, development of young players through our community and youth development programmes and our ability to nurture and grow young talent not recognised or appreciated by other club's less well structured backroom teams can provide additional sources of revenues. Over the past 13 months the Club has raised almost a million pounds from the sale of players that clearly helps cash flow, reduces losses, and provides funds for further team-building and investment.”

**Q7 The club has a seemingly high number of administrative staff compared to other football clubs, even those playing in the championship, which must have an adverse impact on the clubs financial position. What measures are being taken to address this balance and to either significantly increase income levels or to control costs of administration staff? FOUNDERS TRUST.**

A7 Mr Brian Kane replied: "It is difficult to compare different football clubs as many factors dictate the level of administration staff – for example we have an in-house food and beverage function, and have extra staffing to cope with the demands of hosting a professional rugby club. We have also invested in staff to match the ambition of the longer-term plan – which is to get into the Championship and being able to survive and flourish once there. Revenues take time to develop and the cost base needs to be in place before that can happen."

The Chairman concluded the question and answer session on the accounts by stressing that if there were any further questions, unrelated to answers already given, the Company Head of Finance and the Accountants would endeavour to answer them, within seven days.

The Chairman then proposed that, "the report of the Directors and the audited accounts for the year ended 30<sup>th</sup> June 2006 be received and adopted and the recommendation of the Directors that no dividend be declared in respect of the year be approved."

This proposition was seconded by Mr B. L. Kane and passed unanimously.

The Chairman declared the proposition carried.

**TO RE-ELECT AS A DIRECTOR MR IVOR BEEKS, WHO WAS RETIRING BY ROTATION**

The Chairman handed over to Mr B. L. Kane to conduct item four (4) on the agenda.

Mr Kane proposed that Mr I. L. Beeks, who was retiring by rotation, be re-elected as a Director.

The resolution was seconded by Mr S. E. Hayes and on a show of hands the motion received thirty-four (34) votes in favour and none (0) against, with proxy votes received being fifty-three (53) votes in favour and one (1) against.

Mr Kane declared the resolution carried and handed the Chair back to The Chairman, who thanked Shareholders for their continued support.

**TO RE-APPOINT HW CHARTERED ACCOUNTANTS AS AUDITORS TO HOLD OFFICE TO THE CONCLUSION OF THE NEXT GENERAL MEETING AT WHICH THE ACCOUNTS ARE LAID BEFORE THE COMPANY AND TO AUTHORISE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman proposed that HW Chartered Accountants be appointed as Auditors of the Company, following their appointment during the year to fill a casual vacancy and for their remuneration to be determined by the Directors.

The resolution was seconded by Mr I. P. Mather and carried unanimously.

The Chairman declared the resolution carried and that HW Chartered Accountants were appointed Auditors for the year ending 30<sup>th</sup> June 2007. This concluded the business of the meeting; The Chairman thanked Shareholders for their attendance and wished them a safe journey home in the appalling weather conditions. He went on to remind Shareholders that the 2007 Annual General Meeting would be held in December 2007 on a date to be notified.

**Signed as a true and complete record**

**Mr I. L. Beeks  
CHAIRMAN**

**Thursday 6<sup>th</sup> December 2007**