

AFCW PLC
Minutes of Board meeting held at 7.30pm
On Thursday 11th June 2020
(online meeting)

Board Members

Iain McNay (Chair)
Mick Buckley
Mark Davis
Anna Kingsley
Ed Leek
Joe Palmer

In attendance

David Charles (Company Secretary)
David Gowns (DT Secretary)
Graeme Price (Observer))
Tom Rawcliffe (Financial Controller)

Introduction and apologies

- Apologies received from Jane Lonsdale

Minutes of the meeting 6th May 2020

- The minutes were approved.

Matters Arising

- None. Noted some items on the agenda were for update, recognising that plc board was to represent the views of all shareholders (not just DT shareholders).

Management Accounts

- TR summarised the management accounts
 - Under 3% season ticket refunds up to deadline of 5 June
 - Furlough revenue not taken into account (April). May and June yet to be claimed. Furlough goes into cash surplus and into cash flow for next seasons. Furlough scheme is applicable for part-months (eg July). Furlough of players is until preseason training starts
 - Projected full year loss for 19/20 could be £750k-£800k (primarily due to sale of Leo Castledine and delays in implementing ramp up costs)
 - Capital budget is subsidising next season having done better this season. Suggested (at end of June when final position was known) add another line to subsidise 20-21 season to present it fully.
 - Commercial budget missed but does well against gross margin.
 - Nothing received from FansBet. The FCB are chasing (solicitors letter is next step) and there is no action yet required on the part of the Dons Trust in relation to its own arrangements with FansBet.
 - Sales are dependent on the new ticketing system which is due to be ready mid/end July

Budget, Cashflow and Staffing update 2020/21

- JP introduced the staffing strategy, budget and cashflow
 - Internal budget based on worst case scenario of not playing in front of crowds for whole season gives playing budget of £X.Xm and depends on reducing staffing budget to £XXXX
 - EFL consultation with league clubs with proposal of league 1 player salary cap of £2.5m under discussion
 - Situation incredibly fluid: latest is a move to get 30% fan capacity in stadiums before Christmas; makes it difficult to plan
 - Each month the decision on redundancies is delayed costs £XXXX
 - 4 cashflow options had been discussed. Wider landscape is changing daily and making it very difficult to plan
 - Cost of interest payments for loan (if confirmed) would be £XXXXk
 - Increased volunteering could be beneficial (need to check HR position).
 - Approach is still to sell debentures then season tickets
 - Budget will be re-based each quarter
 - It is assumed Financial Fair Play rules will be different this year
 - It is assumed the transfer window will remain open until Christmas, so supplementing the budget later in the light of developments being better than we assume can go into the playing budget.

Stadium Progress and Stadium Financing

- JP updated on stadium progress
 - Fast progress being made, blockwork installed
 - Pitch seeding early next week
 - Club staff now working from temporary office at stadium
- MD introduced the paper on equity financing:
 - Will know next Wednesday on outcome of loan application
 - Loan to be drawn down as last tranche of capital from September
 - Other options included speaking to another lender
 - Repayable 18 months from then.
 - In case of refusal, we have the ability to raise up to a further £2.1m of equity without dropping below the 75% votes; we also have the ability to instruct out parts of the development

Governance Review

- To make governance of club more fit for purpose
- MD summarised current status of his governance review paper to the DTB – what is the right governance model for our current circumstances (the main focus of the paper); how should the constitution of the DT be changed.
 - The Imperial College report will be finalised shortly and circulated
 - A further discussion paper is being produced to stimulate debate

Recruitment of Management Team for new stadium

- JP explained that of the three positions we were looking for, we will recruit a groundsman. There will be no further recruitment without more clarity on potential League restart. A facilities management contract is an alternative to a stadium manager.

Progress on Debentures

Consultation to fans goes out tomorrow (12/6)

- - Seating plan being loaded into Ticketing system
 - Expecting to begin sales of debentures in 5 weeks

PLC EGM

- MD described the procedures for the EGM at 10:00 on 29/6 at KM
 - 2 people must be physically in attendance with others available by conference call
 - Most questions have been answered already in other fora but David Charles will feed through any questions that arrive to MD.

AOB

- None

Date of next meeting

Thursday 13th August at 7.30pm.

The meeting concluded at 22.00.