

THE COUNTY GROUND STADIUM CUSTODIANS LIMITED (the “Company”)

Minutes of a meeting of the board of directors held via
Microsoft Teams on 8th November 2024 at 09:30hrs

Present:

Neil Hutchings (NH) (in the chair)
Clem Morfuni (CM)
Anthony Hall (AH)
Robert Carter (RC)
Chris Howell (CH)
Steve Mytton (SM)

Apologies:

Jeremy Webb (JW)

1. Preliminary

- 1.1. A quorum being present, the Chair declared the meeting open.
- 1.2. The agenda for the meeting had been circulated in advance and all directors confirmed receipt.

2. Matters Arising from 25th September 2024 Board Meeting

- 2.1 The Trust and the OSC to consult with their members regarding the forced relocation of season ticket holders and production of a Supporter Displacement Policy. Action ongoing. Trust and OSC appointing lead members ahead of comms to supporters. **Action: NH**
- 2.2 AH provided a list of suggested activities for the next Business Plan. Action complete.
- 2.3 Corporation Tax payment of £2,717.95 scheduled to be paid by 1st March 2025. **Action: NH/AH**
- 2.4 It was agreed that a JV press release should be developed regarding the appointment of the architect and the expected timeline for the project. This had not been actioned following the delay of the appointment of the architects by the Club. Meeting was planned the following week with David Anderson and Peter Lawson to agree roles and progress. **Action: AH**
- 2.5 Holding email sent to the legal representative of the Goddard Estate who had made contact regarding the CG covenant. Action complete.
- 2.6 AH committed to provide confirmation from the contractors what structural/repair works had been undertaken as part of the project together with their associated costs. Update provided that no structural/repair works had been undertaken. Action complete.

Company No. 13792068

- 2.7 CM reiterated his concern over the weight and installation process of the statue. SM confirmed that this had been taken into consideration. Action complete.
- 2.8 A communications strategy for Statue Park was discussed. SM produced publicity material in preparation for the launch. Action complete.
- 2.9 It was agreed that the development of Statue Park into the larger Fanzone originally considered should form part of the masterplan process. AH to discuss with the architect one appointed – carried forward. **Action: AH**

3. DRS Architect Feasibility Report

- 3.1 AH advised the meeting that the survey drawings had not yet been received and that the architect was not yet in post.
- 3.2 AH/CM will meet with David Anderson and Peter Lawson in the following week to agree roles and to review initial development concepts for the DRS.
- 3.3 It was AH's view that a planning application would still be submitted in late January/early February 2025.
- 3.4 AH committed to provide feedback to the JV directors after the meeting referred to in paragraph 3.2. **Action: AH**

4. Statue Park Development

- 4.1 SM provided an update on Status Park and the delivery/installation of the DR statue.
- 4.2 NH confirmed that the costs of delivering, offloading and installing the statue would be paid by the Trust.
- 4.3 It was discussed whether the lights fitted in the statue base were angled. SM to follow up with Valley View and confirm. **Action: SM**
- 4.4 AH confirmed that the Club would extend its insurance to cover the statue once it had been installed. **Action: AH**
- 4.5 CCTV coverage of Statue Park was discussed. It was suggested that an additional camera should be installed as part of the Club's system to cover the area. AH confirmed that he would arrange a quote to undertake the work. NH stated that subject to the cost, it was likely that the Trust would pay for its installation. **Action: AH/NH**
- 4.6 It was noted that the statue would be delivered w/c 18th November 2024 ready for the launch event immediately before the Morecombe game on the Saturday. AH/SM to work on comms with Henry Port ahead of the unveiling. **Action: SM/AH**

5. JV Administration and Management

5.1 NH commented that the process being followed to make payment from the JV was taking too long. Approvals were routinely timing out resulting in the process having to be restarted. After some discussion AH agreed that the Club would load future payments for the Trust to approve. **Action: AH**

5.2 NH noted that the Directors and Officers insurance had expired. AH to obtain renewal quotes and circulate them around the JV directors for review. **Action: AH**

6. Business Plan 24/25

6.1 NH tabled a draft of the 24/25 Business Plan for review and discussion. It was noted that the Club had suggested amendments the previous day which had been incorporated in the latest draft.

6.2 Following discussion, it was resolved unanimously to support the draft of the Business Plan tabled (as per Appendix A).

6.3 NH advised that in accordance with the Joint Venture Agreement and the rules of the Trust, the draft requires the support of the Trust membership. A Business Plan pack will be produced and submitted to the Trust membership for their approval (*post meeting note*: final pack attached at Appendix B). **Action: NH**

6.4 Whilst the membership vote takes place, AH will provide invoices for works already undertaken in preparation for payment should the vote be successful. **Action: AH**

8. Any Other Business

8.1 CM advised the meeting that the Club wished to enter into a sublease for the mobile telephone mast installed on the corner of the DRS. In accordance with the Joint Venture Agreement, approval is required from the Joint Venture as landlord.

8.2 Although all directors present supported the sublease, NH noted that Trust membership approval may also be required. It was agreed that NH/CH would confirm after the meeting (*post meeting note*: approval by Trust membership is required and would be included in the Business Plan vote). **Action: NH/CH**

9. Close of meeting

9.1 There being no further business, the Chair declared the meeting closed.

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Chairman

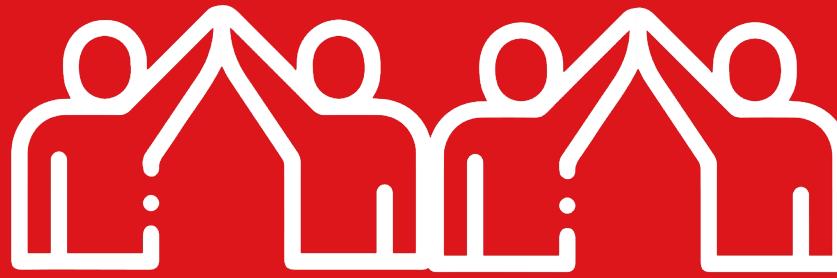
Appendix A: Draft Business Plan 24/25

12 month period - June 2024 to May 2025

Surplus carried forward	£ 57,616.27	<hr/>
	£ 57,616.27	
Rental Income	£ 100,000.00	<hr/>
	£ 100,000.00	
Repayment of loans	£ 5,524.90	
Accountants	£ 2,900.00	
Company secretarial	£ 2,000.00	
Bank and admin fees	£ 550.00	
Director Liability Insurance	£ 750.00	
Admin support	£ 1,200.00	
Corporation Tax	£ 2,717.95	
Contingency	£ 5,000.00	<hr/>
	£ 20,642.85	
Value available for "improvements"	£ 136,973.42	<hr/>
Proposed works:		
Completion of repairs to Arkells roof (phase 3)	£ 50,000.00	
Structural testing of floodlight towers	£ 5,000.00	
Lightning protection on floodlight towers	£ 9,025.00	
Upgrade to fire doors in Arkells and DRS	£ 23,466.42	
Arkells roof repairs - phase 2	£ 14,382.00	
Installation of fire shutters	£ 11,600.00	
Structural surveys	£ 11,150.00	
Stadium surveys (Brunel) for development	£ 12,350.00	<hr/>
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Appendix B: Business Plan Pack 24/25



THE COUNTY GROUND STADIUM
CUSTODIANS
CLUB & SUPPORTERS WORKING TOGETHER

BUSINESS PLAN

1 JUNE 2024 – 31 MAY 2025

INTRODUCTION

Dear Shareholders,

Welcome to the second business plan of the County Ground Stadium Custodians joint venture company (the “JV”).

This document sets out the activities undertaken through the last business plan and provides an update on the current financial status of the JV. Proposals for this new business plan are shown together with details of a new sublease which the Club would like to enter into.

When the stadium was acquired, the intent was that a business plan would be produced in advance ready for each year ahead. Shareholders will recall that the first business plan covered a shortened period to get the JV up and running, with a second part-year plan to follow.

Since then, the JV has been investigating the most tax-efficient method of utilising the rental income received (which has taken longer than we initially anticipated). The JV has also changed its financial reporting year to align with the football season. As a result, the previous business plan covered the period April 2023 to May 2024 and the new business plan covers the period from June 2024 to May 2025.

In accordance with the Lease and Joint Venture Agreement, the Club (as tenant) is responsible for stadium repairs, whilst the JV (as landlord) uses the rental income to address longer term dilapidations/improvements.



Any future stadium development will be led and funded by the Club, with the JV providing approval and oversight in accordance with the various legal documents entered into at the time of the acquisition.

That process of stadium development is now underway and we look forward to seeing the first of the architects designs in the months ahead.

In the meantime, we hope that you find the information in this document of interest and ask for your support in approving its adoption and implementation.

With best wishes,

The County Ground Stadium Custodians Board

BOARD STRUCTURE

The Joint Venture ('JV') is called **THE COUNTY GROUND STADIUM CUSTODIANS LTD**

We have a true 50:50 split with no majority owner or golden share.

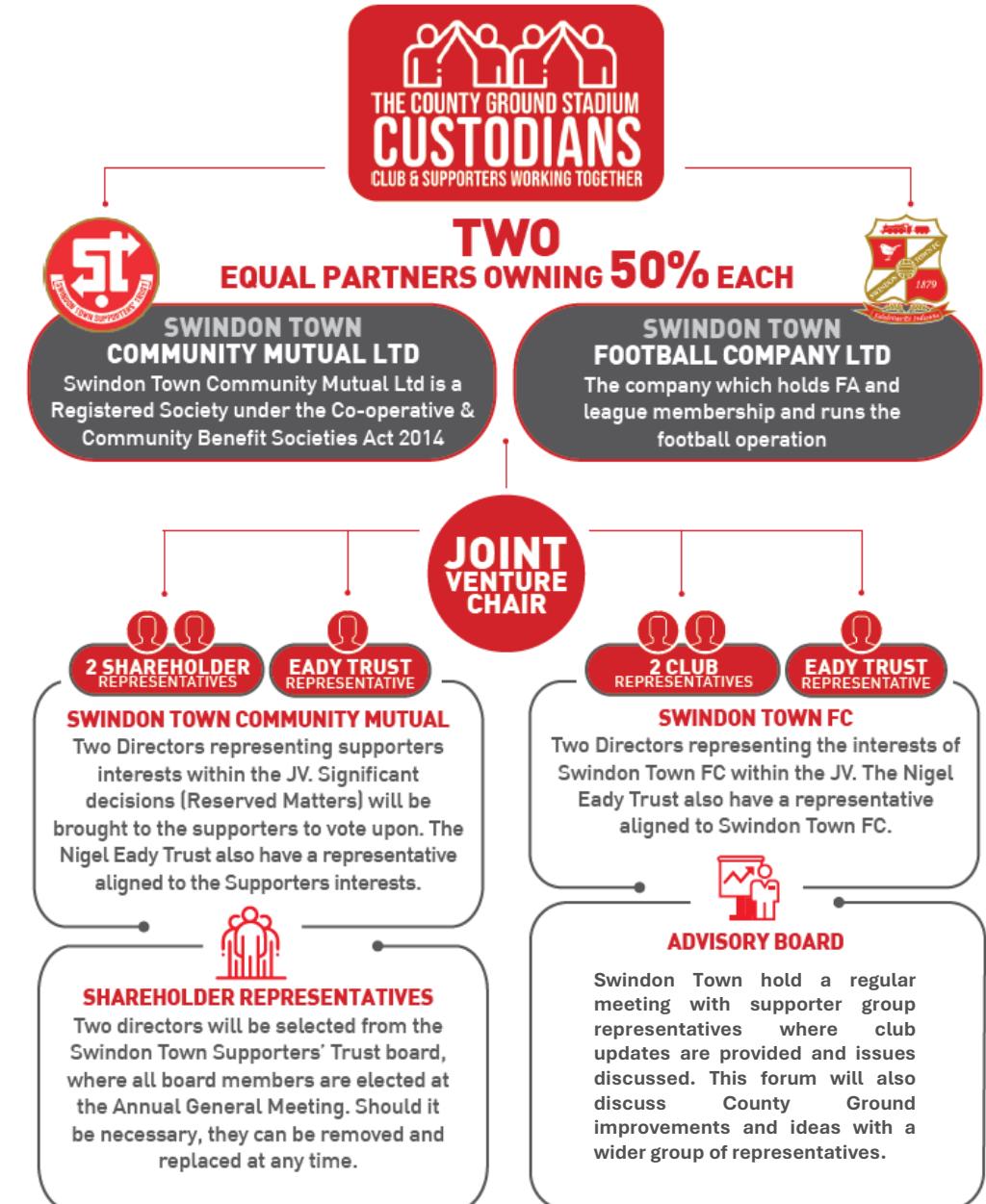
The JV Board has six directors, who are currently:

- Anthony Hall and Clem Morfuni representing the Club
- Chris Howell and Neil Hutchings representing Trust STFC
- Rob Carter and Jez Webb from the Nigel Eady Trust

The JV Chair (who has no casting vote) is currently held by Neil Hutchings until March 2025, at which point it will rotate back to a Club representative.

Should the JV ever reach 'Deadlock' on a significant issue, where the two equal (50/50) shareholders disagree and can't move forward until the decision is resolved, then the matter may be referred for mediation, and where mediation fails to find a solution, the issue could then be referred to an independent arbitrator who will decide on a resolution.

Note: the arbitrator cannot rule on any proposal to sell the County Ground.



PREVIOUS BUSINESS PLAN

From the point of acquiring the stadium, STFC have been paying rent to the JV rather than Swindon Borough Council. As part of this process, the first three months of rent were maintained at the previous levels before the new reduced rent commenced under the new lease.

Through the 14-month business plan period, £141k of rental income was received which represents the full amount due to the JV in accordance with the lease. At the time of writing, monthly rent continues to be received on time at the start of each month.

Outgoings have typically belonged to one of three categories:

- Stadium improvements
- One-off costs
- JV admin costs

Directors of the JV receive no compensation for their time, nor claim expenses or other costs.

A surplus (un-spent income) in the period resulted from a delay in committing to further improvement work until the tax position of such work was understood. This surplus will be carried forward into the new business plan.

(all values excl. VAT)

14 month period - April 2023 to May 2024

Rental Income	£ 141,052.00
Loans in	£ 1,824.90
	£ 142,876.90
Safety repairs to Arkells roof	£ 29,444.92
Fire Safety Audit	£ 1,950.00
Fire Rating of Kiosks	£ 1,880.00
Ansul Fire protection	£ 1,972.00
Fire alarm upgrades	£ 444.17
Mitre Safety Report and test	£ 3,620.00
Emergency Lighting upgrades	£ 7,356.00
Generator critical repair	£ 1,365.90
Safety repairs to the Don Rogers roof	£ 2,345.00
Annual structural inspection report	£ 8,425.00
Visual inspection/tighten of Don Rogers roof)	£ 6,919.35
Replace tower advertising boards	£ 124.93
	£ 65,847.27
Accountants	£ 3,650.00
Company secretarial	£ 2,881.81
Tax advice	£ 1,875.00
Bank and admin fees	£ 711.63
Director Liability Insurance	£ 660.00
Corporation Tax	£ 9,634.92
	£ 19,413.36
Period surplus	£ 57,616.27

PROPOSED SPEND FOR 2024/2025

Rental income for the period will be £100k. Combined with the surplus from the previous period, a total of £158k is available.

Running costs of the JV company are projected at £16k. This includes a Corporation Tax payment due in March 2025 for the previous financial year.

A contingency of £5k has been allowed for to cover any overspend on listed items (either running costs or works) subject to the approval of the JV Board.

In terms of proposed improvements, there are a number of key areas. The first is the completion of repairs to the Arkells Stand roof. The first stage of these works were undertaken under the previous business plan, with the final two phases planned for the current period.

The floodlight towers require assessment of their structural integrity, together with improvements to their lightning protection systems.

A number of fire related activities are required to address the poor condition of doors and shutters across the stadium.

Finally, an allowance has been made for surveys and drawings to support the ongoing development of the stadium.

Note: All figures quoted are exclusive of VAT.

12 month period - June 2024 to May 2025

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MOBILE PHONE MAST SUBLEASE

For many years, a mobile phone mast has been operating on the corner of the Don Rogers Stand and Stratton Bank. Antennas have been mounted high up on the stand with a small building containing the comms equipment located on the ground.

The current sublease between the Club and the mast operator has ended and both parties wish to renew the relationship. In accordance with the Joint Venture Agreement, this requires the consent of the Trust (not to be unreasonably delayed or withheld). In addition, under Trust rules, this also requires the consent of the members.

Whilst the commercial terms of the sublease are confidential, we can confirm it includes a “lift and shift” provision. This means that if the masts or the building prevented future development of the stadium, the Club could force the relocation of the equipment at its own cost.

The sublease will be between the Club and the mast operator (as it has previously) with all income being paid to the Club. The only involvement of the JV and the Trust is to consent, as landlord and shareholders respectively, to the Club entering into the sublease.

Directors of the JV Board and the Trust Board support the proposed new sublease, recognising the additional revenue it generates for the day-to-day operation of the Club.

