

Dons Trust Board (DTB)

Minutes of board meeting held at 7.30pm on 20 May, 2020
Meeting was held virtually and recorded via Microsoft Teams

DTB members

Mark Davis (Chair)
Tim Hillyer
Anna Kingsley
Hannah Kitcher
Edward Leek
Jane Lonsdale
Luke Mackenzie
Graham Stacey
Anne Williams

In attendance

David Growns (Secretary)
Joe Palmer (Club CEO)
Tom Rawcliffe (Club FM)
Conor Daly (Minutes)
Alastair Brown (Observer)

Introduction and apologies

Alistair Brown was introduced as a potential co-optee. There were no apologies.

PART 1 – WITH FCB REPRESENTATIVES

FCB Report and Management Accounts

Joe presented the FCB report and a detailed update regarding the club's move from Kingsmeadow to Plough Lane (PL). Relevant highlights were:

- Completion is scheduled for 25th October
- Temporary office space will be available from next week although initially will not be used
- Decisions have to be taken regarding carpets, door colours, seat colours etc
- The club is awaiting clearance from the Football Stadium Improvement Fund regarding safe standing; Ann Ramage of SGS has drafted a letter to FSIF to recommend rail seating; club should know the outcome in ten days
- New pitch will be completed by the end of July with a decision to be taken on expanding it from 104x66 to 106x68
- Operational p'way with 22 policy documents to be drafted for the Safety Advisory Group; half have already been sent to relevant review bodies, feedback has been forthcoming with two approved
- One large development will be if the club initially begins playing behind closed doors. There is a meeting on 21st May to discuss

- Two pub licence applications have been made, the club has received comments back from the Police and the Council ahead of a call later this week to review and finalise the application
- An EFL Board meeting was held earlier today, expecting e-mail with electronic voting options on how to conclude the season
- There have been several bilateral discussions and there is an overwhelming majority view to cancel with the retention of play-offs and remaining places to be decided on a points per game measure; meaning that the club would remain in League One
- The view that it would likely be more costly to play than to hibernate through the disruption is broadly shared throughout the league, there is a view that retaining relegation and promotion is important
- Latest start date for the 2020/21 season is touted as mid-September meaning that players would return for pre-season at the end of July or beginning of August
- Tom added that the club was awaiting further government announcements on the national furlough scheme in respect of the club's playing staff
- Edward asked whether players' contracts would remain unchanged and Joe confirmed that there would be no changes, with those out of contract free to leave at the end of June

Joe went on to discuss budget scenarios and planning that Jane had heard as part of discussions at the recent FCB meeting:

- The quantum of the playing budget and the underlying assumptions were discussed
- The club will review the situation in July when more information is available
- One of the benefits of any additional delay to the start of the season is that there will be more time to confirm the squad and complete planning
- There is no clarity from the EFL on this subject

Tom proceeded to provide a financial update, the critical points of which were:

- Following the digital communication on waiving refunds on STs, the club has only received 26 refund requests; this figure may increase when written communication is delivered to other ST holders
- It is important that the club launches the debenture scheme and new commercial scheme, it is vital that fans understand that the best way to support the club is to buy a debenture, like they would buy their ST, and to continue to buy merchandise
- It is understood that the club cannot keep asking for supporters for unusual donations

- There is a need to make a strong push on merchandise; Tom is particularly optimistic on the supporters' response to the new home shirt
- Players are still furloughed and is likely that this will remain until July

Joe concluded by adding further detail on the handover of Kingsmeadow to Chelsea:

- Relocation is virtually complete
- The club has been in dialogue with Chelsea over the last month and has scheduled a walkthrough in the final week prior to the handover
- A new temporary office is available at PL and the club is awaiting news on the availability of a unit at Centre Court to use from mid-June
- A number of large 40ft containers will be filled and stored at PL until the stadium is ready to be opened
- The relocation is proceeding well and there are no issues with the expected departure schedule

Questions and comments were invited and during a lengthy discussion, the key points that were raised were:

- Mark asked about the current state of the management accounts. Tom confirmed that losses are largest in the final two months of the season so expecting to end close to budget with a £1m loss, albeit cashflow is £850k on operating side
- Tim asked for an update on the loss associated with the burst pipe. Tom confirmed that a report from Severn Trent was pending.
- Mark reiterated the importance of a continued focus on cashflows every month
- Luke asked regarding the possibility of reclaiming VAT on unused STs. Tom confirmed that this would be possible if the club refunds ST holders.

There followed an extensive and detailed discussion on Furlough, Budgeting for next season and cash flows.

Stadium

- Mark confirmed that Nick Robertson had stated his intent for £2.5m and a subscription agreement was being reviewed, following the board telephone discussion on his offer. It was noted (in response to questions by Jane and Graham, that there were no specific requirements made by Nick. Mark noted the need to seek formal

ratification of the planned sequence of events: this would be via an AFCW plc EGM with 25 days notice; the DTB has approval to issue shares

- Mark went on to outline that there would be work required to navigate the complicated sequencing of communications
- Edward confirmed that the draft agreement was with Nick

The DTB unanimously voted to approve signing documentation with Nick and to sign the JCT. Graham and Jane stipulated that if Nick's contract came back with 'strings attached' the DTB would revisit it.

Engagement & Communications

Mark relayed details of a call between Joe, Mike Dunn, Graham Stacey and him to discuss the sequencing and tone of upcoming communications. This needed to include messages covering:

1. On Friday, communications on the conclusion of the season
 2. Nick investing and the status of the loan
- Joe agreed with this before Mark praised the recent communications on the ST refund highlighting a positive social media response

London Living Wage

Tom presented on a recent paper that he had produced:

- It was clear that the cost of instituting the London Living Wage would be £225k pre-pensions and employer NI contributions.
- Jane pointed out that, whilst adherence was a material cost, the rate was set based on the cost of living and considered that the club had a moral obligation to pay employees according to this standard
- Mark concluded by saying that if ever there was a year to keep options open and ever a year that members would understand, it was this year.

Joe and Tom left the meeting

PART 2 – DTB ONLY

DTB Minutes

- David confirmed that he had now received the February, March and April minutes, which have been issued to the DTB and there was nothing to bring to the DTB's attention. Jane apologised that she had yet to review them.

The DTB unanimously voted to approve the minutes subject to Jane reviewing them

- Mark asked for the DTB to return comments on the February and March minutes by Saturday

Actions: Jane to review April minutes. DTB to provide comments on February and March minutes by Saturday.

There followed another extensive and detailed discussion on Furlough, Budgeting for next season and cash flows

Any other business (AOB)

Mark invited AOB items from the group:

- Mark acknowledged a generous £25k bequest from Don Porteous, a fan who had died a year ago
- Mark highlighted that he wanted to talk to Tim to discuss the next steps with WISH
- Mark explained that following the departure from Kingsmeadow, Chelsea will hold our postal deliveries and David Charles will collect this periodically but wanted the DTB to note that accessing the building would no longer be as easy as it once was
- Mark added that the DTB had, so far, received one application for Treasurer (from a Qualified Accountant) and one enquiry regarding the Assistant Treasurer role
- Tim volunteered that he had access to a database of professionals, some of whom had been made available for pro bono work that may be useful for filling the Treasurer role
- Luke noted that on the recent rail seating survey, 498 respondents reported that they would attend more games if the system was approved for the full south stand
- Hannah asked regarding having a meeting with members. Tuesday 9th June was mooted as a potential date which would allow

time to give adequate notice; Hannah commented favourably on the potential to use Zoom

- Mark asked Alistair for his thoughts on the meeting. Alistair felt that the DTB had not been given enough time to be fully acquainted with materials relating to the FCB report and financial update having only received the paper earlier in the day; this had led to the unsatisfactory end of some conversations. Alistair regretted that the level of detail in the discussion meant that he felt he could not contribute more
- Mark acknowledged that the financial update had been circulated previously but that it did not get the attention that it needed; Alistair believed that it should be worked through line by line alongside a dashboard to track performance against

Actions: None

The meeting concluded at 10.37.

A handwritten signature in black ink, appearing to read 'Mark Davis'. The signature is fluid and cursive, with the first name 'Mark' and the last name 'Davis' clearly distinguishable.

Signed on behalf of the DT Board